

AUTHORIZING THE ISSUANCE AND SALE OF THE COUNTY OF SANTA FE NEW MEXICO, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2003, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,293,998 FOR THE PURPOSE OF DEFRAYING THE COST OF REFUNDING, PAYING, DISCHARGING AND LIQUIDATING THE SANTA FE COUNTY NEW MEXICO GENERAL OBLIGATION GENERAL PURPOSE BONDS, SERIES 1993; PROVIDING FOR THE ISSUANCE AND SALE OF THE BONDS; PROVIDING FOR THE PAYMENT OF SUCH BONDS FROM AD VALOREM PROPERTY TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE COUNTY, LEVIED WITHOUT LIMIT AS TO RATE OR AMOUNT; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION AND THE METHOD OF, AND SECURITY FOR, PAYMENT; APPROVING THE SALE OF THE BONDS TO THE NEW MEXICO FINANCE AUTHORITY AND THE FORM, EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS.

WHEREAS, the Board of County Commissioners (the "Board") of the County of Santa Fe, New Mexico (the "County") has determined and does hereby determine that the County of Santa Fe New Mexico, General Obligation Refunding Bonds, Series 2003 (the "Series 2003 Bonds") shall be issued at this time under the authority of the New Mexico Constitution and applicable law as hereinafter set forth, and desires to fix the form and details of the Series 2003 Bonds and to provide for the levy of taxes for the payment of the principal of and interest on the Series 2003 Bonds; and

WHEREAS, the net effective interest rate on the Series 2003 Bonds is 2.27101% which is not more than ten percent (10%) a year; and

WHEREAS, no action or suit has been commenced by any person or corporation contesting the validity of any of the proceedings directed toward the issuance and sale of the Series 2003 Bonds heretofore taken by the Board and the officers of the County; and

WHEREAS, the Board has determined to pay all principal of the outstanding 1993 Bonds (the "Refunded Series 1993 Bonds") and interest accrued thereon to the delivery date of the Series 2003 Bonds as set forth herein, from the proceeds of the Series 2003 Bonds herein authorized and from other legally available sources; and

WHEREAS, the Commission hereby determines that the issuance of the Series 2003 Bonds, under current market conditions, for the purpose of refunding, refinancing, discharging and paying the Refunded Series 1993 Bonds will result in an over-all reduction of debt service payments to be made by the County from ad valorem property taxes, and will effect other savings and economies, all to the benefit of the County, and consequently will provide for the public health, safety and

welfare of the County and its citizens; and

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WHEREAS, the County will issue the Series 2003 Bonds only after receipt of the required approval of the Refunding Bonds by the Department of Finance and Administration of the State of New Mexico; and

WHEREAS, the Board is authorized by Sections 6-15-11 through 6-15-22, NMSA 1978, as amended and supplemented, to issue refunding bonds for the purpose of refinancing and refunding the Refunded Series 1993 Bonds in the manner herein provided; and

WHEREAS, pursuant to Section 6-21-9(B), the New Mexico Finance Authority (the "Purchaser") has offered and agreed to purchase the Series 2003 Bonds at a purchase price of \$2,293,998, representing the par amount of the Series 2003 Bonds of \$2,293,998, and has presented a Bond Purchase Agreement dated April 29, 2003 (the "Bond Purchase Agreement"), to the Board setting out the terms with respect to the purchase and sale of the Series 2003 Bonds for approval by the Board in connection with adoption of this Resolution; and

WHEREAS, all required authorizations, consents or approvals of any state, governmental body, agency or authority, in connection with the authorization, execution and delivery of the Series 2003 Bonds which are required to have been obtained by the date hereof have been obtained and which will be required to be obtained prior to the date of issuance of the Bonds, will have been obtained by such date; and

WHEREAS, the Board has determined that it is in the best interest of the County to accept the offer of the Purchaser for the purchase of the Series 2003 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE COUNTY OF SANTA FE:

Section 1. All action heretofore taken (not inconsistent with the provisions of the Resolution) by the County and the officers of the County, directed toward the issuance of the Series 2003 Bonds for the Project and the sale of the Series 2003 Bonds to the New Mexico Finance Authority, as Purchaser, is ratified, approved and confirmed.

Section 2. The County shall use the proceeds of the Series 2003 Bonds (i) to pay all principal of the Refunded Series 1993 Bonds and interest accrued thereon to the delivery date of the Series 2003 Bonds and (ii) to pay costs of issuance in the amount set forth in a delivery certificate executed by the County and the Purchaser.

