

## 1 SANTA FE COUNTY, NEW MEXICO

2 RESOLUTION NO. 1999-56

3 AUTHORIZING THE ISSUANCE AND SALE OF SANTA FE COUNTY, NEW  
4 MEXICO GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE  
5 SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED  
6 \$10,000,000 (THE "BONDS") FOR THE PURPOSES OF REFUNDING ALL OR  
7 A PORTION OF THE COUNTY'S OUTSTANDING GENERAL OBLIGATION  
8 BONDS, SERIES MAY, 1991, THE COUNTY'S OUTSTANDING GENERAL  
9 OBLIGATION BONDS, SERIES MARCH 1, 1992, THE COUNTY'S GENERAL  
10 OBLIGATION BONDS, SERIES JUNE 1, 1992; AND THE COUNTY'S  
11 GENERAL OBLIGATION BONDS, SERIES MARCH 1, 1993 PROVIDING FOR  
12 PAYMENT OF THE BONDS FROM THE PROPERTY TAXES PLEDGED  
13 THEREFOR; PROVIDING FOR THE FORM, EXECUTION AND OTHER  
14 DETAILS CONCERNING THE BONDS, THE FUNDS APPERTAINING  
15 THERETO, AND FOR A SUPPLEMENTAL RESOLUTION OF THE COUNTY  
16 ESTABLISHING CERTAIN DETAILS OF THE BONDS; PROVIDING FOR THE  
17 PAYMENT OF THE COSTS OF ISSUANCE OF THE BONDS; APPROVING  
18 DISCLOSURE AND OTHER DOCUMENTS RELATING TO THE BONDS; AND  
19 RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

20 Capitalized terms used in the following preambles have the same meaning as defined in  
21 Section 1 of this Bond Resolution unless the context requires otherwise.

22 **WHEREAS**, the County is a legally and regularly created, established, organized and  
23 existing county under the general laws of the State of New Mexico; and

24 **WHEREAS**, the County is authorized by the Act, to issue general obligation bonds for the  
25 purposes of providing funds, together with other funds of the County, to refund all or a portion of  
26 any outstanding general obligation bonds of the County; and

27 **WHEREAS**, the County may lawfully pledge, the Property Tax Revenues to the payment  
28 of the Bonds; and

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1           **WHEREAS**, the Board has determined and hereby determines that it is in the best interests  
2 of the County and its residents that the Bonds be issued to provide funds to refund the Refunded  
3 Bonds; and

4           **WHEREAS**, the Bonds shall be issued pursuant to the Act; and

5           **WHEREAS**, the Purchaser has offered to purchase the Bonds and the purchase price and  
6 other details of the Bonds will be established in a Sale Resolution to be adopted by the County  
7 pursuant to this Resolution; and

8           **WHEREAS**, all required authorizations, consents or approvals of any state, governmental  
9 body, agency or authority, in connection with the authorization, execution and delivery of the Bonds  
10 which are required to have been obtained by the date hereof have been obtained, and which will be  
11 required to be obtained prior to the date of issuance of the Bonds, will have been obtained by such  
12 date; and

13           **NOW, THEREFORE**, BE IT RESOLVED BY THE COUNTY COMMISSION OF THE  
14 COUNTY OF SANTA FE, NEW MEXICO:

15           **Section 1. Definitions.** As used in this Bond Resolution, the following terms shall, for all  
16 purposes, have the meanings herein specified, unless the context clearly requires otherwise (such  
17 meanings to be equally applicable to both the singular and the plural forms of the terms defined):

18           “*Act*” means, collectively, the Public Securities Act, Section 6-14-1 through 6-14-12 NMSA  
19 1978 and Sections 4-49-1 through 4-49-21, NMSA, 1978.

20           “*Beneficial Owner*” shall mean those entities from time to time for whose account the  
21 Participants hold Bonds.

22           “*Board*” means the Board of County Commissioners of Santa Fe County, New Mexico or  
23 any future successor governing body of the County.

24           “*Bond*” or “*Bonds*” means “Santa Fe County, New Mexico General Obligation Refunding  
25 Bonds issued in one or more series” in the aggregate principal amount not to exceed \$10,000,000.

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1            ***“Bond Resolution”*** or ***“Resolution”*** means this County Resolution as amended or  
2 supplemented from time to time.

3            ***“Bondholder,” “Holder”*** or ***“Owner”*** means the registered owner of any Bond as shown on  
4 the registration books of the County for the Bonds, from time to time, maintained by the Registrar.  
5 Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean  
6 the Holders at the particular time of a majority or of the specified percentage or proportion in  
7 aggregate principal amount of all Bonds then Outstanding.

8            ***“Business Day”*** means a day on which commercial banks in the city in which the principal  
9 office of the Paying Agent and Registrar is located are open for the conduct of substantially all of  
10 their business operations.

11           ***“Chairman,” “Chair,”*** or ***“Chairman of the Board,”*** means the duly elected Chairman of  
12 the Board or the Vice Chairman of the Board acting in the absence of the Chairman.

13           ***“Code”*** means the Internal Revenue Code of 1986, as amended, the federal income tax  
14 regulations of the United States Treasury Department (whether proposed, temporary or final) and  
15 any amendments of, or successor provisions to, the foregoing and any official rulings,  
16 announcements, notices, procedures and judicial determinations regarding any of the foregoing, all  
17 as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code in this  
18 Bond Resolution means that section of the Code and such applicable regulations, rulings,  
19 announcements, notices, procedures and determinations pertinent to that section.

20           ***“County”*** means Santa Fe County, New Mexico.

21           ***“Property Tax Revenues”*** means the revenues derived from property taxes imposed on all  
22 taxable real property within the County subject to property tax without limitation as to rate or  
23 amount.

24           ***“County Clerk”*** or ***“Clerk”*** means the duly elected Clerk of the County or a duly appointed  
25 deputy County Clerk acting in the absence of the Clerk.

1           ***“Interest and Sinking Fund”*** means the “Santa Fe County, New Mexico General Obligation  
2 Refunding Bonds, Series 1999A Interest and Sinking Fund” created in Section 15 of this Bond  
3 Resolution.

4           ***“Escrow”*** means noncallable direct obligations of the United States to be purchased with the  
5 proceeds of the Bonds to be held in an irrevocable escrow by the Escrow Agent to be used solely for  
6 the payment of the principal of, interest on and premium, if any, of the Refunded Bonds.

7           ***“Escrow Agent”*** means the person or entity designated as such in the Escrow Agreement.

8           ***“Escrow Agreement”*** means the Escrow Agreement between the County and the Escrow  
9 Agent.

10           ***“Event of Default”*** means any of the events stated in Section 18 of this Bond Resolution.

11           ***“Expenses”*** means the reasonable and necessary fees, commissions, costs and expenses  
12 incurred by the County with respect to the issuance of the Bonds, including but not limited to the  
13 fees, commissions, costs and expenses paid to or to be paid by the County directly or to the Paying  
14 Agent, Registrar, financial advisor, issuer’s sales representative, rating agencies, financial printers,  
15 bond counsel and other attorneys’ fees.

16           ***“Fiscal Year”*** means the period commencing on July 1 in each calendar year and ending on  
17 the last day of June of the next succeeding calendar year, or any other twelve-month period which  
18 any appropriate authority may hereafter establish for the County as its fiscal year.

19  
20           ***“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove”*** and ***“hereafter”*** refer to the  
21 entire Bond Resolution and not solely to the particular section or paragraph of this Bond Resolution  
22 in which such word is used.

23           ***“Independent Accountant”*** means any certified public accountant, or firm of such  
24 accountants, duly licensed to practice and practicing as such under the laws of the State of New  
25 Mexico, appointed and paid by the County who (a) is, in fact, independent and not under the

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1 domination of the County, (b) does not have any substantial interest, direct or indirect, with the  
2 County, and (c) is not connected with the County as an officer or employee of the County, but who  
3 may be regularly retained to make annual or similar audits of the books or records of the County.

4 ***“Insured Bank”*** means a bank or savings and loan association insured by an agency of the  
5 United States.

6 ***“Interest Payment Date”*** means a particular day of each month to be established in the Sale  
7 Resolution for payment of interest on the Bonds.

