

1

SANTA FE COUNTY, NEW MEXICO

2

ORDINANCE NO. 1998-2

1452563

3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50

AMENDING AND RESTATING ORDINANCE NO. 97-13; AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF SANTA FE COUNTY, NEW MEXICO GROSS RECEIPTS TAX REFUNDING AND IMPROVEMENT REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED FIFTEEN MILLION DOLLARS (\$15,000,000) (THE "BONDS") FOR ANY ONE OR MORE OF THE PURPOSES OF: (1) CONSTRUCTING, PURCHASING, FURNISHING, EQUIPPING, REHABILITATING, MAKING ADDITIONS TO OR MAKING IMPROVEMENTS TO ONE OR MORE PUBLIC BUILDINGS OR PURCHASING OR IMPROVING ANY GROUND RELATED THERETO, INCLUDING BUT NOT NECESSARILY LIMITED TO ACQUIRING AND IMPROVING PARKING LOTS OR ANY COMBINATION OF THE FOREGOING; (2) RECONSTRUCTING, RESURFACING, MAINTAINING, REPAIRING OR OTHERWISE IMPROVING EXISTING ALLEYS, STREETS, ROADS OR BRIDGES OR ANY COMBINATION OF THE FOREGOING, OR LAYING OFF, OPENING, CONSTRUCTING OR OTHERWISE ACQUIRING NEW ALLEYS, STREETS, ROADS OR BRIDGES OR ANY COMBINATION OF THE FOREGOING, PROVIDED THAT ANY OF THE FOREGOING IMPROVEMENTS MAY INCLUDE BUT IS NOT LIMITED TO THE ACQUISITION OF RIGHTS OF WAY; (3) PURCHASING OR OTHERWISE ACQUIRING OR CLEARING LAND OR PURCHASING, OTHERWISE ACQUIRING AND BEAUTIFYING LAND FOR OPEN SPACE; (4) ACQUIRING, CONSTRUCTING, PURCHASING, EQUIPPING, FURNISHING, MAKING ADDITIONS TO, RENOVATING, REHABILITATING, BEAUTIFYING OR OTHERWISE IMPROVING PUBLIC PARKS, PUBLIC RECREATIONAL BUILDINGS OR OTHER PUBLIC RECREATIONAL FACILITIES OR ANY COMBINATION OF THE FOREGOING; AND (5) ACQUIRING, EXTENDING, ENLARGING, BETTERING, REPAIRING, OTHERWISE IMPROVING OR MAINTAINING STORM SEWERS, AND OTHER DRAINAGE IMPROVEMENTS, SANITARY SEWERS, SEWAGE TREATMENT PLANTS OR WATER UTILITIES, INCLUDING BUT NOT LIMITED TO THE ACQUISITION OF RIGHTS OF WAY AND WATER AND WATER RIGHTS OR ANY COMBINATION OF THE FOREGOING; ALL WITHIN THE COUNTY; AND REFUNDING THE OUTSTANDING NEW MEXICO FINANCE AUTHORITY 1995 EQUIPMENT LOAN; PROVIDING FOR THE PAYMENT OF THE BONDS FROM THE COUNTY'S GROSS RECEIPTS TAX REVENUES REMITTED TO THE COUNTY BY THE STATE OF NEW MEXICO AND WHICH MAY BE DEDICATED TO SAID PURPOSES SUBORDINATE TO (1) SANTA FE COUNTY, NEW MEXICO CORRECTIONAL SYSTEM REVENUE BONDS, SERIES 1997, DATED FEBRUARY 1, 1997; (2) SANTA FE COUNTY, NEW MEXICO GROSS RECEIPTS TAX REVENUE BONDS, SUBORDINATE SERIES 1997A DATED FEBRUARY 1, 1997; AND (3) TO ANY GROSS RECEIPTS TAX REVENUE BONDS THE COUNTY MAY ISSUE AFTER THE DATE OF ISSUANCE OF THE BONDS WHICH THE COUNTY MAY DESIGNATE AS HAVING A SENIOR PRIORITY OVER THE BONDS, PROVIDING FOR THE FORM, EXECUTION AND OTHER DETAILS CONCERNING THE BONDS, THE FUNDS APPERTAINING THERETO

1 INCLUDING A RESERVE FUND AND FOR A SUPPLEMENTAL
2 RESOLUTION OF THE COUNTY ESTABLISHING CERTAIN DETAILS OF
3 THE BONDS; PROVIDING FOR THE PAYMENT OF THE COSTS OF
4 ISSUANCE OF THE BONDS; APPROVING DISCLOSURE AND OTHER
5 DOCUMENTS RELATING TO THE BONDS; AND RATIFYING ACTION
6 PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

7 Capitalized terms used in the following preambles have the
8 same meaning as defined in Section 1 of this Bond Ordinance unless
9 the context requires otherwise.

10 WHEREAS, the County is a legally and regularly created,
11 established, organized and existing county under the general laws
12 of the State of New Mexico; and

13 WHEREAS, the County is authorized by the Act, to issue gross
14 receipts tax revenue bonds to provide funds, together with other
15 funds of the County, for one or more of the purposes of: (1)
16 constructing, furnishing and equipping one or more buildings, (2)
17 repairing, or otherwise improving existing roads and constructing
18 or otherwise acquiring new roads, including acquisition of rights
19 of way, (3) purchasing or otherwise acquiring land for open space,
20 (4) improving or acquiring public recreational facilities, and (5)
21 improving, constructing, or otherwise acquiring storm sewers,
22 sanitary sewers, and water utilities, including water rights, all
23 within the County, refunding any outstanding gross receipts tax
24 obligations, and adopt any ordinance to provide for the safety,
25 preserve the health, promote the prosperity and improve the morals,
26 order, comfort and convenience of the County and its inhabitants;
27 and

1 WHEREAS, the Pledged Revenues are currently pledged to the
2 payment of the outstanding Senior Obligations; and

3 WHEREAS, the Board has determined and hereby determines that
4 it is in the best interests of the County and its residents that
5 the Bonds be issued with a lien on the Pledged Revenues subordinate
6 to the lien of the Senior Obligations; and

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

8 WHEREAS, the Board will sell the Bonds to the Purchaser upon
9 such terms and conditions as will be established in a Sale
10 Resolution to be adopted by the County pursuant to this Ordinance;
11 and

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

19 WHEREAS, there has been on deposit with the County Clerk the
20 proposed form of Bond Ordinance;

21 NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY
22 COMMISSIONERS OF SANTA FE COUNTY, NEW MEXICO:

23 Section 1. Definitions. As used in this Bond Ordinance, the
24 following terms shall, for all purposes, have the meanings herein
25 specified, unless the context clearly requires otherwise (such

1 meanings to be equally applicable to both the singular and the
2 plural forms of the terms defined):

3 "Acquisition Account" means the "Santa Fe County, New
4 Mexico Gross Receipts Tax Refunding and Improvement Revenue Bonds,
5 Second Subordinate Series 1998 Acquisition Account" created in
6 Section 14 of this Ordinance.

7 "Act" means the County Revenue Bond Act, Sections 4-62-1
8 et seq., NMSA 1978, and Section 4-37-1, NMSA 1978.

9 "Beneficial Owner" shall mean those entities from time to
10 time for whose account the Participants hold Bonds.

11 "Board" means the Board of County Commissioners of Santa
12 Fe County, New Mexico or any future successor governing body of the
13 County.

14 "Bond," or the "Bonds" means the "Santa Fe County, New
15 Mexico Gross Receipts Tax Revenue Bonds, Second Subordinate Series
16 1998."

17 "Bond Fund" means the "Santa Fe County, New Mexico Gross
18 Receipts Tax Refunding and Improvement Revenue Bonds, Second
19 Subordinate Series 1998 Bond Fund" established by Section 18 of
20 this Bond Ordinance.

21 "Bondholder," "holder," "owner" or "Owner" means the
22 registered owner of any Bond as shown on the registration books of
23 the County for the Bonds, from time to time, maintained by the
24 Registrar. Any reference to a majority or a particular percentage
25 or proportion of the Bondholders shall mean the Holders at the
26 particular time of a majority or of the specified percentage or

1 proportion in aggregate principal amount of all Bonds then
2 Outstanding.

3 "Bond Ordinance" or "Ordinance" means this County
4 Ordinance, as amended or supplemented from time to time.

5 "Business Day" means a day on which commercial banks in
6 the city in which the principal office of the Paying Agent and
7 Registrar is located are open for the conduct of substantially all
8 of their business operations.

9 "Chairman of the Board" or "Chairman" means the duly
10 elected Chairman of the Board or the Vice Chairman of the Board
11 acting in the absence of the Chairman.

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

22 "County" means Santa Fe County, New Mexico.

23 "County Clerk" means the duly elected Clerk of the County
24 or a duly appointed deputy County Clerk acting in the absence of
25 the Clerk.

1 "County Gross Receipts Tax Revenues" means the revenues
2 derived from the first one-eighth increment and one-half of the
3 third one-eighth increment county gross receipts tax levied by the
4 County pursuant to Section 7-20E-9, NMSA 1978, imposed on persons
5 engaging in business in the County, which revenues are remitted
6 monthly by the Revenue Division of the Taxation and Revenue
7 Department of the State to the County as authorized by Sections
8 7-1-6 and 7-1-6.13, NMSA 1978, and which remittances currently
9 equal three sixteenths of one percent (.1875%) of the taxable gross
10 receipts reported for the County for the month for which such
11 remittance is made.

12 "Event of Default" means any of the events stated in
13 Section 24 of this Bond Ordinance.