Section 3. In order to provide funds for the purposes stated above, the Board, on behalf of the County, and upon the full faith and credit thereof, shall issue the County's general obligation bonds maturing and bearing interest as follows:

<u>Amount Maturing</u>	<u>Year Maturing (July 1)</u>	<u>Interest Rate (Per Annum)</u>
\$325,000	2003	1.180%
410,000	2004	1.400%
395,000	2005	1.710%
435,000	2006	2.060%
395,000	2007	2.440%
333,998	2008	2.800%

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The Series 2003 Bonds shall be dated or such date as may be established on the date of issuance and delivery of the Series 2003 Bonds (the "Delivery Date"), will be issued in one series and shall consist of bonds numbered consecutively from R-1 upward, issuable in the denominations of \$1,000 each or integral multiples thereof (provided that no individual bond will be issued for more than one maturity); shall bear interest from the Series Date to maturity at the rates per annum set forth above for the Series 2003 Bonds, payable to the registered owner thereof, or registered assigns, on July 1, 2003, and semiannually thereafter on July 1 and January 1 in each year in which the Series 2003 Bonds are outstanding and shall mature on July 1 of each year set forth above.

Series 2003 Bonds which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent interest payment date to which interest has been fully paid or provided for in full or, if no interest has been paid, from the Series Date.

The principal of and interest on the Series 2003 Bonds due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the BNY Western Trust Company, Los Angeles, California, as "registrar/paying agent" (the "Registrar/Paying Agent") for the Series 2003 Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. If any Series 2003 Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said Series 2003 Bond until the principal thereof is paid in full. Payment of interest on the Series 2003 Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the registered owner thereof as of the close of business on the Record Date (defined below) at his address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any interest payment date shall mean the 15th day of the month preceding an interest payment date. The person in whose name any Series 2003 Bond is registered at the close of business on any Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such

Record Date and prior to such interest payment date; but interest on any Series 2003 Bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such Series 2003 Bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Series 2003 Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

The Series 2003 Bonds shall be subject to optional prior redemption, in whole or in part, beginning one year after the Delivery Date for the principal amount of the Bonds so redeemed and accrued interest thereon to the redemption date. Notice of redemption shall be provided by First-Class mail by the Registrar/Paying Agent, to the registered owner or owners of the Series 2003 Bonds no less than forty-five (45) days prior to the redemption date.

Section 4. The Series 2003 Bonds shall constitute the general obligation indebtedness of the County, payable from general ad valorem taxes which shall be levied without limitation as to rate or amount. The full faith and credit of the County shall be, and hereby is, irrevocably pledged to the payment of the principal of and interest on the Series 2003 Bonds.

Section 5. The Series 2003 Bonds shall bear the manual or facsimile signature of the Chairman and shall be attested by the manual or facsimile signature of the County Clerk and shall bear the manual or facsimile seal of the County. The Series 2003 Bonds shall be authenticated by the manual signature of the Registrar/Paying Agent. The Series 2003 Bonds bearing the signatures or facsimile signatures of the officers in office at the time of the signing thereof shall be the valid and binding obligations of the County, notwithstanding that before the delivery of the Series 2003 Bonds and payment therefor, or before the issuance thereof upon transfer or exchange, any or all of the persons whose signatures appear on the Series 2003 Bonds shall have ceased to fill their respective offices. The Chairman and the Clerk shall, by the execution of a signature certificate pertaining to the Series 2003 Bonds, adopt as and for their respective signatures the facsimiles thereof appearing on the Series 2003 Bonds; and, at the time of the execution of the signature certificate, the Chairman and the Clerk may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Series 2003 Bonds. The Chairman and Clerk, pursuant to Sections 6-9-1 through 6-9-6, inclusive, NMSA 1978, shall each forthwith file his manual signature, certified by him under oath, with the Secretary of State of New Mexico, provided that such filing shall not be necessary for any officer where any previous filing shall have application to the Series 2003 Bonds.

No Series 2003 Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Registrar/Paying Agent. The Registrar/Paying Agent's certificate of authentication shall be deemed

to have been duly executed by the Registrar/Paying Agent.

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Section 6.

A. Books for the registration and transfer of the Series 2003 Bonds shall be kept by the Registrar/Paying Agent, which is hereby appointed by the Board as registrar and as paying agent for the Series 2003 Bonds. Upon the surrender for transfer of any Series 2003 Bond at the principal office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Series 2003 Bond to be transferred in the name of the transferee or transferees a new Series 2003 Bond or Series 2003 Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Series 2003 Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Series 2003 Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Series 2003 Bond to be exchanged a Series 2003 Bond or Series 2003 Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Series 2003 Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any Series 2003 Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

B. The person in whose name any Series 2003 Bond shall be registered on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of overdue interest as is provided in Section 2 hereof; and payment of or on account of either principal or interest on any Series 2003 Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Series 2003 Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Series 2003 Bond to the extent of the sum or sums so paid.