8 ***“NMSA 1978”*** means the New Mexico Statutes Annotated, 1978 Compilation, as amended  
9 and supplemented.

10 ***“Official Statement”*** means the final disclosure document relating to the issuance and sale  
11 of the Bonds.

12 ***“Outstanding”*** when used in reference to bonds means, on any particular date, the aggregate  
13 of all Bonds delivered under this Bond Resolution except:

14 A. those canceled at or prior to such date or delivered or acquired by the County  
15 at or prior to such date for cancellation;

16 B. those otherwise deemed to be paid in accordance with Section 10 or  
17 Section 26 of this Bond Resolution;

18 C. those in lieu of or in exchange or substitution for which other Bonds shall  
19 have been delivered, unless proof satisfactory to the County and the Paying Agent is presented that  
20 any Bond for which a new Bond was issued or exchanged is held by a bona fide holder in due  
21 course; and

22 D. those Bonds which have been refunded in accordance with this Bond  
23 Resolution or other Resolution of the County authorizing the issuance of the applicable bonds.

24 ***“Participants”*** shall mean those broker-dealers, banks and other financial institutions from  
25 time to time for which DTC holds Bonds as Securities Depository.

1           ***"Paying Agent"*** means, initially the County Treasurer or an entity designated in the Sale  
2 Resolution as agent for the County for the payment of the Bonds or any successor to the County  
3 Treasurer which shall be a trust company, national or state banking association or financial  
4 institution at the time appointed Paying Agent by resolution of the Board.

5           ***"Purchaser"*** means U.S. Bancorp Piper Jaffray Inc., or such other entity or entities named  
6 in a Sale Resolution, to whom the Bonds will be originally sold in accordance with the Sale  
7 Resolution.

8           ***"Rebate Fund"*** means the "Santa Fe County, New Mexico General Obligation Refunding  
9 Bonds, Series 1999A Rebate Fund" established pursuant to Section 15 of this Bond Resolution.

10           ***"Refunded Bonds"*** means all or a portion of the Series May 1, 1991 Bonds, the Series March  
11 1, 1992 Bonds, the Series June 1, 1992 Bonds and the Series March 1, 1993 Bonds, in such principal  
12 amount and maturing in the years as set forth in the Sale Resolution.

13           ***"Registrar"*** means, initially, the County Treasurer or an entity designated in the Sale  
14 Resolution as agent for the County for transfer and exchange of the Bonds or any successor to the  
15 County Treasurer which shall be a trust company, national or state banking association or financial  
16 institution at the time appointed by resolution of the Board.

17           ***"Sale Resolution"*** means one or more resolutions supplementing this Bond Resolution by  
18 setting out certain terms and provisions of the Bonds to be adopted by the Board subsequent to the  
19 date hereof.

20           ***"Securities Depository"*** shall mean the Depository Trust Company, 711 Stewart Avenue,  
21 Garden City, New York 11530, Fax (516) 227-4039 or 4190 ("DTC"); Midwest Securities Trust  
22 Company, Capital Structures-Call Notification, 440 South La Sable Street, Chicago, Illinois 50504,  
23 Fax (312) 663-2343; Pacific Securities Depository Trust Company, Pacific and Company, P.O. Box  
24 7041, San Francisco, California 94120, Fax (415) 393-4128; Philadelphia; Depository Trust  
25 Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103,

1 Attention: Bond Department, Fax (215) 496-5058; or, in accordance with the then current guidelines  
2 of the Securities and Exchange Commission, to other addresses and/or other such securities  
3 depositories, or to any other such depositories as the County may designate in writing.

4 ***“Series May 1, 1991 Bonds”*** means the Santa Fe County, New Mexico General Obligation  
5 Bonds, Series May 1, 1991 issued in the aggregate principal amount of \$1,500,000, issued and dated  
6 May 1, 1991.

7 ***“Series March 1, 1992 Bonds”*** means the Santa Fe County, New Mexico General Obligation  
8 Bonds, Series March 1, 1992, issued in the aggregate principal amount of \$1,750,000, dated March  
9 1, 1992 and issued March 18, 1992.

10 ***“Series June 1, 1992 Bonds”*** means the Santa Fe County, General Obligation Bonds, Series  
11 June 1, 1992, issued in the aggregate principal amount of \$4,500,000, dated June 1, 1992, and issued  
12 June 8, 1992.

13 ***“Series March 1, 1993 Bonds”*** means the Santa Fe County, New Mexico, General  
14 Obligation Bonds, Series March 1, 1993, issued in the aggregate principal amount of \$3,500,000,  
15 dated March 1, 1993, and issued March 18, 1993.

16 ***“State”*** means the State of New Mexico.

17 **Section 2. Ratification.** All action heretofore taken (not inconsistent with the provisions of  
18 this Bond Resolution) by the Board directed toward the issuance of the Bonds to refund the  
19 Refunded Bonds, and the sale of the Bonds to the Purchaser be, and the same hereby is, ratified,  
20 approved and confirmed.

21 **Section 3. Authorization of the refunding of the Refunded Bonds.** The refunding of the  
22 Refunded Bonds by the establishment of the Escrow is hereby authorized and ordered at a total cost  
23 not to exceed \$10,000,000, excluding, any such cost defrayed or to be defrayed by any source other  
24 than Bond proceeds.

1           **Section 4. Findings.** The Board hereby declares that it has considered all relevant  
2 information and data and hereby makes the following findings:

3           A.       The refunding of the Refunded Bonds is needed to meet the future needs of  
4 the County and its inhabitants.

5           B.       Moneys available for the refunding of the Refunded Bonds from all sources  
6 other than the issuance of the Bonds are not sufficient to defray the cost of refunding the Refunded  
7 Bonds.

8           C.       The Property Tax Revenues may lawfully be pledged to secure the payment  
9 and redemption of the Bonds.

10          D.       It is economically feasible and in the best interest of the County to refund and  
11 defease the Refunded Bonds by issuing the Bonds in the aggregate principal amount not to exceed  
12 \$10,000,000, a portion of the proceeds of which will be used to purchase United States Government  
13 noncallable direct obligations to be placed in Escrow in an irrevocable trust secured to pay the  
14 principal of, premium, if any, and interest on the Refunded Bonds in accordance with the Escrow  
15 Agreement as defined herein.

16          E.       The issuance of the Bonds pursuant to the Act, to provide funds for the  
17 refunding of the Refunded Bonds is necessary and in the interest of the future public health, safety,  
18 morals and welfare of the residents of the County.

19          F.       The exact principal amount of the Bonds, the interest rate and sale price of  
20 the Bonds will be established in the Sale Resolution, but in no event shall the net effective interest  
21 rate on the Bonds exceed ten (10%) percent per annum as required by Section 6-14-3, NMSA 1978.

22           **Section 5. The Bonds - Authorization and Detail.**

23          A.       Authorization. This Bond Resolution has been adopted by the affirmative  
24 vote of a majority of the members of the Board. For the purpose of protecting the public health,  
25 conserving the property, protecting the general welfare and prosperity of the citizens of the County,

1 and refunding the Refunded Bonds, it is hereby declared necessary that the County, pursuant to the  
2 Act, issue its negotiable, fully registered, general obligation refunding bonds to be designated Santa  
3 Fe County, New Mexico General Obligation Refunding Bonds, in one or more series, in an  
4 aggregate principal amount not to exceed \$10,000,000 (the "Bonds") and the issuance, sale and  
5 delivery of the Bonds is hereby authorized. The Bonds shall be sold at a negotiated sale to the  
6 Purchaser.

7 B. Details of the Bonds.

8 (1) The form, terms, and provisions of the Bonds, as set forth in  
9 Section 13, are hereby approved with only such changes therein as are not inconsistent with this  
10 Bond Resolution and the Sale Resolution.

11 (2) The Bonds shall be negotiable instruments but shall be issued only as  
12 fully registered bonds, in denominations of \$5,000 or any integral multiple thereof, in such numbers  
13 and denominations as may be requested by the Purchaser, but exchangeable for other fully registered  
14 Bonds. The Bonds shall be numbered separately and consecutively and shall be dated as of a date  
15 to be established in the Sale Resolution. The Bonds shall bear interest from their date payable on  
16 the dates to be established in the Sale Resolution, commencing on the date established in the Sale  
17 Resolution until maturity at the rate of interest to be established in the Sale Resolution. The exact  
18 principal amount, authorized denominations, transfer restrictions, if any, and maturity schedule for  
19 the Bonds shall be established in the Sale Resolution.