14 "Expenses" means the reasonable and necessary fees,
15 commissions, costs and expenses incurred by the County with respect
16 to the issuance of the Bonds, including but not limited to the
17 fees, commissions, costs and expenses paid to or to be paid by the
18 County directly or to the Paying Agent, Registrar, rating agencies,
19 financial printers, bond counsel and other attorneys' fees.

20 "Fiscal Year" means the period commencing on July 1 in
21 each calendar year and ending on the last day of June of the next
22 succeeding calendar year, or any other twelve-month period which
23 any appropriate authority may hereafter establish for the County as
24 its fiscal year.

25 "Gross Receipts Tax" means the first one-eighth increment
26 and one-half of the third one-eighth increment of one percent

(.1875%) gross receipts tax imposed pursuant to the Gross Receipts Tax Ordinances authorized by the County Local Option Gross Receipts Taxes Act.

"Gross Receipts Tax Revenue Bonds" means bonds or other obligations of the County, payable in whole or in part, from the Pledged County Gross Receipts Tax Revenues.

"Gross Receipts Tax Ordinance" means County Ordinance No. 1983-7 adopted on August 8, 1983 as amended by No. 1991-4 adopted on March 12, 1991 and County Ordinance No. 1987-6 adopted on October 6, 1987 and approved by a majority of the qualified electorate on December 4, 1987.

"Gross Receipts Tax Revenues" means the monthly distributions of the proceeds from the Gross Receipts Tax received by the County from the New Mexico Taxation and Revenue Department.

"Gross Receipts Tax Revenue Act" means the County Local Option Gross Receipts Taxes Act, Sections 7-20E-1 through 7-20E-18, NMSA 1978.

"Herein," "hereby," "hereunder," "hereof," "herein-above" and "hereafter" refer to the entire Bond Ordinance and not solely to the particular section or paragraph of this Bond Ordinance in which such word is used.

"Independent Accountant" means any certified public accountant, or firm of such accountants, duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and paid by the County who (a) is, in fact, independent and not under the domination of the County, (b) does not have any

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

5 "Insured Bank" means a bank or savings and loan
6 association insured by an agency of the United States.

7 "Interest Payment Date" means a particular day of each
8 month to be established in the Sale Resolution for payment of
9 interest on the Bonds.

10 "NMSA 1978" means the New Mexico Statutes Annotated, 1978
11 Compilation, as amended and supplemented.

12 "Official Statement" means the final disclosure document
13 relating to the issuance and sale of the Bonds.

14 "Outstanding" when used in reference to Bonds means, on
15 any particular date, the aggregate of all Bonds delivered under
16 this Bond Ordinance except:

17 A. those canceled at or prior to such date or delivered
18 or acquired by the County at or prior to such date for
19 cancellation;

20 B. those otherwise deemed to be paid in accordance with
21 Section 27 or Section 32 of this Bond Ordinance;

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

1 D. those Bonds which have been refunded in accordance
2 with this Bond Ordinance or other ordinance of the County
3 authorizing the issuance of the applicable bonds.

4 "Participants" shall mean those broker-dealers, banks and
5 other financial institutions from time to time for which DTC holds
6 Bonds as Securities Depository.

7 "Paying Agent" means the County Treasurer or an entity to
8 be designated in the Sale Resolution as agent for the County for
9 the payment of the Bonds or any successor to the County Treasurer
10 which shall be a trust company, national or state banking
11 association or financial institution at the time appointed Paying
12 Agent by resolution of the Board.

13 "Pledged County Gross Receipts Tax Revenues" means the
14 County Gross Receipts Tax Revenues but only to the extent that
15 twenty-five percent (25%) of the first one-eighth increment of such
16 revenues (the "reserve revenues") are not otherwise deposited in
17 the County reserve fund pursuant to Section 7-20E-11, NMSA 1978, as
18 amended, and, if still available, such reserve revenues upon their
19 release from the County reserve fund after the end of each Fiscal
20 Year, pledged to the Bonds.

21 "Pledged Revenues" shall mean the Pledged County Gross
22 Receipts Tax Revenues.

23 "Preliminary Official Statement" means the preliminary
24 disclosure document setting forth information concerning the Bonds
25 and the County omitting the offering price(s), interest rate(s),
26 selling compensation, aggregate principal amount per maturity,

1 delivery dates, ratings, and other terms of the Bonds depending on
2 such matters.

3 "Project" means constructing, furnishing and equipping
4 one or more public buildings, for any one or more of the purposes
5 of: (1) constructing, purchasing, furnishing, equipping,
6 rehabilitating, making additions to or making improvements to one
7 or more public buildings or purchasing or improving any ground
8 related thereto, including but not necessarily limited to acquiring
9 and improving parking lots or any combination of the foregoing; (2)
10 reconstructing, resurfacing, maintaining, repairing or otherwise
11 improving existing alleys, streets, roads or bridges or any
12 combination of the foregoing, or laying off, opening, constructing
13 or otherwise acquiring new alleys, streets, roads or bridges or any
14 combination of the foregoing, provided that any of the foregoing
15 improvements may include but is not limited to the acquisition of
16 rights of way; (3) purchasing or otherwise acquiring or clearing
17 land or purchasing, otherwise acquiring and beautifying land for
18 open space; (4) acquiring, constructing, purchasing, equipping,
19 furnishing, making additions to, renovating, rehabilitating,
20 beautifying or otherwise improving public parks, public
21 recreational buildings or other public recreational facilities or
22 any combination of the foregoing; and (5) acquiring, extending,
23 enlarging, bettering, repairing, otherwise improving or maintaining
24 storm sewers, and other drainage improvements, sanitary sewers,
25 sewage treatment plants or water utilities, including but not
26 limited to the acquisition of rights of way and water and water

1 rights or any combination of the foregoing; all within the County;
2 including but not limited to the reimbursement of certain costs
3 incurred by the County related to the foregoing prior to the
4 adoption of this Ordinance and refunding the Refunded Obligations.

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

8 "Rebate Fund" means the "Santa Fe County, New Mexico
9 Gross Receipts Tax Refunding and Improvement Revenue Bonds, Second
10 Subordinate Series 1998 Rebate Fund" established pursuant to
11 Section 14 of this Bond Ordinance.

12 "Record Date" means the fifteenth (15th) day of the
13 calendar month next preceding the Interest Payment Date.

14 "Refunding Sub-Account" means the subaccount established
15 in Section 15 of this Bond Ordinance.

16 "Refunded Obligations" means the New Mexico Finance
17 Authority 1995 Equipment Loan.

18 "Registrar" means the County Treasurer or an entity to be
19 designated in the Sale Resolution as agent for the County for
20 transfer and exchange of the Bonds or any successor to the County
21 Treasurer which shall be a trust company, national or state banking
22 association or financial institution at the time appointed by
23 resolution of the Board.

24 "Reserve Fund" means the "Santa Fe County, New Mexico
25 Gross Receipts Tax Refunding and Improvement Revenue Bonds, Second

1 Subordinate Series 1998 Reserve Fund" established by Section 18 of
2 this Bond Ordinance.

3 "Sale Resolution" means one or more resolutions
4 supplementing this Bond Ordinance by setting out certain terms and
5 provisions of the Bonds to be adopted by the Board subsequent to
6 the date hereof.

7 "Securities Depository" shall mean the Depository Trust
8 Company, 711 Stewart Avenue, Garden City, New York 11530, Fax (516)
9 227-4039 or 4190 ("DTC"); Midwest Securities Trust Company, Capital
10 Structures-Call Notification, 440 South La Sable Street, Chicago,
11 Illinois 50504, Fax (312) 663-2343; Pacific Securities Depository
12 Trust Company, Pacific and Company, P.O. Box 7041, San Francisco,
13 California 94120, Fax (415) 393-4128; Philadelphia; Depository
14 Trust Company, Reorganization Division, 1900 Market Street,
15 Philadelphia, Pennsylvania 19103, Attention: Bond Department, Fax
16 (215) 496-5058; or, in accordance with the then current guidelines
17 of the Securities and Exchange Commission, to other addresses
18 and/or other such securities depositories, or to any other such
19 depositories as the County may designate in writing.

20 "Senior Obligations" means, collectively, the Santa Fe
21 County, New Mexico Correctional System Revenue Bonds, Series 1997,
22 the Santa Fe County, New Mexico Gross Receipts Tax Revenue Bonds,
23 Subordinate Series 1997A, and any Gross Receipts Tax Revenue Bonds
24 the County may issue after the date of issuance of the Bonds which

1 the County may designate as having a senior priority over the
2 Bonds.

3 "State" means the State of New Mexico.

4 "Subordinate Series 1997A Revenue Fund" means the
5 "Santa Fe County, New Mexico Gross Receipts Tax Revenue Bonds,
6 Subordinate Series 1997A Revenue Fund" established by Section 17 of
7 County Ordinance No. 1996-18.

8 **Section 2. Ratification.** All action heretofore taken (not
9 inconsistent with the provisions of this Bond Ordinance) by the
10 Board and officers of the County directed toward the Project, and
11 toward the authorization, sale and issuance of the Bonds to the
12 Purchaser (including, but not necessarily limited to the
13 distribution of the Preliminary Official Statement) be, and the
14 same hereby is, ratified, approved and confirmed.

15 **Section 3. Authorization of Project.** The Project is hereby
16 authorized and ordered at a total cost not to exceed \$15,000,000
17 excluding any such cost defrayed or to be defrayed by any source
18 other than Bond proceeds.

19 **Section 4. Findings.** The Board hereby declares, including
20 refunding the Refunded Obligations, that it has considered all
21 relevant information and data and hereby makes the following
22 findings:

23 A. The acquisition of the Project, including refunding
24 the Refunded Obligations, is needed to meet the future needs of the
25 County and its inhabitants.