C. If any Series 2003 Bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated Series 2003 Bond or other proof of loss or destruction, proof of ownership, a surety bond in a face amount satisfactory to the Registrar/Paying Agent, payment of the cost of preparing and issuing the new Series 2003 Bond, and other such evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement Series 2003 Bond or Series 2003 Bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Series 2003 Bond shall have matured, the Registrar/Paying Agent

may pay such Series 2003 Bond in lieu of replacement.

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D. The officers of the County are authorized to deliver to the Registrar/Paying Agent fully executed but unauthenticated Series 2003 Bonds in such quantities as may be convenient to be held in custody by the Registrar/Paying Agent pending use as herein provided.

E. Whenever any Series 2003 Bond shall be surrendered to the Registrar/Paying Agent upon payment thereof, or to the Registrar/Paying Agent for transfer, exchange or replacement as provided herein, such Series 2003 Bond shall be promptly cancelled by the Registrar/Paying Agent, and counterparts of a certificate of such cancellation shall be furnished by the Registrar/Paying Agent to the County.

F. Notwithstanding any other provision herein, the Series 2003 Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with The Depository Trust Company of New York, New York ("Depository"), acting as securities depository for the Series 2003 Bonds. A single certificate for each maturity date of the Series 2003 Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Series 2003 Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Series 2003 Bonds in book-entry form, the purchaser will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Series 2003 Bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal and interest will be paid to the Depository or its nominee as the registered owner of the Series 2003 Bonds. The transfer of principal and interest payments to Participants will be the responsibility of the Depository; the transfer of principal and interest payments to the beneficial owners of the Series 2003 Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Series 2003 Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Series 2003 Bonds or (iii) the County determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the County or the Beneficial Owners, the County will either identify another similar depository to perform such functions or certificates for the Series 2003 Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Series 2003 Bonds and registration of those Series 2003 Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Series 2003 Bonds for all purposes. In that event, the County shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the County are authorized to sign agreements with or letters to the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision herein, so long as all of the Series 2003 Bonds are registered in the name of the Depository or its nominee, all payments of principal and interest on the Series 2003 Bonds, and all notices with respect to the Series 2003 Bonds, shall be made and given by the Registrar/Paying Agent or the County to the Depository as provided in this Bond Resolution and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Series 2003 Bonds in the manner provided in an agreement or letter of the County to the Depository.

Section 7. If the Registrar/Paying Agent initially appointed hereunder shall resign, or if the County shall reasonably determine that said Registrar/Paying Agent has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to each registered owner of Series 2003 Bonds at the address last shown on the registration books, appoint a successor registrar/paying agent. Every such successor registrar/paying agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, of not less than \$10,000,000.

Section 8. Subject to the registration provisions hereof, the Series 2003 Bonds hereby authorized shall be fully negotiable and shall have all the qualities of negotiable paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code.

Section 9. The Series 2003 Bonds shall be in substantially the following form:

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2511825

[Form of Bond]

REGISTERED

REGISTERED

NO.

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF NEW MEXICO  
COUNTY OF SANTA FE  
GENERAL OBLIGATION REFUNDING BONDS,  
SERIES 2003

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

INTEREST RATE

\_\_\_% per annum

MATURITY DATE

July 1, \_\_\_\_

SERIES DATE

May \_\_, 2003

CUSIP

The Board of County Commissioners (the "Board") of Santa Fe County, New Mexico (the "County"), on the faith, credit and behalf of the County, for value received, hereby promises to pay to the registered owner named above, or registered assigns, the principal amount hereof on the Maturity Date and to pay interest on the principal amount at the Interest Rate on July 1, 2003, and thereafter on July 1 and January 1 of each year (the "Interest Payment Date") from the Series Date to its maturity. The principal of the bonds of the series of which this is one (the "Bonds") and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by BNY Western Trust Company, Los Angeles, California, as "registrar/paying agent" (the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each Interest Payment Date (or, if such Interest Payment Date is not a business day, on or before the next succeeding business day), to the registered owner thereof as of the close of business on the Record Date (defined below) at his address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the 15th day of the month preceding an Interest Payment Date. The person in whose

name any Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any Bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

The Bonds are fully registered and are issuable in denominations of \$1,000 and any integral multiple thereof (provided that no individual bond may be issued for more than one maturity).

The series of Bonds of which this bond is one is limited to the total principal amount of \$2,293,998 of like tenor except as to number, denomination, maturity date, and interest rate, issued by the County of Santa Fe, New Mexico, for the purpose of refunding and paying the Santa Fe County General Obligation General Purpose Bonds, Series March 1, 1993, under the authority of and in full conformity with the Constitution and laws of the State of New Mexico (particularly Sections 6-15-11 through 6-15-22 NMSA 1978, and acts amendatory and supplemental thereto), and pursuant to a resolution of the Board duly adopted and made a law of the County prior to the issuance of this bond (the "Bond Resolution").