20 **Section 6. Prior Redemption.**

21 A. Redemption, Date and Price. The Bonds may be subject to redemption prior  
22 to their respective maturities at the option of the County, in whole or in part, on the date or dates and  
23 at the redemption price(s) to be established in the Sale Resolution.

1           B.     Notice. Notice of redemption, shall be given by the Registrar by sending a  
2 copy of such notice by registered or certified first-class mail, postage prepaid, at least thirty (30)  
3 days prior to the redemption date, to the registered owners of the Bonds to be redeemed at the  
4 address shown on the registration books kept by the Registrar as of the close of business of the  
5 Registrar on the fifth day prior to the mailing of notice. The County shall give the Registrar written  
6 instructions to give notice of redemption to the registered owners of the Bonds to be redeemed at  
7 least forty-five (45) days prior to such redemption date. Neither the County's failure to give such  
8 notice nor the Registrar's failure to give such notice to the registered owners of the Bonds, or any  
9 defect therein, shall affect the validity of the proceedings for the redemption of any Bonds for which  
10 proper notice was given. Notice of redemption shall specify the amount being redeemed, the date  
11 fixed for redemption, and that on such redemption date there will become and be due and payable  
12 upon the Bonds to be redeemed at the office of the Paying Agent the principal amount to be  
13 redeemed plus accrued interest to the redemption date and that from and after such date interest will  
14 cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the  
15 Bonds so called for redemption shall become due and payable on the redemption date so designated  
16 and if an amount of money sufficient to redeem the Bonds called for redemption shall on the  
17 redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed  
18 not Outstanding and shall cease to bear interest from and after such redemption date. Upon presenta-  
19 tion of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the  
20 Bonds so called for redemption with funds deposited with the Paying Agent by the County.

21           **Section 7. Filing of Signatures**. Prior to the execution of any Bond, pursuant to  
22 Sections 6-9-2 to 6-9-6, NMSA 1978, the Chairman of the Board and County Treasurer shall each  
23 file with the New Mexico Secretary of State his or her manual signature certified by him or her under

1 oath; provided that filing shall not be necessary for any officer where any previous filing may have  
2 legal application to the Bonds.

3 **Section 8. Execution and Authentication of the Bonds.**

4 A. Execution. The Bonds shall be signed with the engraved, imprinted, stamped  
5 or otherwise reproduced facsimile of the signature, or the manual signature, of the Chairman of the  
6 Board and shall be attested in accordance with law. There shall be affixed to the Bonds the printed,  
7 engraved, stamped or otherwise placed facsimile of, or imprint of, the County's corporate seal. The  
8 Bonds shall be authenticated by the manual signature of an authorized officer of the Registrar. The  
9 Bonds, when authenticated and bearing the manual or facsimile signatures of the officers in office  
10 at the time of signing thereof, shall be valid and binding special obligations of the County, notwith-  
11 standing that before delivery thereof and payment therefore, any or all of the persons whose  
12 signatures appear thereon shall have ceased to fill their respective offices. The Chairman of the  
13 Board, the County Treasurer and County Clerk, at the time of the execution of the Bonds and the  
14 signature certificate, each may adopt as and for his or her own facsimile signature, the facsimile  
15 signature of his or her predecessor in office if such facsimile signature appears upon the Bonds or  
16 any certificates pertaining to the Bonds.

17 B. Authentication. No Bond shall be valid or obligatory for any purpose unless  
18 the certificate of authentication has been duly executed by the Registrar. The Registrar's certificate  
19 of authentication shall be deemed to have been fully executed if manually signed and inscribed by  
20 an authorized officer of the Registrar.

21 **Section 9. Negotiability.** The Bonds shall be fully negotiable and shall have all the qualities  
22 of negotiable paper, and the registered owners of the Bonds shall possess all rights enjoyed by the  
23 holders of negotiable instruments under the provisions of the Uniform Commercial Code-Investment  
24 Securities.

1           **Section 10. Payment and Presentation of Bonds for Payment.** Principal and interest on the  
2 Bonds shall be payable in lawful money of the United States of America, without deduction for  
3 exchange or collection charges. Principal and interest on the Bonds shall be payable by check or  
4 draft mailed to the registered owners thereof (or in such other manner as may be agreed upon by the  
5 Paying Agent and the registered owners), as shown on the registration books maintained by the  
6 Registrar at the address appearing therein on the 15<sup>th</sup> day of the calendar month next preceding the  
7 interest payment date (the "Record Date"). Any interest which is not timely paid or provided for  
8 shall cease to be payable to the owner thereof (or of one or more predecessor Bonds) as of the  
9 Record Date, but shall be payable to the owner thereof (or of one or more predecessor Bonds) at the  
10 close of business on a special record date for the payment of that overdue interest. The special  
11 record date shall be fixed by the Paying Agent whenever moneys become available for payment of  
12 the overdue interest, and notice of the special record date shall be given to Bond owners not less than  
13 ten days prior thereto. If any Bond, when presented for payment remains unpaid at maturity or  
14 redemption, it shall continue to bear interest at the rate designated in, and applicable to, such Bond  
15 from time to time. If any Bond is not presented for payment at maturity or redemption when funds  
16 available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and  
17 from the date of maturity or redemption.

18           **Section 11. Registration, Transfer, Exchange and Ownership Of Bonds.**

19           A.     Registration, Transfer and Exchange. The County shall cause books for  
20 registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office  
21 of the Registrar. Upon surrender for transfer or exchange of any fully registered Bond at the  
22 principal office of the Registrar duly endorsed by the registered owner or his attorney duly  
23 authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange  
24 in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver,

1 not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the  
2 name of the transferee or registered owner, as appropriate, a new Bond or Bonds in fully registered  
3 form of the same aggregate principal amount, maturity and interest rate.

4 B. Limitations. The Registrar shall not be required to transfer or exchange the  
5 Bond (i) during the period of fifteen (15) days next preceding the mailing of notice calling any  
6 Bonds for redemption as herein provided, or (ii) after the mailing to the registered owner of notice  
7 calling such Bonds as herein provided. The Registrar shall close books for change of registered  
8 owners' addresses on each Record Date; transfers will be permitted within the period from each  
9 Record Date to each interest payment date, but such transfers shall not include a transfer of accrued  
10 interest payable.

11 C. Owners of the Bonds. The person in whose name any Bond is registered shall  
12 be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the  
13 principal of or interest on such Bond shall be made only to or upon the order of the registered owner  
14 thereof or his legal representative as stated herein, but such registration may be changed as  
15 hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the  
16 liability upon such Bond to the extent of the sum or sums so paid.

17 D. Lost Bonds. If any Bond shall be lost, stolen, destroyed or mutilated, the  
18 Registrar shall, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity  
19 relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and  
20 deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series,  
21 maturity and interest rate. If any such lost, stolen, destroyed or mutilated Bond shall have matured  
22 or have been called for redemption, the Registrar may request the Paying Agent to pay such Bond  
23 in lieu of replacement.

1           E.     Additional Bonds. Executed but unauthenticated Bonds are hereby authorized  
2 to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the  
3 Registrar pending delivery upon transfer or exchange as herein provided.

4           F.     Charges. For each new Bond issued in connection with a transfer or  
5 exchange, the Registrar may make a charge to the owner of the Bond requesting such exchange or  
6 transfer sufficient to reimburse the Registrar for any tax, fee or other governmental charge required  
7 to be paid with respect to such transfer or exchange.

8           G.     Book-Entry Bonds.

9           (1)    The registered bondholder of all of the Bonds shall be a Securities  
10 Depository and such Bonds shall be registered in the name of the nominee for the Securities  
11 Depository. The Bonds referred to in this subsection G shall refer to the Bonds registered in the  
12 name of the Securities Depository.