1 B. Moneys available for acquiring the Project from all
2 sources other than the issuance of Gross Receipts Tax Revenue Bonds
3 are not sufficient to defray the cost of acquiring the Project,
4 including refunding the Refunded Obligations,

5 C. The Pledged Revenues may lawfully be pledged to
6 secure the payment and redemption of the Bonds.

7 D. The issuance of the Bonds pursuant to the Act, to
8 provide funds for acquiring the Project, including refunding the
9 Refunded Obligations, is necessary and in the interest of the
10 future public health, safety, morals and welfare of the residents
11 of the County.

12 E. The exact principal amount of the Bonds, the
13 interest rate and sale price of the Bonds will be established in
14 the Sale Resolution, but in no event shall the net effective
15 interest rate on the Bonds exceed twelve percent per annum as
16 required by Section 6-14-3, NMSA 1978.

17 Section 5. Bonds - Authorization and Detail.

18 A. Authorization. This Bond Ordinance has been adopted
19 by the affirmative vote of at least three-fourths of all the
20 members of the Board. For the purpose of protecting the public
21 health, conserving the property, protecting the general welfare and
22 prosperity of the citizens of the County, it is hereby declared
23 necessary that the County, pursuant to the Act, issue its
24 negotiable, fully registered, Gross Receipts Tax Revenue Bonds to
25 be designated Santa Fe County, New Mexico Gross Receipts Tax

1 Refunding and Improvement Revenue Bonds, Second Subordinate Series
2 1998 in an aggregate principal amount not to exceed \$15,000,000 and
3 the issuance, sale and delivery of the Bonds is hereby authorized.
4 The Bonds shall be sold from time to time, but not later than two
5 (2) years from the effective date of this Ordinance, at a
6 negotiated sale to the Purchaser.

7 B. Details of the Bonds.

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

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

1 established in the Sale Resolution as recommended by Bond Counsel
2 and approved by the Chairman.

3 In no event shall any Bonds mature later than fifty
4 years from the date of their issuance except for Bonds issued for
5 reconstructing, resurfacing or repairing existing streets which
6 shall mature not later than twenty years from their date of
7 issuance. The Bonds shall be sold for cash, at, above or below par
8 at a price or prices that result in net effective interest rates
9 that do not exceed the maximum permitted by the Public Securities
10 Act, Sections 6-14-1 to 6-14-3, NMSA 1978.

11 Section 6. Prior Redemption.

12 A. Optional Redemption, Date and Price. The Bonds may
13 be subject to prior redemption at the option of the County, in
14 whole or in part, on the date or dates and at the redemption
15 price(s) to be established in the Sale Resolution.

16 B. Notice. Notice of redemption shall be given by the
17 Registrar by sending a copy of such notice by registered or
18 certified first-class mail, postage prepaid, at least thirty (30)
19 days prior to the redemption date, to the registered owners of the
20 Bonds to be redeemed at the address shown on the registration books
21 kept by the Registrar as of the close of business of the Registrar
22 on the fifth day prior to the mailing of notice. The County shall
23 give the Registrar written instructions to give notice of
24 redemption to the registered owners of the Bonds to be redeemed at
25 least forty-five (45) days prior to such redemption date. If the

1 Bonds are subject to mandatory sinking fund redemption pursuant to
2 the Sale Resolution, no notice from the County to the Registrar
3 shall be required for mandatory sinking fund redemptions. Neither
4 the County's failure to give such notice nor the Registrar's
5 failure to give such notice to the registered owners of the Bonds,
6 or any defect therein, shall affect the validity of the proceedings
7 for the redemption of any Bonds for which proper notice was given.
8 Notice of redemption shall specify the amount being redeemed, the
9 date fixed for redemption, and that on such redemption date there
10 will become and be due and payable upon the Bonds to be redeemed at
11 the office of the Paying Agent the principal amount to be redeemed
12 plus accrued interest to the redemption date and that from and
13 after such date interest will cease to accrue on such amount.
14 Notice having been given in the manner hereinbefore provided, the
15 Bonds so called for redemption shall become due and payable on the
16 redemption date so designated and if an amount of money sufficient
17 to redeem the Bonds called for redemption shall on the redemption
18 date be on deposit with the Paying Agent, the Bonds to be redeemed
19 shall be deemed not Outstanding and shall cease to bear interest
20 from and after such redemption date. Upon presentation of the
21 Bonds to be redeemed at the office of the Paying Agent, the Paying
22 Agent will pay the Bonds so called for redemption with funds
23 deposited with the Paying Agent by the County.

24 Section 7. Filing of Signatures. Prior to the execution of
25 any Bond, pursuant to Sections 6-9-2 to 6-9-6, NMSA 1978, the

1 Chairman of the Board and County Clerk shall each file with the New
2 Mexico Secretary of State his or her manual signature certified by
3 him or her under oath; provided that filing shall not be necessary
4 for any officer where any previous filing may have legal
5 application to the Bonds.

6 Section 8. Execution and Authentication of the Bonds.

7 A. Execution. The Bonds shall be signed with the
8 engraved, imprinted, stamped or otherwise reproduced facsimile of
9 the signature, or the manual signature, of the Chairman of the
10 Board and shall be attested with the facsimile or manual signature
11 of the County Clerk. There shall be affixed to the Bonds the
12 printed, engraved, stamped or otherwise placed facsimile of, or
13 imprint of, the County's corporate seal. The Bonds shall be
14 authenticated by the manual signature of an authorized officer of
15 the Registrar. The Bonds, when authenticated and bearing the
16 manual or facsimile signatures of the officers in office at the
17 time of signing thereof, shall be valid and binding special
18 obligations of the County, notwithstanding that before delivery
19 thereof and payment therefor, any or all of the persons whose
20 signatures appear thereon shall have ceased to fill their
21 respective offices. The Chairman of the Board and County Clerk, at
22 the time of the execution of the Bonds and the signature
23 certificate, each may adopt as and for his or her own facsimile
24 signature, the facsimile signature of his or her predecessor in

1 office if such facsimile signature appears upon the Bonds or any
2 certificates pertaining to the Bonds.

3 B. Authentication. No Bond shall be valid or
4 obligatory for any purpose unless the certificate of authentication
5 has been duly executed by the Registrar. The Registrar's
6 certificate of authentication shall be deemed to have been fully
7 executed if manually signed and inscribed by an authorized officer
8 of the Registrar.

9 Section 9. Negotiability. The Bonds shall be fully
10 negotiable and shall have all the qualities of negotiable paper,
11 and the registered owners of the Bonds shall possess all rights
12 enjoyed by the holders of negotiable instruments under the
13 provisions of the Uniform Commercial Code-Investment Securities.

14 Section 10. Payment and Presentation of Bonds for Payment.
15 Principal and interest on the Bonds shall be payable in lawful
16 money of the United States of America, without deduction for
17 exchange or collection charges. Principal and interest on the
18 Bonds shall be payable by check or draft mailed to the registered
19 owners thereof (or in such other manner as may be agreed upon by
20 the Paying Agent and the registered owners), as shown on the
21 registration books maintained by the Registrar at the address
22 appearing therein on the 15th day of the calendar month next
23 preceding the interest payment date which is the Record Date. Any
24 interest which is not timely paid or provided for shall cease to be
25 payable to the owner thereof (or of one or more predecessor Bonds)

1 as of the Record Date, but shall be payable to the owner thereof
2 (or of one or more predecessor Bonds) at the close of business on
3 a special record date for the payment of that overdue interest.
4 The special record date shall be fixed by the Paying Agent whenever
5 moneys become available for payment of the overdue interest, and
6 notice of the special record date shall be given to Bond owners not
7 less than ten days prior thereto. If any Bond, when presented for
8 payment remains unpaid at maturity or redemption, it shall continue
9 to bear interest at the rate designated in, and applicable to, such
10 Bond from time to time. If any Bond is not presented for payment
11 at maturity or redemption when funds available therefor have been
12 deposited with the Paying Agent, it shall cease bearing interest on
13 and from the date of maturity or redemption.

14 Section 11. Registration, Transfer, Exchange and Ownership Of
15 Bonds.

16 A. Registration, Transfer and Exchange. The County
17 shall cause books for registration, transfer, and exchange of the
18 Bonds as provided herein to be kept at the principal office of the
19 Registrar. Upon surrender for transfer or exchange of any fully
20 registered Bond at the principal office of the Registrar duly
21 endorsed by the registered owner or his attorney duly authorized in
22 writing, or accompanied by a written instrument or instruments of
23 transfer or exchange in form satisfactory to the Registrar and duly
24 executed, the Registrar shall authenticate and deliver, not more
25 than three (3) business days after receipt of the Bond or Bonds to

1 be transferred, in the name of the transferee or registered owner,
2 as appropriate, a new Bond or Bonds in fully registered form of the
3 same aggregate principal amount, maturity and interest rate.

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

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

23 D. Lost Bonds. If any Bond shall be lost, stolen,
24 destroyed or mutilated, the Registrar shall, upon receipt of such
25 Bond, if mutilated, and such evidence, information or indemnity

1 relating thereto as the Registrar may reasonably require, if lost,
2 stolen or destroyed, authenticate and deliver a replacement Bond or
3 Bonds of a like aggregate principal amount and of the same series,
4 maturity and interest rate. If any such lost, stolen, destroyed or
5 mutilated Bond shall have matured or have been called for
6 redemption, the Registrar may request the Paying Agent to pay such
7 Bond in lieu of replacement.

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

13 F. Charges. For each new Bond issued in connection
14 with a transfer or exchange, the Registrar may make a charge to the
15 owner of the Bond requesting such exchange or transfer sufficient
16 to reimburse the Registrar for any tax, fee or other governmental
17 charge required to be paid with respect to such transfer or
18 exchange.