The Bonds are subject to optional prior redemption, in whole or in part, at any time beginning one year after the Delivery Date, for the principal amount of the Bonds so redeemed and accrued interest thereon to the redemption date. Notice of redemption shall be provided by First-Class mail by the Registrar/Paying Agent, to the registered owner or owners of the Bonds no less than forty-five (45) days prior to the redemption date.

The Registrar/Paying Agent will maintain the books of the County for the registration of ownership of the Bonds. Upon the surrender for transfer of any Bond at the principal corporate trust office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be transferred in the name of the transferee or transferees a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be exchanged a Bond or Bonds which the registered owner making the

exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

The person in whose name any Bond shall be registered on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated Bond or other proof of loss or destruction, proof of ownership, a surety bond in a face amount satisfactory to the Registrar/Paying Agent, payment of the cost of preparing and issuing the new Bond, and such other evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar/Paying Agent may pay such Bond in lieu of replacement.

For the punctual payment of the principal of and interest on this bond as aforesaid and for the levy and collection of taxes in accordance with the statutes authorizing the issuance of this bond, the full faith and credit of the County is hereby irrevocably pledged. The Board has, by the Bond Resolution, ordered the creation of an interest and sinking fund for the payment of the Bonds. Such fund is to be held in trust for the benefit of the owner or owners of the Bonds.

It is hereby certified, recited and warranted that all the requirements of law have been complied with by the proper officials of the County in the issuance of this bond; that the total indebtedness of the County, including that of this bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State of New Mexico; that provision has been made for the levy and collection of annual taxes sufficient to pay the principal of and the interest on this bond when the same become due.

This bond shall not be valid or obligatory for any purpose until the Registrar/Paying Agent shall have manually signed the certificate of authentication hereon.

IN TESTIMONY WHEREOF, the Board of County Commissioners of Santa Fe County, New Mexico, constituting the governing board of the County, has caused the manual or facsimile of the seal of the County to be hereto affixed and this bond to be signed and executed with the manual or facsimile signature of the Chairman, and attested with the manual or facsimile signature of the Clerk all as of the Series Date.

SANTA FE COUNTY, NEW MEXICO

[MANUAL or FACSIMILE SEAL]

By (Manual or Facsimile Signature)  
Chairman  
Board of County Commissioners

ATTEST:

By (Manual or Facsimile Signature)  
Clerk

[Form of Certificate of Authentication]

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**CERTIFICATE OF AUTHENTICATION**

This bond is one of the Bonds described in the Bond Resolution and has been duly registered on the registration books kept by the undersigned as Registrar/Paying Agent for the Bonds.

Date of Authentication and Registration:

**BNY WESTERN TRUST COMPANY,  
Los Angeles, California, As Registrar/Paying Agent**

By \_\_\_\_\_  
Assistant Vice President,  
Corporate Trust Administration

[End of Form of Certificate of Authentication]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto \_\_\_\_\_ whose social security or tax identification number is \_\_\_\_\_, the within bond and irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer such bond on the books kept for registration thereof, with full power of substitution in the premises.

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

Signature Guaranteed:

\_\_\_\_\_

**NOTE:** The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Form of Assignment]

[End of Form of Bond]

[Remainder of page intentionally left blank]

Section 10. When the Series 2003 Bonds have been duly executed and authenticated, they shall be delivered to the lawful purchaser thereof named in Section 1 of this Resolution. The funds realized from the sale of the Series 2003 Bonds shall be applied solely to the specified purpose for the Series 2003 Bonds (provided that any premium and accrued interest shall be used to pay principal of and interest on the Series 2003 Bonds), but the purchaser of the Series 2003 Bonds shall in no manner be responsible for the application of or disposal by the County, or any of its officers, of any of the funds derived from the sale thereof.

Section 11. There shall be levied on all taxable property in the County, at the time and in the manner provided by law, in addition to all other taxes, direct annual ad valorem taxes sufficient to pay the principal of and interest accruing on the Series 2003 Bonds promptly as the same shall become due. This Resolution is hereby declared to be the certificate of the Board, to Santa Fe County, New Mexico, as to the amount of taxes necessary to be levied for the purposes herein stated and said taxes shall be certified, levied and extended upon the tax rolls and collected in the same manner, at the same time and subject to the same penalties as general state and county taxes are certified, levied and collected. Said taxes, when collected, shall be kept by the County in an interest and sinking fund, which is hereby created, to be to be used solely for the purpose of paying the principal of and interest on the Series 2003 Bonds as the same become due or mature; provided that nothing herein contained shall be so construed as to prevent the application of any other funds belonging to the County and available for that purpose, to the payment of the Series 2003 Bonds or the interest thereon, as the same become due and upon such payment the levy or levies of tax provided for in this Section may thereupon to that extent be diminished. If the taxes herein provided for shall not be levied or collected in time to pay the interest on or principal of the Series 2003 Bonds as the same become due or mature, then such interest or principal shall be paid from any funds belonging to the County, which funds may be reimbursed from the taxes herein provided for when the same are collected.