13           (2)    The Bonds shall be initially issued in the form of separate, single,  
14 authenticated fully-registered Bonds in the amount of each separately stated maturity of the Bonds.  
15 Upon initial issuance, the ownership of each such Bond shall be registered in the registration books  
16 kept by the Registrar in the name of the nominee of the Securities Depository. The Registrar, Paying  
17 Agent and the County may treat the Securities Depository (or its nominee) as the sole and exclusive  
18 Holder of the Bonds registered in its name for the purposes of (a) payment of the principal or  
19 redemption price of or interest on the Bonds, (b) selecting the Bonds or portions thereof to be  
20 redeemed, (c) giving any notice permitted or required to be given to Bondholders under this  
21 Resolution, (d) registering the transfer of Bonds, and (e) obtaining any consent or other action to be  
22 taken by Bondholders and for all other purposes whatsoever and neither the Registrar, Paying Agent  
23 or the County shall be affected by any notice to the contrary (except as provided in paragraph (3)  
24 below). Neither the Registrar, Paying Agent or the County shall have any responsibility or

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1 obligation to any Participant, any Beneficial Holder or any other person claiming a beneficial  
2 ownership interest in the Bonds under or through the Securities Depository or any Participant, or any  
3 other person which is not shown on the registration books of the Registrar as being a Bondholder,  
4 with respect to the accuracy of any records maintained by the Securities Depository or any Partici-  
5 pant, the payment to the Securities Depository of any amount in respect of the principal or  
6 redemption price of or interest on the Bonds; any notice which is permitted or required to be given  
7 to Bondholders under this Resolution; the selection by the Securities Depository or any Participant  
8 of any person to receive payment in the event of a partial redemption of the Bonds; or any consent  
9 given or other action taken by the Securities Depository as Bondholder. Paying Agent shall pay all  
10 principal and redemption price of and interest on the Bonds only to or "upon the order of" the  
11 Securities Depository (as that term is used in the Uniform Commercial Code as adopted in the State  
12 of New Mexico), all such payments shall be valid and effective to fully satisfy and discharge the  
13 County's obligations with respect to the principal, purchase price or redemption price of and interest  
14 on the Bonds to the extent of the sum or sums so paid. Except as provided in (3) below, no person  
15 other than the Securities Depository shall receive an authenticated Bond for each separate stated  
16 maturity evidencing the obligation of the County to make payment of principal or redemption price  
17 and interest pursuant to this Resolution. Upon delivery by the Securities Depository to the Registrar  
18 of written notice to the effect that the Securities Depository has determined to substitute a new  
19 nominee in place of the preceding nominee, the Bonds will be transferable to such new nominee in  
20 accordance with subparagraph (6) below.

21 (3) In the event the County determines that it is in the best interest of the  
22 County not to continue the book-entry system of transfer or that the interest of the Bondholders  
23 might be adversely affected if the book-entry system of transfer is continued, the County may notify  
24 the Securities Depository, whereupon the Securities Depository will notify the Participants of the

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1 availability through the Securities Depository of Bond certificates. In such event, the Registrar shall  
2 authenticate, transfer and exchange Bond certificates as requested by the Securities Depository in  
3 appropriate amounts in accordance with paragraph (6) below. The Securities Depository may  
4 determine to discontinue providing its services with respect to the Bonds at any time by giving  
5 notice to the County and discharging its responsibilities with respect thereto under applicable law,  
6 or the County may determine that the Securities Depository is incapable of discharging its  
7 responsibilities and may so advise the Securities Depository. In either such event, the County shall  
8 either establish its own book-entry system or use reasonable efforts to locate another Securities  
9 Depository. Under such circumstances (if there is no successor Securities Depository) the County  
10 and the Registrar shall be obligated to deliver Bond certificates as described in this Resolution and  
11 in accordance with paragraph (6) below. In the event Bond certificates are issued, the provisions of  
12 this Resolution shall apply to such Bond certificates in all respects, including, among other things,  
13 the transfer and exchange of such certificates and the method of payment of principal or redemption  
14 price of and interest on such certificates. Whenever the Securities Depository requests the County  
15 and the Registrar to do so, the Registrar and the County will cooperate with the Securities  
16 Depository in taking appropriate action after reasonable notice (a) to make available one or more  
17 separate certificates evidencing the Bonds to any Participant having Bonds credited to its account  
18 with the Securities Depository or (b) to arrange for another securities depository to maintain custody  
19 of certificates evidencing the Bonds.

20 (4) Notwithstanding any other provision of this Resolution to the contrary,  
21 so long as any Bond is registered in the name of the nominee of the Securities Depository, all  
22 payment with respect to the principal or redemption price of and interest on such Bond and all  
23 notices with respect to such Bond shall be made and given respectively, to the Securities Depository  
24 as provided in its Representation Letter.

1                   (5)     In connection with any notice or other communication to be provided  
2 to Bondholders pursuant to this Resolution by the County, the Registrar, or the Paying Agent with  
3 respect to any consent or other action to be taken by Bondholders, the County, the Registrar, or the  
4 Paying Agent, as the case may be, shall establish a record date for such consent or other action and  
5 give the Securities Depository notice of such record date not less than fifteen (15) calendar days in  
6 advance of such record date to the extent possible. Such notice to the Securities Depository shall  
7 be given only when the Securities Depository is the sole Bondholder.

8                   (6)     In the event that any transfer or exchange of Bonds is permitted under  
9 paragraph (2) and (3) hereof, such transfer or exchange shall be accomplished upon receipt by the  
10 Registrar from the registered owner thereof of the Bonds to be transferred or exchanged and  
11 appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable  
12 provisions of this Resolution. In the event Bond certificates are issued to owners other than the  
13 nominee of the Securities Depository, or another securities depository as holder of all the Bonds, the  
14 provisions of this Resolution shall also apply to, among other things, the printing of such certificates  
15 and the methods of payment of principal or redemption price of and interest on such certificates.

16                   (7)     Notwithstanding any provision of this Resolution to the contrary, in  
17 connection with any redemption of Bonds while the DTC is the sole Bondholder, the County shall  
18 give notice of such redemption to the Registrar at least forty-five (45) days prior to the date fixed  
19 for redemption and the Registrar shall give notice of redemption to DTC as holder of such Bonds  
20 at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

21           **Section 12. Pledge of Full Faith and Credit.** The Bonds shall constitute the general  
22 obligation of the County, payable from the general ad valorem taxes which shall be levied without  
23 limitation as to the rate or amount. The full faith and credit of the County is irrevocably pledged to  
24 the payment of the principal of and interest on the bonds.

1 Section 13. Form of the Bonds. The form, terms and provisions of the Bonds shall be  
2 substantially as set forth below, with such changes therein as are not inconsistent with this Bond  
3 Resolution and the Sale Resolution:

4 [Form of Bond]

5 UNITED STATES OF AMERICA

STATE OF NEW MEXICO

6 AS PROVIDED IN THE BOND RESOLUTION REFERRED TO HEREIN, UNTIL THE  
7 TERMINATION OF REGISTERED OWNERSHIP OF ALL OF THE BONDS THROUGH THE  
8 DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES  
9 DEPOSITORY APPOINTED PURSUANT TO THE BOND RESOLUTION, "DTC"), AND NOT-  
10 WITHSTANDING ANY OTHER PROVISION OF THE BOND RESOLUTION TO THE  
11 CONTRARY, THE PRINCIPAL AMOUNT OUTSTANDING UNDER THIS BOND MAY BE  
12 PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR. DTC OR  
13 A TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE  
14 PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF  
15 OUTSTANDING AND TO BE PAID. THE PRINCIPAL AMOUNT OUTSTANDING AND TO  
16 BE PAID ON THIS BOND SHALL FOR ALL PURPOSES BE THE AMOUNT INDICATED ON  
17 THE BOOKS OF THE REGISTRAR.