19 G. Book-Entry Bonds.

20 (1) The registered bondholder of all of the Bonds
21 shall be a Securities Depository and such Bonds shall be registered
22 in the name of the nominee for the Securities Depository. The
23 Bonds referred to in this subsection 11.G shall refer to the Bonds
24 registered in the name of the Securities Depository.

1 (2) The Bonds shall be initially issued in the form
2 of separate, single, authenticated fully-registered Bonds in the
3 amount of each separately stated maturity of the Bonds. Upon
4 initial issuance, the ownership of each such Bond shall be
5 registered in the registration books kept by the Registrar in the
6 name of the nominee of the Securities Depository. The Registrar,
7 Paying Agent and the County may treat the Securities Depository (or
8 its nominee) as the sole and exclusive Holder of the Bonds
9 registered in its name for the purposes of (a) payment of the
10 principal or redemption price of or interest on the Bonds, (b)
11 selecting the Bonds or portions thereof to be redeemed, (c) giving
12 any notice permitted or required to be given to Bondholders under
13 this Ordinance, (d) registering the transfer of Bonds, and (e)
14 obtaining any consent or other action to be taken by Bondholders
15 and for all other purposes whatsoever and neither the Registrar,
16 Paying Agent or the County shall be affected by any notice to the
17 contrary (except as provided in subparagraph (3) below). Neither
18 the Registrar, Paying Agent or the County shall have any
19 responsibility or obligation to any Participant, any Beneficial
20 Owner or any other person claiming a beneficial ownership interest
21 in the Bonds under or through the Securities Depository or any
22 Participant, or any other person which is not shown on the
23 registration books of the Registrar as being a Bondholder, with
24 respect to the accuracy of any records maintained by the Securities
25 Depository or any Participant, the payment to the Securities

1 Depository of any amount in respect of the principal or redemption
2 price of or interest on the Bonds; any notice which is permitted or
3 required to be given to Bondholders under this Ordinance; the
4 selection by the Securities Depository or any Participant of any
5 person to receive payment in the event of a partial redemption of
6 the Bonds; or any consent given or other action taken by the
7 Securities Depository as Bondholder. Paying Agent shall pay all
8 principal and redemption price of and interest on the Bonds only to
9 or "upon the order of" (as that term is used in the Uniform
10 Commercial Code as adopted in the State) the Securities Depository.
11 All such payments shall be valid and effective to fully satisfy and
12 discharge the County's obligations with respect to the principal,
13 purchase price or redemption price of and interest on the Bonds to
14 the extent of the sum or sums so paid. Except as provided in
15 subparagraph (3) below, no person other than the Securities
16 Depository shall receive an authenticated Bond for each separate
17 stated maturity evidencing the obligation of the County to make
18 payment of principal or redemption price and interest pursuant to
19 this Ordinance. Upon delivery by the Securities Depository to the
20 Registrar of written notice to the effect that the Securities
21 Depository has determined to substitute a new nominee in place of
22 the preceding nominee, the Bonds will be transferable to such new
23 nominee in accordance with subparagraph (6) below.

24 (3) In the event the County determines that it is
25 in the best interest of the County not to continue the book-entry

1 system of transfer or that the interest of the Beneficial Owners
2 might be adversely affected if the book-entry system of transfer is
3 continued, the County may notify the Securities Depository,
4 whereupon the Securities Depository will notify the Participants of
5 the availability through the Securities Depository of Bond
6 certificates. In such event, the Registrar shall authenticate,
7 transfer and exchange Bond certificates as requested by the
8 Securities Depository in appropriate amounts in accordance with
9 paragraph (6) below. The Securities Depository may determine to
10 discontinue providing its services with respect to the Bonds at any
11 time by giving notice to the County and discharging its
12 responsibilities with respect thereto under applicable law, or the
13 County may determine that the Securities Depository is incapable of
14 discharging its responsibilities and may so advise the Securities
15 Depository. In either such event, the County shall either
16 establish its own book-entry system or use reasonable efforts to
17 locate another Securities Depository. Under such circumstances (if
18 there is no successor Securities Depository) the County and the
19 Registrar shall be obligated to deliver Bond certificates as
20 described in this Ordinance and in accordance with subparagraph (6)
21 below. In the event Bond certificates are issued, the provisions
22 of this Ordinance shall apply to such Bond certificates in all
23 respects, including, among other things, the transfer and exchange
24 of such certificates and the method of payment of principal or
25 redemption price of and interest on such certificates. Whenever

1 the Securities Depository requests the County and the Registrar to
2 do so, the Registrar and the County will cooperate with the
3 Securities Depository in taking appropriate action after reasonable
4 notice (a) to make available one or more separate certificates
5 evidencing the Senior Obligations Bonds to any Participant having
6 Bonds credited to its account with the Securities Depository or (b)
7 to arrange for another securities depository to maintain custody of
8 certificates evidencing the Bonds.

9 (4) Notwithstanding any other provision of this
10 Ordinance to the contrary, so long as any Bond is registered in the
11 name of the nominee of the Securities Depository, all payment with
12 respect to the principal or redemption price of and interest on
13 such Bond and all notices with respect to such Bond shall be made
14 and given to the Securities Depository as provided in its
15 Representation Letter.

16 (5) In connection with any notice or other
17 communication to be provided to Bondholders pursuant to this
18 Ordinance by the County, the Registrar, or the Paying Agent with
19 respect to any consent or other action to be taken by Bondholders,
20 the County, the Registrar, or the Paying Agent, as the case may be,
21 shall establish a record date for such consent or other action and
22 give the Securities Depository notice of such record date not less
23 than fifteen (15) calendar days in advance of such record date to
24 the extent possible. Such notice to the Securities Depository

1 shall be given only when the Securities Depository is the sole
2 Bondholder.

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

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

24 Section 12. Special Limited Obligations. All of the Bonds
25 and all payments of principal, premium, if any, and interest

1 thereon whether at maturity or on a redemption date, together with
2 any interest accruing thereon, shall be special limited obligations
3 of the County and shall be payable and collectible solely from the
4 Pledged Revenues which revenues are so pledged and are payable as
5 set forth in Section 20 of this Bond Ordinance. The owner of the
6 Bonds may not look to any general or other fund for the payment of
7 the principal of or interest on such obligations, except the
8 designated special funds pledged therefor. The Bonds shall not
9 constitute an indebtedness or a debt of the County within the
10 meaning of any constitutional, charter or statutory provision or
11 limitation, nor shall it be considered or held to be a general
12 obligation of the County, and each of the Bonds shall recite that
13 it is payable and collectible solely out of the Pledged Revenues,
14 pledged as set forth in this Bond Ordinance, and that the holder
15 thereof may not look to any general or other County fund for the
16 payment of the principal of and interest on the Bonds. Nothing
17 herein shall prevent the County, in its sole discretion, from
18 applying other funds of the County legally available therefor to
19 the payment of the Bonds.

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

(Form of Bond)

1
2 AS PROVIDED IN THE BOND ORDINANCE REFERRED TO HEREIN,
3 UNTIL THE TERMINATION OF REGISTERED OWNERSHIP OF ALL OF THE BONDS
4 THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR
5 SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE BOND ORDINANCE,
6 "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE BOND
7 ORDINANCE TO THE CONTRARY, THE PRINCIPAL AMOUNT OUTSTANDING UNDER
8 THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE
9 REGISTRAR. DTC OR A TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY
10 NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE
11 PRINCIPAL AMOUNT HEREOF OUTSTANDING AND TO BE PAID. THE PRINCIPAL
12 AMOUNT OUTSTANDING AND TO BE PAID ON THIS BOND SHALL FOR ALL
13 PURPOSES BE THE AMOUNT INDICATED ON THE BOOKS OF THE REGISTRAR.

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

22 UNITED STATES OF AMERICA STATE OF NEW MEXICO

23 SANTA FE COUNTY, NEW MEXICO
24 GROSS RECEIPTS TAX REVENUE BOND
25 SECOND SUBORDINATE REFUNDING AND IMPROVEMENT
26 SERIES 1998

27 Bond No. R- TBD \$(TO BE DETERMINED)

28 INTEREST RATE	MATURITY DATE	DATE OF BOND	CUSIP
29 <u>TBD</u> % per annum	<u>TBD</u> , _____	January <u>TBD</u> , 1998	

30 The County of Santa Fe (the "County"), in the State of New
31 Mexico, a county duly organized and existing under the Constitution
32 and laws of the State of New Mexico, for value received, hereby
33 promises to pay, solely from the special funds available for the
34 purpose as hereinafter set forth, to CEDE & Co. or registered

1 assigns, no later than the Maturity Date stated above (unless this
2 bond is called for prior redemption, in which case on such
3 redemption date), upon presentation and surrender hereof at the
4 principal office of the County Treasurer as paying agent, or any
5 successor paying agent (the "Paying Agent"), the sum of
6 (TO BE DETERMINED) THOUSAND DOLLARS (\$ TBD) and to pay from
7 said sources interest on the unpaid principal amount at the
8 Interest Rate stated above on TBD , and on the TBD and
9 TBD of each year (each an "Interest Payment Date")
10 thereafter to its maturity, or until redeemed if called for
11 redemption prior to maturity. This bond will bear interest from
12 the most recent date to which interest has been paid or provided
13 for or, if no interest has been paid or provided for, from its
14 date. Interest on this bond is payable by check mailed to the
15 registered owner hereof (or by such other arrangement as may be
16 mutually agreed to by the Paying Agent and the registered owner) as
17 shown on the registration books for this issue maintained by the
18 County Treasurer as registrar, or any successor registrar (the
19 "Registrar") at the address appearing therein at the close of
20 business on the fifteenth day of the calendar month next preceding
21 the Interest Payment Date (the "Record Date"). Any interest which
22 is not timely paid or duly provided for shall cease to be payable
23 to the owner hereof as of the Record Date but shall be payable to
24 the owner hereof at the close of business on a special record date
25 to be fixed by the Paying Agent for the payment of interest. The

1 special record date shall be fixed by the Paying Agent whenever
2 moneys become available for payment of the overdue interest, and
3 notice of the special record date shall be given to the owner of
4 the Bonds (defined below) as then shown on the Registrar's
5 registration books not less than ten days prior to the special
6 record date. If, upon presentation at maturity or redemption,
7 payment of this bond is not made as herein provided, interest
8 hereon shall continue at the Interest Rate stated above until the
9 principal hereof is paid in full. The principal, premium, if any,
10 and interest on this bond are payable in lawful money of the United
11 States of America, without deduction for the services of the Paying
12 Agent or the Registrar.