Section 12. The Chairman, Clerk and other officers and employees of the County be and they hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including without limiting the generality of the foregoing, the entering into of a Bond Purchase Agreement, the printing of the Series 2003 Bonds, the execution of a continuing disclosure undertaking for the benefit of the Purchaser of the Series 2003 Bonds, the execution of letters and agreements with the Depository, the printing and execution of disclosure documents relating to the Series 2003 Bonds, the deposit of Series 2003 Bond proceeds necessary to redeem and pay the Refunded Series 1993 Bonds, and such certificates as may be required by the Purchaser or bond counsel relating to, among other things, the signing of the Series 2003 Bonds, the tenure and identity of County officials, the receipt of the purchase price of the Series 2003 Bonds from the purchaser and the absence of litigation, pending or threatened, if in accordance with the facts, affecting the validity thereof and the absence and existence of factors affecting the exclusion of interest on the Series 2003 Bonds from gross income for federal income tax purposes.

Section 13. The County covenants that it will restrict the use of the proceeds of the Series 2003 Bonds in such manner and to such extent, if any, as may be necessary so that the Series 2003

Bonds will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The Chairman, Clerk and any other officer and employee of the County having responsibility for the issuance of the Series 2003 Bonds shall give an appropriate certificate of the County, for inclusion in the transcript of proceedings for the Series 2003 Bonds, setting forth the reasonable expectations of the County regarding the amount and use of all the proceeds of the Series 2003 Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Series 2003 Bonds.

The County covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Series 2003 Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Series 2003 Bonds to the governmental purpose of the borrowing, (ii) restrict the yield, as required, on investment property acquired with those proceeds, (iii) make timely rebate payments, if required, to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Chairman, Clerk and other appropriate officers and employees are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, as may be appropriate to assure such exclusion of that interest.

Section 14. The approval of the New Mexico Department of Finance and Administration as required by Section 6-15-11, NMSA 1978, as amended and supplemented from time to time, will be obtained prior to issuance and delivery of the Series 2003 Bonds to the purchaser.

Section 15. Moneys in any fund not immediately needed may be invested as provided by state law and applicable federal statutes and regulations, provided that the County hereby covenants to the purchasers and the holders of the Series 2003 Bonds from time to time that the County will make no use of the proceeds of the Series 2003 Bonds or any funds reasonably expected to be used to pay the principal of or interest on the Series 2003 Bonds which will cause the Series 2003 Bonds to be arbitrage bonds within the meaning of Section 148 of the Code, as amended, or which would adversely affect the tax status of interest on the Series 2003 Bonds under the Code. This covenant is for the benefit of the purchasers and the holders of the Series 2003 Bonds from time to time.

Section 16. The County has elected and does hereby declare its intent to exercise, on the behalf and in the name of the County, its option to redeem, on the Delivery Date, all of the outstanding Series 1993 Bonds maturing after July 1, 2002, at a redemption price equal to the principal amount of the Refunded Series 1993 Bonds to be optionally redeemed plus accrued interest to the Delivery Date.

The County is hereby obligated to exercise such option, which option shall be deemed to have been exercised upon adoption of this Bond Resolution. Upon adoption of this Bond Resolution, a conditional notice of prior redemption of the Refunded Series 1993 Bonds shall be

mailed or delivered to BNY Western Trust Company, Los Angeles, California, as registrar/paying agent for the Refunded Series 1993 Bonds (the "Series 1993 Registrar/Paying Agent"), at least 45 days prior to the date of redemption by the County. Notice of prior redemption shall be mailed by Series 1993 Registrar/Paying Agent, by first-class mail, postage pre-paid, to the registered owners of the Refunded Series 1993 Bonds to be optionally redeemed, not less than 30 days before the redemption date. The Board hereby authorizes the authorized officers of the County to cause the notice of prior redemption of the Refunded Series 1993 Bonds to be mailed or delivered to Series 1993 Registrar/Paying Agent, and to direct that, not less than thirty (30) days prior to May 23, 2003, the Series 1993 Registrar/Paying Agent shall mail the notice of prior redemption to the registered owners of the Refunded Series 1993 Bonds.

The foregoing provisions comply with Section 2 of the County's Resolution No. 1993-7, adopted on February 19, 1993, authorizing the issuance and sale of the Series 1993 Bonds.