18 UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF  
19 DTC TO THE REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE OR  
20 PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR  
21 SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC  
22 AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER  
23 USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSONS IS WRONGFUL  
24 SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

25 SANTA FE COUNTY, NEW MEXICO  
26 GENERAL OBLIGATION REFUNDING BOND  
27 SERIES 1999A

28 Bond No. \_\_\_\_\_ \$ \_\_\_\_\_

29 INTEREST RATE MATURITY DATE DATE OF BOND CUSIP  
30 \_\_\_\_% per annum \_\_\_\_\_, 1999 \_\_\_\_\_

31 The County of Santa Fe (the "County"), in the State of New Mexico, a county duly organized  
32 and existing under the Constitution and laws of the State of New Mexico, on the faith, credit and on  
33 behalf of the County for value received, hereby promises to pay to Cede & Co. or registered assigns,

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1 no later than the Maturity Date stated above (unless this bond is called for prior redemption, in which  
2 case on such redemption date), upon presentation and surrender hereof at the principal office of the  
3 County Treasurer as paying agent, or any successor paying agent (the "Paying Agent"), the sum of  
4 \_\_\_\_\_ THOUSAND DOLLARS (\$ \_\_\_\_\_) and to pay from said sources  
5 interest on the unpaid principal amount at the Interest Rate stated above on \_\_\_\_\_, and on  
6 the \_\_\_\_\_ and \_\_\_\_\_ of each year (each an "Interest Payment Date") thereafter to its  
7 maturity, or until redeemed if called for redemption prior to maturity. This bond will bear interest  
8 from the most recent date to which interest has been paid or provided for or, if no interest has been  
9 paid or provided for, from its date. Interest on this bond is payable by check mailed to the registered  
10 owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and  
11 the registered owner) as shown on the registration books for this issue maintained by the County  
12 Treasurer as registrar, or any successor registrar (the "Registrar") at the address appearing therein  
13 at the close of business on the fifteenth day of the calendar month next preceding the Interest  
14 Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall  
15 cease to be payable to the owner hereof as of the Record Date but shall be payable to the owner  
16 hereof at the close of business on a special record date to be fixed by the Paying Agent for the  
17 payment of interest. The special record date shall be fixed by the Paying Agent whenever moneys  
18 become available for payment of the overdue interest, and notice of the special record date shall be  
19 given to owner of the Bonds (defined below) as then shown on the Registrar's registration books not  
20 less than ten days prior to the special record date. If, upon presentation at maturity or redemption,  
21 payment of this bond is not made as herein provided, interest hereon shall continue at the Interest  
22 Rate stated above until the principal hereof is paid in full. The principal, premium, if any, and  
23 interest on this bond are payable in lawful money of the United States of America, without deduction  
24 for the services of the Paying Agent or the Registrar.

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1 This bond is one of a duly authorized issue of fully registered bonds of the County in the  
2 aggregate principal amount of \$10,000,000, issued in denominations of \$5,000 or integral multiples  
3 thereof, designated as Santa Fe County, New Mexico General Obligation Refunding Bonds, Series  
4 1999A (the "Bonds") issued under and pursuant to County Resolution No. \_\_\_\_\_ and County  
5 Resolution No. \_\_\_\_\_ (collectively, the "Bond Resolution").

6 The Bonds are subject to prior redemption at the option of the County, in whole or in part,  
7 as more particularly described below:

8 **[Insert Redemption Provisions]**

9 Notice of redemption of this bond, will be given by providing at least 30 days prior written  
10 notice by registered or certified first-class mail, postage prepaid, to the owner hereof or portion  
11 hereof to be redeemed at the address shown on the registration book as of the fifth day prior to the  
12 mailing of notice as provided in this Bond Resolution. Notice of redemption will specify the amount  
13 being redeemed, and shall further state that on such redemption date there will become and be due  
14 and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount  
15 thereof plus accrued interest to the redemption date and the stipulated premium, if any, and that from  
16 and after such date, the redemption amount having been deposited and notice having been given,  
17 interest will cease to accrue.

18 Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the  
19 surrender for transfer or exchange of this bond at the principal office of the Registrar, duly endorsed  
20 or accompanied by an assignment duly executed by the registered owner or his attorney duly

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1 authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business  
2 days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a  
3 new Bond or Bonds in fully registered form of the same aggregate principal amount, maturity and  
4 interest rate. Exchanges and transfers of the Bonds shall be without charge to the owner or any  
5 transferee, but the Registrar may require the payment by the owner of any Bonds of any tax or other  
6 similar governmental charge required to be paid with respect to such exchange or transfer. The  
7 Registrar shall not be required (i) to transfer or exchange any Bond during the period of fifteen days  
8 next preceding the mailing of notice calling any Bond for redemption, or (ii) to transfer or exchange  
9 any Bond or part thereof called for redemption. The Registrar will close books for change of  
10 registered owners' addresses on each Record Date; transfers will be permitted within the period from  
11 each Record Date to each interest payment date, but such transfers shall not include a transfer of  
12 accrued interest payable.

13         The person in whose name any Bond is registered on the registration books kept by the  
14 Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making  
15 payment thereof and for all other purposes except as may otherwise be provided with respect to  
16 payment of overdue interest in this Bond Resolution; and payment of or on account of either  
17 principal or interest on any Bond shall be made only to or upon the written order of the registered  
18 owner thereof or his legal representative. All such payments shall be valid and effectual to discharge  
19 the liability upon such Bond to the extent of the sum or sums so paid.

1           If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will, upon receipt of  
2 such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the  
3 Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement  
4 Bond or Bond of a like aggregate principal amount and of the same maturity and interest rate,  
5 bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or  
6 mutilated Bond shall have matured or have been called for redemption, the Registrar may direct the  
7 Paying Agent to pay such Bond in lieu of replacement.

8           **The Bonds constitute the general obligation of the County payable from ad valorem**  
9 **taxes which shall be levied without limitation as to rate or amount.**

10           The Bonds of which this bond is one is limited to the total principal amount of like tenor  
11 except as to number, denomination, maturity date, and interest rate, issued by the County of Santa  
12 Fe, New Mexico to provide funds to refund and defease all or a portion of the outstanding Series  
13 May 1, 1991 Bonds; the Series March 1, 1992 Bonds; the Series June 1, 1992 Bonds and the Series  
14 March 1, 1993 Bonds (the "Refunded Bonds") by purchasing United States Government noncallable  
15 direct obligations to be placed in escrow in an irrevocable trust account to pay the principal of,  
16 premium, if any, and interest on the Refunded Bonds in accordance with the Escrow Agreement.

17           The County covenants and agrees with the owner of this bond and with each and every  
18 person who may become the owner hereof that it will keep and perform all of the covenants of this  
19 Bond Resolution.

20           This bond is subject to the condition, and every owner hereof by accepting the same agrees  
21 with the obligor and every subsequent owner hereof, that the principal of and interest on this bond  
22 shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or  
23 crossclaims between the obligor and the original or any other owner hereof.

1 It is hereby certified that all acts and conditions necessary to be done or performed by the  
2 County or to have happened precedent to and in the issuance of the Bonds to make them legal, valid  
3 and binding special obligations of the County, have been performed and have happened as required  
4 by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or  
5 pertaining to the County.

6 This bond shall not be valid or obligatory for any purpose until the Registrar shall have  
7 manually signed the Certificate of Authentication on the face of this bond.

8 **IN WITNESS WHEREOF**, the County of Santa Fe, New Mexico has caused this bond to  
9 be signed and executed on the County's behalf with the manual or facsimile signature of the  
10 Chairman of the Board, to be countersigned with the manual or facsimile signature of the County  
11 Treasurer and has caused a facsimile of the corporate seal of the County to be affixed hereon, all as  
12 of the Date of Bond.

13 **SANTA FE COUNTY, NEW MEXICO**

14 By /s/  
15 **Paul Duran, Chairman**

16 [SEAL]

17 **ATTEST:**

18 By /s/  
19 **County Treasurer**

20 **[Form of Registrar's Certificate of Authentication]**

21 **CERTIFICATE OF AUTHENTICATION**

22 This is one of the Bonds described in the Bond Resolution, and this bond has been registered  
23 on the registration books kept by the undersigned as Registrar for the Bonds.

24 **COUNTY TREASURER, AS REGISTRAR**

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By /s/  
Authorized Signature

[End of Form of Registrar's Certificate of Authentication]

[Form of Assignment]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(Social Security or Federal Taxpayer Identification Number)

\_\_\_\_\_  
(Please print or typewrite Name and Address,  
including Zip Code, of Assignee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints the Registrar under the Indenture as Attorney to register the transfer of the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature of the registered owner to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed by:

\_\_\_\_\_  
NOTICE: Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

[End of Form of Assignment]  
[End of Form of Bond]

**Section 14. Disposition of Bond Proceeds; Creation of Escrow.** Except as herein otherwise specifically provided the proceeds from the sale of the Bonds shall be used as follows:

A. Accrued Interest and Premium. Upon the sale of the Bonds, all monies received as accrued interest and any premium therefor, shall be deposited into the Interest and Sinking Fund to be applied to the payment of interest next due on the Bonds.