13 This bond is one of a duly authorized issue of fully
14 registered bonds of the County in the aggregate principal amount of
15 \$15,000,000, issued in denominations of \$5,000 or integral
16 multiples thereof, designated as Santa Fe County, New Mexico Gross
17 Receipts Tax Refunding and Improvement Revenue Bonds, Second
18 Subordinate Series 1998 (the "Bonds") issued under and pursuant to
19 County Ordinance No. TBD and County Resolution No. TBD
20 (collectively, the "Bond Ordinance").

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

23 (Insert Redemption Provisions)

24 Notice of redemption, except mandatory sinking fund redemption
25 for which no notice shall be given, of this bond will be given by

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

13 Books for the registration and transfer of the Bonds shall be
14 kept by the Registrar. Upon the surrender for transfer or exchange
15 of this bond at the principal office of the Registrar, duly
16 endorsed or accompanied by an assignment duly executed by the
17 registered owner or his attorney duly authorized in writing, the
18 Registrar shall authenticate and deliver, not more than three (3)
19 business days after receipt of the Bond or Bonds to be transferred,
20 in the name of the transferee or owner, a new Bond or Bonds in
21 fully registered form of the same aggregate principal amount,
22 maturity and interest rate. Exchanges and transfers of the Bonds
23 shall be without charge to the owner or any transferee, but the
24 Registrar may require the payment by the owner of any Bonds of any
25 tax or other similar governmental charge required to be paid with
26 respect to such exchange or transfer. The Registrar shall not be

1 required (i) to transfer or exchange any Bond during the period of
2 fifteen days next preceding the mailing of notice calling any Bond
3 for redemption, or (ii) to transfer or exchange any Bond or part
4 thereof called for redemption. The Registrar will close the books
5 for change of registered owners' addresses on each Record Date;
6 transfers will be permitted within the period from each Record Date
7 to each interest payment date, but such transfers shall not include
8 a transfer of accrued interest payable.

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

19 If any Bond shall be lost, stolen, destroyed or mutilated, the
20 Registrar will, upon receipt of such Bond, if mutilated, and such
21 evidence, information or indemnity relating thereto as the
22 Registrar may reasonably require, if lost, stolen or destroyed,
23 authenticate and deliver a replacement Bond, or Bonds, of a like
24 aggregate principal amount and of the same maturity and interest
25 rate, bearing a number or numbers not contemporaneously out-
26 standing. If such lost, stolen, destroyed or mutilated Bond shall

1 have matured or have been called for redemption, the Registrar may
2 direct the Paying Agent to pay such Bond in lieu of replacement.

3 This Bond does not constitute an indebtedness of the County
4 within the meaning of any constitutional or statutory provision or
5 limitation, shall not be considered or held to be a general
6 obligation of the County, and is payable and collectible solely
7 from the first one-eighth and one-half of the third one-eighth
8 increment county gross receipts tax levied by the County pursuant
9 to Sections 7-20E-9 to 7-20E-11, NMSA 1978, which equals three
10 sixteenths of one percent (.1875%) of the taxable gross receipts
11 reported for the County and remitted to the County by the State
12 pursuant to Sections 7-1-6 and 7-1-6.13, NMSA 1978 (the "Pledged
13 County Gross Receipts Tax Revenues"), and the Bond Ordinance and
14 the bondholders may not look to any general or other County fund
15 other than those described above for the payment of the interest
16 and principal of this Bond. Additional bonds may be issued and
17 made payable from the Pledged Revenues, upon satisfaction of the
18 conditions set forth in the Bond Ordinance, having a lien thereon
19 either superior to or on a parity with, or subordinate and junior
20 to, the lien on the Pledged Revenues. The lien of the Bonds on the
21 Pledged Revenues is subordinate and junior to liens on the Pledged
22 Revenues of the, Santa Fe County, New Mexico Correctional System
23 Revenue Bonds, Series 1997, dated February 1, 1997, the Santa Fe
24 County, New Mexico Gross Receipts Tax Revenue Bonds, Subordinate
25 Series 1997A, dated February 1, 1997 and to any gross receipts tax
26 revenue bonds issued by the County after the date of the Bonds

1 which the County designates as having a superior lien on the
2 Pledged Revenues.

3 The Bonds are issued to provide funds for any one or more of
4 the purposes of: (1) constructing, purchasing, furnishing,
5 equipping, rehabilitating, making additions to or making
6 improvements to one or more public buildings or purchasing or
7 improving any ground related thereto, including but not necessarily
8 limited to acquiring and improving parking lots or any combination
9 of the foregoing; (2) reconstructing, resurfacing, maintaining,
10 repairing or otherwise improving existing, alleys, streets, roads
11 or bridges or any combination of the foregoing, or laying off,
12 opening, constructing or otherwise acquiring new alleys, streets,
13 roads or bridges or any combination of the foregoing, provided that
14 any of the foregoing improvements may include but is not limited to
15 the acquisition of rights of way; (3) purchasing or otherwise
16 acquiring or clearing land or purchasing, otherwise acquiring and
17 beautifying land for open space; (4) acquiring, constructing,
18 purchasing, equipping, furnishing, making additions to, renovating,
19 rehabilitating, beautifying or otherwise improving public parks,
20 public recreational buildings or other public recreational
21 facilities or any combination of the foregoing; and (5) acquiring,
22 extending, enlarging, bettering, repairing, otherwise improving or
23 maintaining storm sewers, and other drainage improvements, sanitary
24 sewers, sewage treatment plants or water utilities, including but
25 not limited to the acquisition of rights of way and water and water
26 rights or any combination of the foregoing; all within the County,

1 including reimbursing the County for any costs incurred by it for
2 the foregoing prior to the Date of this bond; refunding the New
3 Mexico Finance Authority 1995 Equipment loan; and paying the costs
4 of issuance of the Bonds.

5 The County covenants and agrees with the owner of this bond
6 and with each and every person who may become the owner hereof that
7 it will keep and perform all of the covenants of the Bond
8 Ordinance.

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

15 It is hereby certified that all acts and conditions necessary
16 to be done or performed by the County or to have happened precedent
17 to and in the issuance of the Bonds to make them legal, valid and
18 binding special obligations of the County, have been performed and
19 have happened as required by law, and that the Bonds do not exceed
20 or violate any constitutional or statutory limitation of or
21 pertaining to the County.

22 This bond shall not be valid or obligatory for any purpose
23 until the Registrar shall have manually signed the Certificate of
24 Authentication on this bond.

25 **IN WITNESS WHEREOF**, the County of Santa Fe, New Mexico has
26 caused this bond to be signed and executed on the County's behalf

1 with the manual or facsimile signature of the Chairman of the
2 Board, to be countersigned with the manual or facsimile signature
3 of the County Clerk and has caused a facsimile of the corporate
4 seal of the County to be affixed hereon, all as of the date of this
5 bond.

6 SANTA FE COUNTY, NEW MEXICO

7 By _____ /s/
8 Chairman, Board of County
9 Commissioners

10 [SEAL]

11 By _____ /s/
12 County Clerk

13 (Form of Registrar's Certificate of Authentication)

14 Certificate of Authentication

15 This is one of the Bonds described in the Bond Ordinance, and
16 this bond has been registered on the registration books kept by the
17 undersigned as Registrar for the Bonds.

18 _____ /s/
19 Registrar

20 (End of Form of Registrar's Certificate of Authentication)

21 (Form of Assignment)

22 For value received, _____ TBD _____ hereby sells, assigns
23 and transfers unto _____ TBD _____ the within bond and hereby
24 irrevocably constitutes and appoints _____ TBD _____ attorney,
25 to transfer the same on the books of the Registrar, with full power
26 of substitution in the premises.

27 Dated: _____ TBD _____

28 Social Security or Tax
29 Identification No. of Assignee _____ TBD _____

1 NOTE: The assignor's signature to this Assignment must correspond
2 with the name as written on the face of the within bond in every
3 particular, without alteration or enlargement or any change
4 whatsoever.

5 (End of Form of Assignment)

6 (End of Form of Bond)

7 Section 14. Disposition of Bond Proceeds. Except as herein
8 otherwise specifically provided the proceeds from the sale of the
9 Bonds shall be used as follows:

10 A. Accrued Interest. First, all moneys received as
11 accrued interest from the sale of the Bonds shall be deposited into
12 the Bond Fund, to be applied to the payment of interest next due on
13 the Bonds.

14 B. Reserve Fund. Second, an amount equal to the lesser
15 of: (1) ten percent (10%) of the principal amount of the Bonds;
16 (2) the maximum annual debt service of the Bonds; or (3) one
17 hundred twenty five percent (125%) of the average annual debt
18 service of the Bonds; shall be credited to the Reserve Fund.

19 C. Acquisition Account. Third, an amount necessary,
20 together with funds transferred to the Acquisition Account pursuant
21 to Section 15A, if any, to finance the Project in whole or in part
22 from the proceeds derived from the sale of the Bonds shall be
23 credited to the Acquisition Account, which is hereby created.