Section 17. To assist the purchaser in complying with Securities and Exchange Commission Rule 15c2-12(b)(5), at the time of delivery of the Series 2003 Bonds, the County will provide continuing disclosure to the purchaser as the purchaser may require, that shall include, but not be limited to: annual audits, operational data required by the purchaser, and notification of any event deemed material by the purchaser.

Section 18. After any of the Series 2003 Bonds have been issued, this Resolution shall constitute a contract between the County and the holder or holders of the Series 2003 Bonds and shall be and remain irrevocable and unalterable until the Series 2003 Bonds and the interest thereon shall have been fully paid, satisfied and discharged, defeased or until such payment has been duly provided for.

Section 19. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 20. The following notice shall be published in substantially the following form one time in a newspaper having general circulation in the County as soon as is practicable after the adoption hereof.

[Form of Notice]

#### NOTICE OF ADOPTION OF RESOLUTION

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Santa Fe County, New Mexico, did on the 29th day of April, 2003, adopt a resolution entitled:

RESOLUTION NO. 2003-60

AUTHORIZING THE ISSUANCE AND SALE OF THE COUNTY OF SANTA FE NEW MEXICO, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2003, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,293,998 FOR THE

PURPOSE OF DEFRAYING THE COST OF REFUNDING, PAYING, DISCHARGING AND LIQUIDATING THE SANTA FE COUNTY NEW MEXICO GENERAL OBLIGATION GENERAL PURPOSE BONDS, SERIES 1993; PROVIDING FOR THE ISSUANCE AND SALE OF THE BONDS; PROVIDING FOR THE PAYMENT OF SUCH BONDS FROM AD VALOREM PROPERTY TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE COUNTY, LEVIED WITHOUT LIMIT AS TO RATE OR AMOUNT; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION AND THE METHOD OF, AND SECURITY FOR, PAYMENT; APPROVING THE SALE OF THE BONDS TO THE NEW MEXICO FINANCE AUTHORITY AND THE FORM, EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS.

A summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6 NMSA 1978.

DATED this 29th day of April, 2003.

[End of Form of Notice]

Section 22. All acts, ordinances and resolutions in conflict with this Resolution are hereby rescinded, annulled and repealed.

PASSED, ADOPTED AND APPROVED this 29<sup>th</sup> day of April, 2003.

SANTA FE COUNTY, NEW MEXICO

[SEAL]



ATTEST:

By *M. Sullivan*  
Chairman

By *Rebecca Bustamante*  
Clerk

Commission Member Duran then moved the adoption of the foregoing resolution which motion was seconded by Commission Member Anaya.

The motion to adopt said resolution upon being put to a vote was passed and adopted on the following recorded vote:

Those Voting Aye:

Commissioner Mike Anaya  
Commissioner Paul Duran  
Commissioner Jack Sullivan, Chair  
Commissioner Harry Montoya  
Commissioner Paul Campos

Those Voting Nay:

\_\_\_\_\_  
\_\_\_\_\_

Those Absent:

\_\_\_\_\_  
\_\_\_\_\_

Four members of the Board having voted in favor of said motion, the presiding officer declared said motion carried and said resolution adopted, whereupon the Chairman and Clerk signed the foregoing proceedings and resolution upon the records of the minutes of the Board.

After transaction of other business not related to the bond issue, the Board, upon motion duly made, seconded and carried, adjourned the meeting.

SANTA FE COUNTY, NEW MEXICO

[SEAL]

By *M Sullivan*  
Chairman

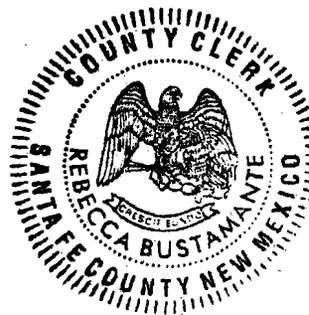
ATTEST:

By *Rebecca Bustamante*  
Clerk

*Katherine Mill*  
Santa Fe County Finance Director

Approved as to legal form:

*Monica M. Ontiveros* /  
Santa Fe County Attorney



COUNTY OF SANTA FE )  
STATE OF NEW MEXICO ) SS 1263107  
I Hereby Certify That This Instrument Was Filed For Record On The  
1 Day Of May, A.D., 2003 at 11:07 AM/PM  
And Was Duly Recorded In Book 2511 Page 818-836 Of The  
Records Of Santa Fe County  
Witness My Hand And Seal Of Office  
Rebecca Bustamante  
County Clerk, Santa Fe, NM *Marcella Salazar* Deputy

\$2,293,998  
SANTA FE COUNTY, NEW MEXICO  
GENERAL OBLIGATION REFUNDING BONDS  
SERIES 2003  
BOND PURCHASE AGREEMENT  
April 29, 2003