1           B.    Refunding Escrow Account Created. The County shall establish with the Escrow  
2 Agent, pursuant to the Escrow Agreement a "Santa Fe County, New Mexico General Obligation  
3 Refunding Bonds Series 1999A Escrow Account" (hereinafter referred to as the "Escrow Account") to  
4 be used solely for the payment of the principal of, premium, if any, and interest on the Refunded Bonds  
5 in accordance with the terms and provisions of the Escrow Agreement. The County shall deposit with  
6 the Escrow Agent, upon the issuance, sale and delivery of the Bonds, the amounts set forth in the  
7 Escrow Agreement, being proceeds from the sale of the Bonds. Such amounts shall be sufficient, when  
8 invested and reinvested by the Escrow Agent as provided in the Escrow Agreement, to pay when due,  
9 the principal of, and accrued interest on the Refunded Bonds, including any required redemption  
10 premiums.

11           The Escrow Agent is authorized from time to time to redeem at maturity all or a portion  
12 of the United States Government noncallable direct obligations in the Escrow Account, in sufficient  
13 amounts so that the proceeds therefrom and the interest thereon as the same accrues, will be sufficient  
14 to pay the principal of, premium, if any, and interest on the Refunded Bonds as hereinabove set forth.

15           **Section 15. Tax Levy, Funds and Accounts.** The County hereby creates the following special  
16 and separate funds and accounts, which shall be under the control of the County and to levy property  
17 taxes as follows:

18           A.    Tax Levy; Interest and Sinking Fund. There shall be levied on all taxable  
19 property in Santa Fe County, New Mexico, at the time and in the manner provided by law, in addition  
20 to all other taxes, direct annual ad valorem taxes sufficient to pay the principal of and interest accruing  
21 on the Bonds promptly as the same shall become due. This resolution is hereby declared to be the  
22 certificate of the Board as to the amount of taxes necessary to be levied for the purposes herein stated

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1 and said taxes shall be certified, levied and extended upon the tax rolls and collected in the same  
2 manner, at the same time and subject to the same penalties as general state and county taxes are  
3 certified, levied and collected. Said taxes, when collected, shall be kept by the County Treasurer in a  
4 separate special fund for the Bonds to be known as the "Santa Fe County, New Mexico General  
5 Obligation Refunding Bonds, Series 1999A Interest and Sinking Fund" which fund shall be used solely  
6 for the purpose of paying the principal of and interest on the Bonds as the same become due or mature  
7 and, if so required, to satisfy the covenants of the County set forth in Section 22 hereof; provided that  
8 nothing herein contained shall be so construed as to prevent the application of any other funds  
9 belonging to the County and available for that purpose, to the payment of the Bonds or the interest  
10 thereon, as the same become due and upon such payment the levy or levies of tax provided for in this  
11 Section may thereupon to that extent be diminished. If the taxes herein provided for shall not be levied  
12 or collected in time to pay the interest on or principal of the Bonds as the same become due or mature,  
13 then such interest or principal shall be paid from any funds belonging to the County, which funds may  
14 be reimbursed from the taxes herein provided for when the same are collected.

15 B. Rebate Fund. There is hereby created the "Santa Fe County, New Mexico General  
16 Obligation Refunding Bonds Series 1999A Rebate Fund" within the treasury of the County for the  
17 purpose of payment to the United States Department of the Treasury of any rebatable arbitrage due.

18 The County shall deposit into the Rebate Fund any amounts available, from the proceeds  
19 of the Bonds, as specified in the Tax Matters Certificate of the County, in the Rebate Fund as will be  
20 sufficient to pay any rebate due to the United States Department of the Treasury for the applicable  
21 rebate period. Moneys in the Rebate Fund shall be invested in accordance with the Tax Matters

1 Certificate. Excess moneys shall be released from the Rebate Fund at the end of the applicable rebate  
2 period and may be used by the County as permitted by law.

3 **Section 16. General Administration Of Funds.** The funds and accounts designated in Sections  
4 14 and 15 shall be administered and invested as follows:

5 A. Places and Times Of Deposits. The funds shall be separately maintained as a  
6 trust fund or funds for the purposes established and shall be deposited in one or more bank accounts in  
7 an Insured Bank or Banks. Each account shall be continuously secured to the extent required by law and  
8 shall be irrevocable and not withdrawable by anyone for any purpose other than the designated purpose.  
9 Payments shall be made into the proper fund or account on the first day of the month except when the  
10 first day shall not be a Business Day, then payment shall be made on the next succeeding Business Day.  
11 No later than two Business Days prior to each interest and principal payment date, moneys sufficient  
12 to pay interest and principal then due on the Bonds shall be transferred to the Paying Agent. Nothing  
13 in this Bond Resolution shall prevent the County from establishing one or more bank accounts in an  
14 Insured Bank or Banks for all the funds required by this Bond Resolution or shall prevent the  
15 combination of such funds and accounts with any other bank account or accounts or other funds and  
16 accounts of the County.

17 B. Investment of Moneys. Moneys in any fund or account not immediately needed  
18 may be invested in any investment permitted by law. The obligations so purchased as an investment  
19 of moneys in any fund or account shall be deemed to be part of such fund or account, and the interest  
20 accruing thereon and any profit realized therefrom shall be credited to such fund or account, and any  
21 loss resulting from such investment shall be charged to such fund or account. The County Treasurer  
22 shall present for redemption or sale on the prevailing market any obligations so purchased as an

1 investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide  
2 moneys to meet any payment or transfer from such fund.

3 **Section 17. Protective Covenants.** The County hereby covenants and agrees with each and  
4 every holder of the Bonds issued hereunder:

5 A. Use of Bond Proceeds. The County will proceed without delay to apply the  
6 proceeds of the Bonds required for the refunding of the Refunded Bonds to the Refunded Bonds.

7 B. Payment of the Bonds Herein Authorized. The County will promptly pay the  
8 principal or interest on and premium, if any, on the Bonds at the place, on the date and in the manner  
9 specified herein and in the Bonds according to the true intent and meaning hereof.

10 C. County's Existence. The County will maintain its corporate identity and  
11 existence so long as the Bonds remain outstanding, unless another political subdivision by operation  
12 of law succeeds to the liabilities and rights of the County, without adversely affecting, to any substantial  
13 degree, the privileges and rights of any owner of the Bonds.

14 D. Prohibition of any Extension of Interest Payments. In order to prevent any  
15 accumulation of claims for interest after maturity, the County will not directly or indirectly extend or  
16 assent to the extension of time for the payment of any claim for interest on the Bonds, and the County  
17 will not directly or indirectly be a party to or approve any arrangements for any such extension. If the  
18 time for payment of any such interest shall be extended, such installment or installments of interest,  
19 after such extension or arrangement, shall not be entitled in case of default hereunder to the benefit or  
20 security hereof, except subject to the prior payment in full of the principal of the Bonds hereunder and  
21 then outstanding and of the matured interest on such Bonds, the payment of which has not been  
22 extended.

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1           E.     Audits. The County will, at the time of the annual audit required by law, cause  
2 an audit of its books and accounts relating to the Property Tax Revenues to be performed by an  
3 Independent Accountant showing the receipts and disbursements in connection with the such revenues.  
4 The County agrees to furnish forthwith a copy of each of such audits and reports to the owners of the  
5 Bonds upon written request.

6           F.     Impairment of Contract. The County agrees that any law, resolution or resolution  
7 of the County that in any manner affects the Property Tax Revenues or the Bonds shall not be repealed  
8 or otherwise directly or indirectly modified, in such a manner as to impair adversely the Bonds  
9 Outstanding, unless such Bonds have been discharged in full or provision has been fully made therefore  
10 or unless the required consents of the holders of the then outstanding Bonds are obtained pursuant to  
11 Section 25 of this Bond Resolution.