24 D. Issuance Fund. Fourth, except as otherwise provided
25 in this Ordinance, the remaining proceeds derived from the sale of
26 the Bonds shall be deposited promptly upon the receipt thereof into

1 the Issuance Fund, maintained by the Purchaser, which is hereby
2 created. The moneys in the Issuance Fund shall be used solely for
3 the payment of costs relating to issuance of the Bonds. All money
4 remaining in the Issuance Fund, if any, after payment of such costs
5 shall be credited to the Acquisition Fund.

6 E. Rebate Fund. There is hereby created the Rebate
7 Fund within the treasury of the County for the purpose of payment
8 to the United States Department of the Treasury of any rebatable
9 arbitrage due.

10 The County shall deposit into the Rebate Fund any amounts
11 available from the proceeds of the Bonds, as specified in the Tax
12 Matters Certificate of the County, in the Rebate Fund, as will be
13 sufficient to pay any rebate due to the United States Department of
14 the Treasury for the applicable rebate period. Moneys in the
15 Rebate Fund shall be invested in accordance with the Tax Matters
16 Certificate. Excess moneys shall be released from the Rebate Fund
17 at the end of the applicable rebate period.

18 F. Use of Proceeds. Except as otherwise specifically
19 provided in this Ordinance, the proceeds derived from the sale of
20 the Bonds shall be used and paid solely for one or more of the
21 purposes of the Project.

22 Section 15. Acquisition Account.

23 A. Additional Acquisition Account Deposit. Upon the
24 issuance of the Bonds, the County Treasurer shall cause to be
25 withdrawn from funds legally available therefor and transferred and
26 credited to the Acquisition Account such amount as he or she

1 determines shall be necessary to assure that the amount in the
2 Acquisition Account will be sufficient for the purposes set forth
3 in paragraph B of this Section 15.

4 B. Maintenance of the Acquisition Account. The
5 Acquisition Account shall be maintained by the County in an amount
6 at the time of the deposit and at all times subsequently at least
7 sufficient to pay the costs of the Project, both accrued and not
8 accrued, as the same become due.

9 C. Refunding Subaccount. There is hereby established
10 the Refunding Subaccount into which the County shall deposit an
11 amount equal to the outstanding principal of and accrued and unpaid
12 interest on, the New Mexico Finance Authority 1995 Equipment Loan,
13 to the next prepayment date. The County shall pay from the moneys
14 deposited in the Refunding Subaccount, on the next prepayment date
15 as provided in the loan documents for the New Mexico Finance
16 Authority 1995 Equipment Loan, all unpaid principal of and interest
17 on said obligation.

18 D. Use of the Acquisition Account. Moneys shall be
19 withdrawn by the County from the Acquisition Account in sufficient
20 amounts and at times to permit the payment without default of the
21 costs of the Project. Any moneys remaining in the Acquisition
22 Account after provision shall have been made for the payment in
23 full of the costs of the Project shall, subject to the provision of
24 Section 18D, be paid to the County Treasurer to be applied to any
25 lawful purposes as the County may hereafter determine.

1 E. Insufficiency of the Acquisition Account. If, for
2 any reason, the amount in the Acquisition Account shall at any time
3 be insufficient for the purpose of paragraphs B and C of this
4 Section 15, the County shall forthwith, from the first legally
5 available revenues, deposit in the Acquisition Account such
6 additional moneys as shall be necessary to permit the payment in
7 full of the costs of the Project.

8 Section 16. Purchaser Not Responsible. The Purchaser, or any
9 subsequent owner of any Bonds, shall in no manner be responsible
10 for the application or disposal by the County, or by any officer or
11 any employee or other agent of the County, of the moneys derived
12 from the sale of the Bonds or of any other moneys designated in
13 this Ordinance.

14 Section 17. The Subordinate Series 1997A Revenue Fund.
15 Pursuant to County Ordinance No. 1996-18, the County previously
16 created the Subordinate Series 1997A Revenue Fund into which the
17 County deposits the Pledged Revenues as received by the County.

18 Section 18. Administration of Subordinate Series 1997A
19 Revenue Fund. So long as any of the Senior Obligations and the
20 Bonds shall be outstanding, whether as to principal or interest or
21 both, the following payments shall be made from the Pledged
22 Revenues:

23 A. Bond Fund Created. Firstly, after monthly deposits
24 of the amounts required for payment of principal of premium, if
25 any, and interest on the Senior Obligations to their respective
26 debt service funds, sinking funds, if any, and reserve funds

1 payments, if any, as a charge on the remaining Pledged Revenues,
2 the following amounts shall be withdrawn from the Subordinate
3 Series 1997A Revenue Fund, and shall be concurrently credited to
4 the Bond Fund, which is hereby created:

5 (1) Interest Payments. Monthly, commencing on the
6 first day of the first month following the delivery of any of the
7 Bonds, an amount in equal monthly installments necessary, together
8 with any moneys in the Bond Fund available therefor, to pay the
9 next maturing installment of interest on the Bonds then outstanding
10 and monthly thereafter commencing on each interest payment date,
11 one-sixth (1/6th) of the amount necessary to pay the next maturing
12 installment of interest on the outstanding Bonds; and

13 (2) Principal Payments. Monthly, commencing on the
14 first day of the first month following the delivery of any of the
15 Bonds, an amount in equal monthly installments necessary, together
16 with any moneys in the Bond Fund available therefor, to pay the
17 next maturing installment of principal on the Bonds and monthly
18 thereafter commencing on each principal payment date, one-twelfth
19 (1/12th) of the amount necessary to pay the next maturing
20 installment of principal on the Bonds.

21 If prior to any interest payment date or principal
22 payment date, there has been accumulated in the Bond Fund the
23 entire amount necessary to pay the next maturing installment of the
24 interest or principal, or both, the payment required under subpara-
25 graph (1) or (2) (whichever is applicable) of this paragraph A, may
26 be appropriately reduced and the required monthly amounts again

1 shall be so credited to such account commencing on such interest
2 payment date or principal payment date (whichever is applicable).

3 B. Termination Upon Deposits to Maturity. No payment
4 need be made into the Bond Fund if the amount in the Bond Fund is
5 a sum at least equal to the entire amount of the Bonds then
6 outstanding, both as to principal and interest to their respective
7 maturities, and both accrued and not accrued, in which case, moneys
8 in the Bond Fund in an amount at least equal to such principal and
9 interest requirements shall be used solely to pay such as the same
10 accrue and any moneys in excess thereof in the Bond Fund and any
11 other moneys derived from the Pledged Revenues may be used in any
12 lawful manner determined by the County. The sufficiency of such
13 sum shall be verified by an opinion addressed to the County from an
14 independent accountant.

15 C. Use of Moneys in the Bond Fund. The moneys in the
16 Bond Fund shall be used solely and only for the purpose of paying
17 the principal of and the interest on the Bonds; provided, however,
18 that any moneys in the Bond Fund in excess of accrued and unaccrued
19 principal and interest requirements to the respective maturities of
20 the outstanding Bonds may be used as provided in paragraph B of
21 this Section 18.

22 D. Reserve Fund Created. There is hereby created the
23 Reserve Fund, to be held by the County. After the payments
24 required by paragraph A of this Section 18, there shall be
25 withdrawn from the Subordinate Series 1997A Revenue Fund, and there
26 shall be concurrently credited to the Reserve Fund, to the extent

1 such amounts are available in the Subordinate Series 1997A Revenue
2 Fund, such amounts as may be necessary in order that the balance in
3 the Reserve Fund is equal to the lesser of an amount equal to: (1)
4 ten percent (10%) of the original principal amount of Bonds
5 delivered to and purchased by the Purchaser; (2) the maximum annual
6 debt service of the Bonds; or (3) one hundred twenty five percent
7 (125%) of the average annual debt service of the Bonds. If the
8 balance in the Reserve Fund exceeds the amount so determined, the
9 excess shall be withdrawn from the Reserve Fund and concurrently
10 credited to the Bond Fund. Moneys in the Reserve Fund shall be
11 withdrawn from the Reserve Fund and concurrently credited to the
12 Bond Fund, to the extent and at the times necessary, and to the
13 extent such amounts are available in the Reserve Fund, to prevent
14 deficiencies in the payments required to be made pursuant to
15 paragraph A of this Section 18.

16 E. Use of Surplus Pledged Revenues. After making the
17 payments required to be made by paragraphs A and D of this
18 Section 18, the remaining Pledged Revenues, if any, may be paid to
19 the County Treasurer and applied to any other lawful purposes.

20 Section 19. General Administration of Funds. The funds and
21 accounts designated in Sections 14, 15, 17 and 18 shall be
22 administered and invested as follows:

23 A. Places and Times of Deposits. The funds shall be
24 separately maintained as a trust fund or funds for the purposes
25 established and shall be deposited in one or more bank accounts in
26 an Insured Bank or Banks. Each account shall be continuously

1 secured to the extent required by law and shall be irrevocable and
2 not withdrawable by anyone for any purpose other than the
3 designated purpose. Payments shall be made into the proper fund or
4 account on the first day of the month except when the first day
5 shall not be a Business Day, then payment shall be made on the next
6 succeeding Business Day. No later than two Business Days prior to
7 each interest and principal payment date, moneys sufficient to pay
8 interest and principal then due on the Bonds shall be transferred
9 to the Paying Agent. Nothing in this Bond Ordinance shall prevent
10 the County from establishing one or more bank accounts in an
11 Insured Bank or Banks for all the funds required by this Bond
12 Ordinance or shall prevent the combination of such funds and
13 accounts with any other bank account or accounts or other funds and
14 accounts of the County.