Chairman, Santa Fe County Board of Commissioners  
County of Santa Fe  
Santa Fe, New Mexico

The New Mexico Finance Authority (the "Purchaser") enters into this Bond Purchase Agreement ("Agreement") with Santa Fe County, New Mexico (the "County"), to purchase the Santa Fe County, New Mexico General Obligation Refunding Bonds, Series 2003 in the aggregate principal amount of \$2,293,998 (the "Series 2003 Bonds"). The Series 2003 Bonds are issued pursuant to Sections 6-15-11 through 6-15-22, NMSA 1978 and the Resolution of the County's Board of Commissioners (the "Board") authorizing the sale of the Series 2003 Bonds in the aggregate principal amount of \$2,293,998, adopted on April 29, 2003 (the "Resolution"). Capitalized terms in this Agreement have the same definitions as set forth in the Resolution, unless the context clearly requires otherwise.

1. Purchase, Sale and Delivery of the Series 2003 Bonds.

A. On the basis of the representations, warranties and agreements contained in this Agreement, the Resolution and the Series 2003 Bonds, and subject to the terms and conditions set forth herein and therein, the Board agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the Board the Series 2003 Bonds at a purchase price equal to 100% of the principal amount thereof. The Series 2003 Bonds shall be in the principal amounts, mature on the dates, bear interest at the rates and have the terms set forth in the Resolution.

B. The date of delivery of and payment for the Series 2003 Bonds is referred to in subparagraph C below in this Agreement as the "Delivery Date." The Series 2003 Bonds shall be delivered to the Purchaser in typewritten form on the Delivery Date upon receipt of the purchase price for the Series 2003 Bonds by the Board, and a copy of the Series 2003 Bonds shall be available for examination by the Purchaser prior to the Delivery Date.

C. The parties hereto understand and agree that the Delivery Date will occur on or about June 13, 2003, or another mutually agreeable date.

2. Representations and Warranties of the Board:

A. The Board is authorized to issue the Series 2003 Bonds for the purpose of refunding the providing funds to refund, refinance, discharge and pay the principal of, and accrued interest on, the Santa Fe County General Obligation, General Purpose Bonds, Series

March 1, 1993 and paying costs of issuance of the Bonds (the "Project"). The County has the power to enter into the transactions contemplated by, and to carry out its obligations under, this Agreement and the Resolution. The Chairman of the Board has duly executed the Resolution, which is valid and enforceable against the Board and the County and which authorizes the execution and delivery of this Agreement and the execution, issuance, sale and delivery of the Series 2003 Bonds.

B. The Resolution and this Agreement constitute legal, valid and binding agreements of the Board and the County, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; the Series 2003 Bonds, when issued, delivered and paid for, in accordance with the Resolution and this Agreement, will constitute legal, valid and binding obligations of the Board and the County entitled to the benefits of the Resolution, and shall be enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; and upon the issuance, authentication and delivery of the Series 2003 Bonds as aforesaid, the Resolution will provide the legally valid and binding pledge of certain taxes it purports to create as set forth in the Resolution.

C. The proceeds of the Series 2003 Bonds will be used by the County only for the implementation of the Project. The distribution and use of proceeds of the Series 2003 Bonds will be in compliance with the provisions of the Resolution.

D. There is no litigation or proceeding pending or, to the knowledge of the undersigned, after due inquiry, threatened, in any way affecting the existence of the County or Board, or seeking to restrain or to enjoin the issuance, sale or delivery of the Series 2003 Bonds, or in any way contesting or affecting the validity or enforceability of the Series 2003 Bonds, the Resolution or this Agreement, or contesting the powers of the County or Board or the Board's authority with respect to the Bonds, the Resolution or this Agreement.

E. The issuance, sale and delivery of the Bonds, the execution and delivery of this Agreement and compliance with the obligations on the Board's and County's part contained in this Agreement and in the Series 2003 Bonds do not conflict with or constitute a breach or default under any administrative regulation, judgment, decree, loan agreement, indenture, note, bond, resolution, agreement or other instrument to which the County or Board is a party or to which the County or Board, or any of the County's properties or other assets, is otherwise subject.

F. Statements contained in any certificate of the Board or County provided to the Purchaser pursuant to this Agreement or in connection with the delivery of the Series 2003 Bonds and delivered to the Purchaser shall be deemed representations and warranties by the Board and County to the Purchaser.

3. Conditions of Closing. The Board's obligation to sell and the Purchaser's obligations under this Agreement to purchase and pay for the Series 2003 Bonds shall be subject to the following conditions:

A. The Board shall have performed its obligations and agreements to be performed under this Agreement at or before the Delivery Date, and the representations and warranties of the Board and County contained in this Agreement shall be accurate as of the date of this Agreement and as of the Delivery Date.