12           **Section 18. Events of Default**. Each of the following events is hereby declared an "Event of  
13 Default":

14           A.     Nonpayment of Principal. Failure to pay the principal of or interest on the Bonds  
15 when the same becomes due and payable.

16           B.     Incapable to Perform. The County shall for any reason be rendered incapable of  
17 fulfilling its obligations hereunder.

18           C.     Default of any Provision. Default by the County in the due and punctual  
19 performance of its covenants or conditions, agreements and provisions contained in the Bonds, in this  
20 Bond Resolution or in the Sale Resolution on its part to be performed, and the continuance of such  
21 default (other than a default set forth in subparagraph A of this Section) for sixty (60) days after written

1 notice specifying such default and requiring the same to be remedied has been given to the County by  
2 the registered owner of twenty-five percent (25%) in principal amount of the Bonds then outstanding.

3 **Section 19. Remedies Upon Default.** Upon the happening and continuance of any of the events  
4 of default as provided in Section 18 of this Bond Resolution, then in every case the registered owner  
5 of any Bonds Outstanding, including, but not limited to, a trustee or trustees therefor, may proceed  
6 against the County, the Board and its agents, officers and employees to protect and enforce the rights  
7 of any holder of the Bonds under this Bond Resolution by mandamus or other suit, action or special  
8 proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a  
9 receiver or for the specific performance of any covenant or agreement contained herein or in an award  
10 relating to the execution of any power herein granted for the enforcement of any legal or equitable  
11 remedy as such holder or holders may deem most effectual to protect and enforce the rights provided  
12 above, or to enjoin any act or thing which may be unlawful or in violation of any right of any  
13 Bondholder, or to require the Board to act as if it were the trustee of an express trust, or any  
14 combination of such remedies. All such proceedings at law or in equity shall be instituted, had and  
15 maintained for the equal benefit of the holders of the Bonds then Outstanding. The failure of any  
16 Bondholder so to proceed shall not relieve the County or any of its officers, agents or employees of any  
17 liability for failure to perform any duty. Each right or privilege of such holder (or trustee thereof) is in  
18 addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or  
19 on behalf of any holder shall not be deemed a waiver of any other right or privilege.

20 **Section 20. Duties Upon Default.** Upon the happening of any of the events of default provided  
21 in Section 18 of this Bond Resolution, the County, in addition, will do and perform all proper acts on  
22 behalf of and for the owners of the Bonds to protect and preserve the security created for the payment

1 of the Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the  
2 same become due. All proceeds derived therefrom, so long as the Bonds, either as to principal or  
3 interest, are Outstanding and unpaid, shall be applied as set forth in Section 16 of this Bond Resolution.  
4 In the event the County fails or refuses to proceed as provided in this Section, the owners of the Bonds  
5 then outstanding, after demand in writing, may proceed, protect and enforce the rights of the owners  
6 of the Bonds as hereinabove provided.

7 **Section 21. Bonds Not Presented when Due.** If the Bonds shall not be duly presented for  
8 payment when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such  
9 Bonds are on deposit with the Paying Agent for the benefit of the owners of such Bonds, all liability  
10 of the County to such owners for the payment of such Bonds shall be completely discharged, such  
11 Bonds shall not be deemed to be outstanding and it shall be the duty of the Paying Agent to segregate  
12 and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of  
13 such Bonds as may be provided by law.

14 **Section 22. Tax and Arbitrage Covenants.** The County covenants that it will restrict the use  
15 of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the  
16 Bonds will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as  
17 amended (the "Code"). The Chairman, County Clerk, County Treasurer or any other officer of the  
18 County having responsibility for the issuance of the Bonds shall give an appropriate certificate of the  
19 County, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable  
20 expectations of the County regarding the amount and use of all the proceeds of the Bonds, the facts,  
21 circumstances and estimates on which they are based, and other facts and circumstances relevant to the  
22 tax treatment of interest on the Bonds.

1           The County covenants that it (a) will take or cause to be taken such actions which may be  
2 required of if for the interest on the Bonds to be and remain excluded from gross income for federal  
3 income tax purposes, and (b) will not take or permit to be taken any actions which would adversely  
4 affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply  
5 the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on  
6 investment property acquired with those proceeds, (iii) make timely rebate payments to the federal  
7 government, (iv) maintain books and records and make calculations and reports, and (v) refrain from  
8 certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that  
9 interest under the Code. The Chairman, County Clerk, County Treasurer and other appropriate officers  
10 are hereby authorized and directed to take any and all actions, make calculations and rebate payments,  
11 and make or give reports and certifications, as may be appropriate to assure such exclusion of that  
12 interest.

13           For purposes of complying with the covenants of the County set forth in the preceding  
14 paragraph, the County has created the Rebate Fund for the deposit of any amounts owed under the  
15 Code. Any provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall  
16 be free and clear of any lien hereunder or in any other resolution authorizing the issuance of bonds of  
17 the County.

18           The County shall keep such records pursuant to this Section 21 as are required under the Code.

19           The requirements of any part of this Section 21 may be modified, if and to the extent, at any  
20 time, the County receives an opinion of nationally recognized bond counsel that such action will not  
21 adversely affect the exclusion from gross income of interest on the Bonds for federal income tax  
22 purposes under Section 103(a) of the Code.

1           **Section 23. Continuing Disclosure Undertaking.** The County will make a written undertaking  
2 by the Board on behalf of the County for the benefit of the holders of the Bonds required by  
3 Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange  
4 Act of 1934, as amended (17 C.F.R. Part 240, § 240. 15c2-12) (the “Rule”) in the form submitted to  
5 the Board.

6           **Section 24. Delegated Powers.** The officers of the County be, and they hereby are, authorized  
7 and directed to take all action necessary or appropriate to effectuate the provisions of this Bond  
8 Resolution, including, without limiting the generality of the foregoing, the publication of the summary  
9 of publication set out in Section 36 of this Bond Resolution (with such changes, additions and deletions  
10 as they may determine), the distribution of material relating to the Bonds, the printing of the Bonds, the  
11 printing, execution and distribution of disclosure documents relating to the Bonds, and the execution  
12 thereof, of a purchase agreement for the Bonds and of such other documents as may be required by the  
13 Purchaser or bond counsel.

14           **Section 25. Amendment Of Bond Resolution.** This Bond Resolution may be amended without  
15 the consent of the holder of any Bonds to cure any ambiguity or to cure, correct or supplement any  
16 defect or inconsistent provision contained herein. Prior to the date of the initial delivery of the Bonds  
17 to the Purchaser, the provisions of this Bond Resolution may be amended without the written consent  
18 of the Purchaser by the Sale Resolution or other resolution of the Board with respect to any changes  
19 which are not inconsistent with the substantive provisions of this Bond Resolution. Except as provided  
20 above, this Bond Resolution may be amended without receipt by the County of any additional  
21 consideration, but with the written consent of two-thirds of all holders of the Bonds then Outstanding;

1 but no Resolution adopted without the written consent of the holders of all Outstanding Bonds shall  
2 have the effect of permitting:

3 A. An extension of the maturity or scheduled payment of any Bonds; or

4 B. A reduction of the principal amount or interest rate or prior redemption premium  
5 of any Bond; or

6 C. A reduction of the principal amount of the Bonds required for consent to such  
7 amendatory resolution. Any amendment to this Bond Resolution which is not inconsistent with the  
8 terms hereof, may be made by resolution of the Board; any other amendment to this Bond Resolution  
9 shall be made by subsequent resolution of the Board.

10 **Section 26. Defeasance.** When all principal, interest and prior redemption premiums, if any,  
11 in connection with the Bonds hereby authorized have been duly paid, the pledge and lien for the  
12 payment of the Bonds shall thereby be discharged and the Bonds shall no longer be deemed to be  
13 outstanding within the meaning of this Bond Resolution. Payment shall be deemed made with respect  
14 to the Bonds when the Board has placed in escrow with a commercial bank exercising trust powers, an  
15 amount sufficient (including the known minimum yield from federal securities) to meet all requirements  
16 of principal, interest and prior redemption premiums, if any, as the same become due to their final  
17 maturities or upon designated redemption dates. Any federal securities shall become due when needed  
18 in accordance with a schedule agreed upon between the Board and such bank at the time of the creation  
19 of the escrow. Federal securities within the meaning of this Section 26 shall include only direct  
20 obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by  
21 the United States of America.