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

1 Section 20. Lien on Pledged Revenues. The Pledged Revenues,
2 the amounts and securities on deposit in the Bond Fund and the
3 Reserve Fund, and the proceeds thereof, are hereby authorized to be
4 pledged to, and are hereby pledged, and the County grants a
5 security interest therein for the payment of the principal of,
6 premium, if any, and interest on the Bonds, subject to the uses
7 thereof permitted by, and the priorities of the Senior Obligations
8 set forth in this Bond Ordinance. The Bonds constitute an
9 irrevocable junior and subordinate lien on the Pledged Revenues to
10 the lien of the Senior Obligations on the Pledged Revenues as set
11 forth herein.

12 Section 21. Bonds or Other Obligations Payable From Pledged
13 Revenues.

14 A. Issuance of Superior Obligations and Parity County
15 Gross Receipts Tax Revenue Bonds. No provision of this Bond
16 Ordinance shall be construed in such a manner as to prevent the
17 issuance by the County of additional bonds or other obligations
18 payable from Pledged County Gross Receipts Tax Revenues
19 constituting a lien upon such Pledged County Gross Receipts Tax
20 Revenues superior and senior or equal to or on a parity with the
21 Bonds, nor to prevent the issuance of bonds or other obligations
22 refunding all or a part of the Bonds; provided, however, that
23 before any such additional bonds are actually issued, including
24 parity refunding bonds and obligations which refund subordinate
25 obligations as provided in Section 20 hereof, it must be determined
26 that:

1 (1) The County is then current in all of the
2 accumulations required to be made into the Bond Fund and the
3 Reserve Fund as provided in Section 18 of this Bond Ordinance; and

4 (2) No default shall exist in connection with any
5 of the covenants or requirements of this Bond Ordinance; and

6 (3) The Pledged County Gross Receipts Tax Revenues
7 received by the County for the twelve months immediately preceding
8 the date of the issuance of such additional Bonds shall have been
9 sufficient to pay an amount representing one hundred ten percent
10 (110%) of the combined maximum annual principal and interest coming
11 due in any subsequent Fiscal Year on the then outstanding Bonds and
12 the additional bonds proposed to be issued.

13 B. Certificate or Opinion of Revenues. A written
14 certificate or opinion by an Independent Accountant that such
15 annual Pledged County Gross Receipts Tax Revenues are sufficient to
16 pay such amounts shall be conclusively presumed to be accurate in
17 determining the right of the County to authorize, issue, sell and
18 deliver such additional bonds or other obligations senior to or on
19 a parity with the Bonds herein authorized.

20 C. Subordinate Obligations Permitted. No provision of
21 this Bond Ordinance shall be construed in such a manner as to
22 prevent the issuance by the County of additional bonds or other
23 obligations payable from the Pledged Revenues constituting a lien
24 upon such Pledged Revenues subordinate and junior to the lien of
25 the Bonds nor to prevent the issuance of bonds or other obligations

1 refunding all or part of the Bonds herein authorized as permitted
2 by Section 20 hereof.

3 Section 22. Refunding Bonds Payable From Pledged Revenues.

4 The provisions of Section 21 hereof are subject to the following
5 exceptions:

6 A. Privilege of Issuing Refunding Obligations. If at
7 any time after the Bonds shall have been issued and remain
8 outstanding, the County shall find it desirable to refund any
9 outstanding bonds or other outstanding obligations payable from the
10 Pledged Revenues, such bonds or other obligations, or any part
11 thereof, may be refunded (but the holders of Bonds to be refunded
12 may not be compelled to surrender their Bonds, unless the Bonds or
13 other obligations, at the time of their required surrender for
14 payment, shall then mature, or shall then be callable for prior
15 redemption at the County's option), regardless of whether the
16 priority of the lien for the payment of the refunding obligations
17 on the Pledged Revenues is changed, except as provided in
18 subparagraph D of Section 21 hereof and in subparagraphs B and C of
19 this Section 22.

20 B. Limitations Upon Issuance of Parity Refunding
21 Obligations. No refunding bonds or other refunding obligations
22 payable from the Pledged Revenues shall be issued on a parity with
23 the Bonds herein authorized, unless:

24 (1) The outstanding obligations so refunded are
25 parity bonds and the refunding bonds or other refunding obligations

1 do not increase any aggregate annual principal and interest
2 obligations evidenced by such refunded obligations; or

3 (2) The refunding bonds or other refunding
4 obligations are issued in compliance with paragraph A of Section 22
5 hereof.

6 C. Refunding Part of an Issue. The refunding bonds or
7 other obligations so issued shall enjoy complete equality of lien
8 on the Pledged Revenues with the portion of any Bonds or other
9 obligations of the same issue which is not refunded, if any; and
10 the holder or holders of such refunding bonds or such other
11 refunding obligations shall be subrogated to all of the rights and
12 privileges enjoyed by the holder or holders of the Bonds or other
13 obligations of the same issue refunded thereby. If only a part of
14 the outstanding Bonds and any other outstanding obligations of any
15 issue or issues payable from the Pledged Revenues is refunded, then
16 such obligations may not be refunded without the consent of the
17 holder or holders of the unrefunded portion of such obligations,
18 unless:

19 (1) The refunding bonds or other refunding
20 obligations are issued in compliance with paragraph A of Section 22
21 hereof; or

22 (2) The lien on the Pledged Revenues for the
23 payment of the refunding obligations is subordinate to each such
24 lien for the payment of any obligations not refunded.

25 D. Limitations Upon Issuance of Refunding Obligations.
26 Any refunding bonds or other refunding obligations payable from the

1 Pledged Revenues shall be issued with such details as the County
2 may provide by ordinance, but without any impairment of any
3 contractual obligations imposed upon the County by any proceedings
4 authorizing the issuance of any unrefunded portion of such
5 outstanding obligations of any one or more issues (including, but
6 not necessarily limited to, the Bonds).

7 Section 23. Protective Covenants. The County hereby
8 covenants and agrees with each and every holder of the Bonds issued
9 hereunder:

10 A. Use of Bond Proceeds. The County will proceed with-
11 out delay to apply the proceeds of the Bonds to acquiring the
12 Project.

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

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

24 D. Prohibition of any Extension of Interest Payments.
25 In order to prevent any accumulation of claims for interest after
26 maturity, the County will not directly or indirectly extend or

1 assent to the extension of time for the payment of any claim for
2 interest on the Bonds, and the County will not directly or
3 indirectly be a party to or approve any arrangements for any such
4 extension. If the time for payment of any such interest shall be
5 extended, such installment or installments of interest, after such
6 extension or arrangement, shall not be entitled, in case of default
7 hereunder, to the benefit or security hereof, except subject to the
8 prior payment in full of the principal of the Bonds hereunder then
9 outstanding and of the matured interest on such Bonds, the payment
10 of which has not been extended.

11 E. Records for Pledged Revenues. So long as the Bonds
12 remain Outstanding, proper books of record and account will be kept
13 by the County, separate and apart from all other records and
14 accounts, showing complete and correct entries of all transactions
15 relating to the Pledged Revenues.

16 F. Audits. The County will, at the time of the annual
17 audit required by law, cause an audit of its books and accounts
18 relating to the Pledged Revenues to be performed by an Independent
19 Accountant showing the receipts and disbursements in connection
20 with the such Pledged Revenues. The County agrees to furnish
21 forthwith a copy of each of such audits and reports to the owners
22 of the Bonds upon written request.

23 G. Other Pledged Revenues and Liens. Other than as
24 described and identified by this Bond Ordinance, there are no liens
25 or encumbrances of any nature whatsoever on or against the Pledged
26 Revenues.

1 H. Duty to Impose Gross Receipts Tax. If any County
2 ordinance or part thereof, which in any manner affects the Pledged
3 County Gross Receipts Tax Revenues, shall ever be held to be
4 invalid or unenforceable, it shall be the duty of the County to
5 immediately take any action necessary to produce sufficient Pledged
6 County Gross Receipts Tax Revenues to comply with the contracted
7 obligations of this Bond Ordinance, except as is provided in
8 paragraph I of this Section.

9 I. Impairment of Contract. The County agrees that any
10 law, ordinance or resolution of the County that in any manner
11 affects the Pledged County Gross Receipts Tax Revenues or the Bonds
12 shall not be repealed or otherwise directly or indirectly modified,
13 in such a manner as to impair adversely the Bonds Outstanding,
14 unless such Bonds have been discharged in full or provision has
15 been fully made therefor, or unless the required consents of the
16 holders of the then Outstanding Bonds are obtained pursuant to
17 Section 31 of this Bond Ordinance.

18 Section 24. Events of Default. Each of the following events
19 is hereby declared an "Event of Default":

20 A. Nonpayment of Principal or Interest. Failure to pay
21 the principal of or interest on the Bonds when the same becomes due
22 and payable.

23 B. Incapable to Perform. The County shall, for any
24 reason, be rendered incapable of fulfilling its obligations
25 hereunder.

1 C. Default of any Provision. Default by the County in
2 the due and punctual performance of its covenants or conditions,
3 agreements and provisions contained in the Bonds, in this Bond
4 Ordinance, or in the Sale Resolution on its part to be performed,
5 and the continuance of such default (other than a default set forth
6 in subparagraph A of this Section 24) for sixty (60) days after
7 written notice specifying such default and requiring the same to be
8 remedied has been given to the County by the registered owners of
9 at least twenty-five percent (25%) in aggregate principal amount of
10 the Bonds outstanding.