B. This Agreement shall have been duly authorized and executed by the Board and the Purchaser and shall be in full force and effect.

C. On the Delivery Date, the Purchaser shall receive:

(1) An opinion approving the legality and enforceability of the Bonds, and the tax-exempt status of the Bonds, of Modrall, Sperling, Roehl, Harris & Sisk, P.A. ("Bond Counsel") delivered to the Purchaser.

(2) A certificate, dated the Delivery Date, of an authorized officer of the County to the effect that each of the representations and warranties of the Board and County set forth in this Agreement is true, accurate and complete as of the Delivery Date.

(3) Such additional certificates, opinions or other documents as Bond Counsel may reasonably require to evidence the satisfaction, as of the Delivery Date, of the conditions then to be satisfied in connection with the transactions contemplated by the Resolution and this Agreement.

D. All matters relating to this Agreement, the Series 2003 Bonds, the sale of the Series 2003 Bonds to the Purchaser, the Resolution and the consummation of the transactions contemplated by this Agreement and the Resolution shall be mutually satisfactory to and approved by the Board and Purchaser.

E. No order, decree or injunction of any court of competent jurisdiction, nor any order, ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commenced with the purpose or effect of prohibiting the issuance or sale of the Series 2003 Bonds.

If the Board is unable to satisfy the conditions to the obligations of the Purchaser contained in this Agreement, or if the obligations of the Purchaser are terminated for any reason permitted by this Agreement, this Agreement may be terminated and neither the Purchaser nor the Board shall have any further obligations under this Agreement. Payment by the Purchaser to the Board of the purchase price of the Series 2003 Bonds shall be conclusive evidence that all of the conditions set forth in this section have been satisfied or waived by the Purchaser.

4. Representations and Warranties of the Purchaser.

A. The Purchaser represents and warrants that it is authorized to purchase the Series 2003 Bonds.

B. In connection with the purchase of the Series 2003 Bonds, the Purchaser acknowledges that no offering document or prospectus has been prepared with respect to the sale of the Series 2003 Bonds to the Purchaser, and that the Purchaser is buying the Series 2003 Bonds in a private placement by the Board to the Purchaser. The Purchaser has reviewed such information as it deems relevant in making its decision to purchase the Series 2003 Bonds.

C. The Purchaser acknowledges that the Series 2003 Bonds will not be listed on any securities exchanges and that no trading market now exists in the Series 2003 Bonds, and none may exist in the future.

D. The Purchaser is purchasing the Series 2003 Bonds for its own account (and not on behalf of another) and has no present intention of reselling the Series 2003 Bonds; however, the Purchaser reserves the right to sell, pledge, transfer, convey, hypothecate, mortgage, or dispose of the Series 2003 Bonds at some future date determined by the Purchaser, but only to persons who have been provided sufficient information with which to make an informed decision to invest in the Series 2003 Bonds and in compliance with the Securities Act of 1933, as amended, the regulations promulgated thereunder and applicable state securities laws and regulations.

5. Representations and Agreements to Survive Delivery. All representations, warranties and agreements of the Board, the County and the Purchaser shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Board, the County or the Purchaser, and shall survive the delivery of the Series 2003 Bonds to the Purchaser.

6. Payment of Expenses. Costs of issuance in the amount of \$38,998 shall be paid to the Purchaser from the proceeds of the Series 2003 Bonds on the Delivery Date. Otherwise, the Purchaser shall pay the expenses incurred by it, its counsel and its financial advisor relating to the preparation, issuance, delivery and sale of the Bonds.

7. Parties in Interest. This Agreement is solely for the benefit of the Purchaser and the Board and County and their respective successors and no other person, partnership, association or corporation shall acquire or have any right under or by virtue of this Agreement. This Agreement may not be assigned by the Board, the County or the Purchaser.

8. Applicable Law. This Agreement shall be construed in accordance with the laws of the State of New Mexico.

Please sign and return a duplicate original of this Agreement to the Purchaser. Upon your signing and delivering this Agreement, it will constitute a binding agreement.

Approved as to legal form:

NEW MEXICO FINANCE AUTHORITY

Mania M. Ontiveros  
Santa Fe County Attorney

By \_\_\_\_\_  
Executive Director

Katherine Mill  
Santa Fe County Finance Director

Accepted and confirmed as of April 29, 2003:

BOARD OF COUNTY COMMISSIONERS OF THE  
COUNTY OF SANTA FE, NEW MEXICO

By M. Sullivan  
Commission Chairman

ATTEST:

Rebecca Bustamante  
Rebecca Bustamante, County Clerk