## CONTINUATION PAGE 35

1           **Section 27. Resolution Irrepealable.** After the Bonds are issued, this Bond Resolution shall  
2 be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and  
3 discharged, as herein provided, or there has been defeasance as herein provided.

4           **Section 28. Severability Clause.** If any section, paragraph, clause or provision of this Bond  
5 Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability  
6 of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this  
7 Bond Resolution.

8           **Section 29. Repealer Clause.** All bylaws, orders, resolutions and resolutions, or parts thereof,  
9 inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall  
10 not be construed to revive any bylaw, order, resolution or resolution, or part thereof, heretofore  
11 repealed.

12           **Section 30. Effective Date.** Upon due adoption of this Bond Resolution, it shall be recorded  
13 in the book of resolutions of the County kept for that purpose, authenticated by the signatures of the  
14 Chairman of the Board and County Clerk, and the title and general summary of the subject matter  
15 contained in this Bond Resolution (set out in Section 31 below) shall be published in a newspaper  
16 which maintains an office and is of general circulation in the County, and this Bond Resolution shall  
17 be in full force and effect upon recordation by the County Clerk.

18           **Section 31. General Summary for Publication.** Pursuant to the general laws of the State, the  
19 title and a general summary of the subject matter contained in this Bond Resolution shall be published  
20 in substantially the following form:

CONTINUATION PAGE 36

RESOLUTION NO. 1999-561  
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28**Santa Fe County, New Mexico****Notice of Adoption of County Resolution No. \_\_\_\_\_**

Notice is hereby given of the title and of a general summary of the subject matter contained in an Resolution duly adopted and approved by the Board of County Commissioners of Santa Fe County, New Mexico, on April 27, 1999, relating to the authorization and issuance of the County's General Obligation Refunding Bonds, in one or more series not to exceed \$10,000,000. Complete copies of the resolution are available for public inspection during the normal and regular business hours of the County Clerk, Santa Fe County Courthouse, 102 Grant Ave., Santa Fe, New Mexico 87501.

**The title of the Resolution is:****SANTA FE COUNTY, NEW MEXICO****RESOLUTION NO. \_\_\_\_\_**

AUTHORIZING THE ISSUANCE AND SALE OF SANTA FE COUNTY, NEW MEXICO GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000 (THE "BONDS") FOR THE PURPOSES OF REFUNDING ALL OR A PORTION OF THE COUNTY'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES MAY, 1991, THE COUNTY'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES MARCH 1, 1992, THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES JUNE 1, 1992; AND THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES MARCH 1, 1993 PROVIDING FOR PAYMENT OF THE BONDS FROM THE PROPERTY TAXES PLEDGED THEREFOR; PROVIDING FOR THE FORM, EXECUTION AND OTHER DETAILS CONCERNING THE BONDS, THE FUNDS APPERTAINING THERETO, AND FOR A SUPPLEMENTAL RESOLUTION OF THE COUNTY ESTABLISHING CERTAIN DETAILS OF THE BONDS; PROVIDING FOR THE PAYMENT OF THE COSTS OF ISSUANCE OF THE BONDS; APPROVING DISCLOSURE AND OTHER DOCUMENTS RELATING TO THE BONDS; AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

1 The following is a general summary of the subject matter contained in the resolution:

2 Preambles recite or include such matters as: the status of the property tax revenues under State  
3 law; the County's receipt of the proposed resolution which relates to the issuance and sale of the  
4 County's General Obligation Refunding Bonds Series 1999A, (the "Bonds"); the County Commission's  
5 determination that it is in the best interests of the County and its residents to issue the Bonds be issued  
6 on the full faith and credit of the County, and the County Commission's determination that it is in the  
7 best interest of the County to authorize issuance of the Bonds.

8 *Sections 1 through 4* define terms used in the Resolution; ratify and confirm all previous actions  
9 taken by the County directed toward the authorization of the Bonds; authorize the issuance of the Bonds  
10 for the purpose of refunding the Refunded Bonds and paying costs and expenses incidental thereto; and  
11 set forth certain findings of the County Commission which include: moneys available for refunding the  
12 Refunded Bonds other than from the issuance of the Bonds are not sufficient to defray the cost of  
13 acquiring the Project and refunding the Refunded Bonds.

14 *Section 5* authorizes the issuance of the Bonds in the principal amount not to exceed  
15 \$10,000,000 to be payable from ad valorem taxes and all real property with County subject to property  
16 tax, without limitation as to rate or amount received by the County; provides for the negotiated sale of  
17 the Bonds to the Purchaser at a price to be approved in a subsequent resolution (the "Sale Resolution");  
18 provides that the maturity schedule and interest for the Bonds will be established in the Sale Resolution,  
19 and that the Bonds shall be issued as fully registered bonds.

20 *Sections 6 through 9* provide that details with respect to the prior redemption of the Bonds will  
21 be as stated in the Sale Resolution; provide details with respect to the notice of redemption; for the filing  
22 of signatures, execution and authentication of the Bonds; and that the Bonds are fully negotiable.

23 *Sections 10 through 14* provide details relating to payment of the Bonds and presentation of the  
24 Bonds for payment; for the registration, transfer, exchange and ownership of the Bonds; that the Bonds

1 constitute special limited obligations of the County; for the form of the Bonds; and provide that the  
2 Bonds are issued in book entry form.

3 *Sections 15 through 17* provide details relating to the levy of property taxes, the disposition of  
4 the proceeds of the Bonds and the refunding of the Refunded Bonds; for creation and administration of  
5 special funds and accounts for deposit of the revenues pledged to the payment of the Bonds; provide for  
6 the deposit and flow of funds to pay the Bonds, security for the payment of the Bonds and other  
7 obligations of the County relating thereto.

8 *Section 17* provides protective covenants relating to such matters as the use of Bond proceeds,  
9 the payment of the Bonds, the existence of the County, impairment of contract; define events of default;  
10 and provide for remedies and duties upon default.

11 *Sections 18 through 21* provide details relating to events of default and the remedies and duties  
12 upon default.

13 *Section 22* provides the tax and arbitrage Covenants and provide for the payment of rebatable  
14 arbitrage to the United States.

15 *Section 23* provides that the County will make a Continuing Disclosure Undertaking for the  
16 Benefit of the Bondholders.

17 *Sections 24 through 27* relate to the amendments to the Resolution and the defeasance of the  
18 Bonds.

19 *Sections 27 through 31* delegate powers to the officers of the County to effectuate the provisions  
20 of the Resolution; provide a limitation of action period; state that the Resolution is irrevocable; provide  
21 for severability and repealer clauses; provide an effective date for the Resolution; and provide a form for  
22 publication.

23 This notice constitutes compliance with Section 6-14-6, NMSA 1978.

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BOARD OF COUNTY COMMISSIONERS  
SANTA FE COUNTY, NEW MEXICO

\_\_\_\_\_  
Paul Duran, Chairman

**[END OF FORM OF NOTICE]**

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1 ADOPTED AND APPROVED this 27th day of April, 1999.

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BOARD OF COUNTY COMMISSIONERS  
SANTA FE COUNTY, NEW MEXICO

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By *Joe Grine Jr.*  
Paul Duran, Chairman JOE GRINE JR. VICE CHAIR

6 ATTEST:

7 *Rebecca Bustamante*  
8 ~~Rebecca Bustamante~~  
9 ~~County Clerk~~

10 [SEAL]

11 Approved as to form and legal sufficiency:

12 HUGHES & STRUMOR, LTD. CO

13 By: *Robert M. Strumor*  
14 Robert M. Strumor



1071.832  
COUNTY OF SANTA FE )  
STATE OF NEW MEXICO )SS  
I hereby certify that this instrument was filed  
for record on the 28 day of April A.D.  
19 99, at 12:02 o'clock P.m.  
and was duly recorded in book 1633  
page 306-345 of the records of  
Santa Fe County.

Witness my Hand and Seal of Office  
Rebecca Bustamante  
County Clerk, Santa Fe County, N.M.

*Mariella Falzar*  
Deputy