11 Section 25. Remedies Upon Default. Upon the happening and
12 continuance of any of the events of default as provided in Section
13 24 of this Bond Ordinance, then in every case, a holder, but not
14 limited to, a trustee or trustees therefor, may proceed against the
15 County, the Board and its agents, officers and employees to protect
16 and enforce the rights of any holder of the Bonds under this Bond
17 Ordinance by mandamus or other suit, action or special proceedings
18 in equity or at law, in the District Court for the State of New
19 Mexico, First Judicial District either for the appointment of a
20 receiver or for the specific performance of any covenant or
21 agreement contained herein, or in an award relating to the
22 execution of any power herein granted for the enforcement of any
23 legal or equitable remedy as such holder or holders may deem most
24 effectual to protect and enforce the rights provided above, or to
25 enjoin any act or thing which may be unlawful or in violation of

1 any right of any Bondholder, or to require the Board to act as if
2 it were the trustee of an express trust, or any combination of such
3 remedies. All such proceedings at law or in equity shall be
4 instituted, had and maintained for the equal benefit of the holders
5 of the Bonds then Outstanding. The failure of any Bondholder so to
6 proceed shall not relieve the County or any of its officers, agents
7 or employees of any liability for failure to perform any duty.
8 Each right or privilege of such holder (or trustee thereof) is in
9 addition and cumulative to any other right or privilege, and the
10 exercise of any right or privilege by or on behalf of any holder
11 shall not be deemed a waiver of any other right or privilege.

12 Section 26. Duties Upon Default. Upon the happening of any
13 of the events of default provided in Section 24 of this Bond
14 Ordinance, the County, in addition, will do and perform all proper
15 acts on behalf of and for the owners of the Bonds to protect and
16 preserve the security created for the payment of the Bonds and to
17 insure the payment of the principal of and interest on the Bonds
18 promptly as the same become due. All proceeds derived therefrom,
19 so long as the Bonds, either as to principal or interest, are
20 Outstanding and unpaid, shall be applied as set forth in Section 18
21 of this Bond Ordinance. In the event the County fails or refuses
22 to proceed as provided in this Section 26, the owners of the Bonds
23 then outstanding, after demand in writing, may proceed to protect
24 and enforce the rights of the owners of the Bonds as hereinabove
25 provided.

1 Section 26A. Provisions Relating to Bond Insurance. So long
2 as there is a valid, binding, and enforceable municipal bond
3 insurance policy guaranteeing the scheduled payment of principal of
4 and interest on the Bonds, and there is no Bond Insurer Event of
5 Default, the provisions of this Section 26A shall govern the Bonds,
6 notwithstanding anything to the contrary set forth in this
7 Ordinance.

8 A. "AMBAC Assurance" shall mean AMBAC Assurance
9 Corporation, a Wisconsin domiciled stock insurance company.

10 B. "AMBAC Assurance Default" means any one of the
11 following events shall have occurred and be continuing:

12 (1) AMBAC Assurance fails to make or provide for
13 any payment required under the Municipal Bond Insurance Policy in
14 accordance with its terms;

15 (2) AMBAC Assurance (i) files any petition or
16 commences any case or proceeding under any provision or chapter of
17 the United States Bankruptcy Code or any other similar federal or
18 state law relating to insolvency, bankruptcy, rehabilitation,
19 liquidation or reorganization; (ii) makes a general assignment for
20 the benefit of its creditors; or (iii) has an order for relief
21 entered against it under the United States Bankruptcy Code or any
22 other similar federal or state law relating to insolvency,
23 bankruptcy, rehabilitation, liquidation or reorganization which is
24 final and nonappealable; or

25 (3) a court of competent jurisdiction, the New York
26 Department of Insurance or other competent regulatory authority

1 enters a final and nonappealable order, judgment or decree (i)
2 appointing a custodian, trustee, agent or receiver for AMBAC
3 Assurance or for all or any material portion of its property, or
4 (ii) authorizing the taking of possession by a custodian, trustee,
5 agent or receiver of AMBAC Assurance, or the taking of possession
6 of all or any material portion of the property of AMBAC Assurance.

7 C. "Municipal Bond Insurance Policy" shall mean the
8 municipal bond insurance policy issued by AMBAC Assurance insuring
9 the payment when due of the principal of and interest on the Bonds
10 as provided therein.

11 D. Any provision of this Ordinance expressly
12 recognizing or granting rights in or to AMBAC Assurance may not be
13 amended in any manner which affects the rights of AMBAC Assurance
14 hereunder without the prior written consent of AMBAC Assurance.

15 E. Unless otherwise provided in this Section, AMBAC
16 Assurance's consent shall be required in addition to Bondholder
17 consent, when required, for the following purposes: (i) execution
18 and delivery of any supplemental ordinance or any amendment,
19 supplement or change to or modification of this Ordinance; (ii)
20 removal of the Paying Agent and selection and appointment of any
21 successor paying agent; and (iii) initiation or approval of any
22 action not described in (i) or (ii) above which requires Bondholder
23 consent.

24 F. Any reorganization or liquidation plan with respect
25 to the County must be acceptable to AMBAC Assurance. In the event
26 of any reorganization or liquidation, AMBAC Assurance shall have

1 the right to vote on behalf of all bondholders who hold AMBAC
2 Assurance-insured bonds absent a default by AMBAC Assurance under
3 the applicable Municipal Bond Insurance Policy insuring such Bonds.

4 G. Anything in this Ordinance to the contrary
5 notwithstanding, upon the occurrence and continuance of an Event of
6 Default, AMBAC Assurance shall be entitled to control and direct
7 the enforcement of all rights and remedies granted to the
8 Bondholders under this Ordinance.

9 H. While the Municipal Bond Insurance Policy is in
10 effect, the County shall furnish to AMBAC Assurance (to the
11 attention of the Surveillance Department, unless otherwise
12 indicated):

13 (1) as soon as practicable after the filing
14 thereof, a copy of any financial statement of the County and a copy
15 of any audit and annual report of the County;

16 (2) a copy of any notice to be given to the
17 registered owners of the Bonds, including, without limitation,
18 notice of any redemption of or defeasance of Bonds, and any
19 certificate rendered pursuant to this Ordinance relating to the
20 security for the Bonds; and

21 (3) such additional information as it may
22 reasonably request.

23 I. The County shall notify AMBAC Assurance of any
24 failure of the County to provide relevant notices, certificates, or
25 other documents.

1 J. The County will permit AMBAC Assurance to discuss
2 the affairs, finances and accounts of the County or any information
3 AMBAC Assurance may reasonably request regarding the security for
4 the Bonds with appropriate officers of the County. The County will
5 permit AMBAC Assurance to have access to the Project and have
6 access to and to make copies of all books and records relating to
7 the Bonds at any reasonable time.

8 K. AMBAC Assurance shall have the right to direct an
9 accounting at the County's expense, and the County's failure to
10 comply with such direction within thirty (30) days after receipt of
11 written notice of the direction from AMBAC Assurance shall be
12 deemed a default hereunder; provided, however, that if compliance
13 cannot occur within such period, then such period will be extended
14 so long as compliance is begun within such period and diligently
15 pursued, but only if such extension would not materially adversely
16 affect the interest of any registered owner of the Bonds.

17 L. Notwithstanding any other provision of this
18 Ordinance, the County shall immediately notify AMBAC Assurance if
19 at any time there are insufficient moneys to make any payments of
20 principal and/or interest as required and immediately upon the
21 occurrence of any Event of Default hereunder.

22 M. To the extent that the County has entered into a
23 continuing disclosure agreement with respect to the Bonds, AMBAC
24 Assurance shall be included as a party to be notified.

1 N. As long as the Municipal Bond Insurance Policy shall
2 be in full force and effect, the County and Paying Agent agree to
3 comply with the following provisions:

4 (1) At least one (1) day prior to all Interest
5 Payment Dates, the Paying Agent will determine whether there will
6 be sufficient funds in the Funds and Accounts to pay the principal
7 of or interest on the Bonds on such Interest Payment Date. If the
8 Paying Agent determines that there will be insufficient funds in
9 such Funds or Accounts, the Paying Agent shall so notify AMBAC
10 Assurance. Such notice shall specify the amount of the anticipated
11 deficiency, the Bonds to which such deficiency is applicable and
12 whether such Bonds will be deficient as to principal or interest,
13 or both. If the Paying Agent has not so notified AMBAC Assurance
14 at least one (1) day prior to an Interest Payment Date, AMBAC
15 Assurance will make payments of principal or interest due on the
16 Bonds on or before the first day next following the date on which
17 AMBAC Assurance shall have received notice of nonpayment from the
18 Paying Agent;

19 (2) The Paying Agent shall, after giving notice to
20 AMBAC Assurance as provided in (1) above, make available to AMBAC
21 Assurance and, at AMBAC Assurance's direction, to the United States
22 Trust Company of New York, as insurance trustee for AMBAC Assurance
23 or any successor insurance trustee (the "Insurance Trustee"), the
24 registration books of the County maintained by the Paying Agent and
25 all records relating to the Funds and Accounts maintained under
26 this Ordinance;

1 (3) The Paying Agent, shall provide AMBAC Assurance
2 and the Insurance Trustee with a list of registered owners of Bonds
3 entitled to receive principal or interest payments from AMBAC
4 Assurance under the terms of the Municipal Bond Insurance Policy,
5 and shall make arrangements with the Insurance Trustee (i) to mail
6 checks or drafts to the registered owners of Bonds entitled to
7 receive full or partial interest payments from AMBAC Assurance and
8 (ii) to pay principal upon Bonds surrendered to the Insurance
9 Trustee by the registered owners of Bonds entitled to receive full
10 or partial principal payments from AMBAC Assurance;

11 (4) The Paying Agent shall at the time it provides
12 notice to AMBAC Assurance pursuant to paragraph (1) above, notify
13 registered owners of Bonds entitled to receive the payment of
14 principal or interest thereon from AMBAC Assurance (i) as to the
15 fact of such entitlement, (ii) that AMBAC Assurance will remit to
16 them all or a part of the interest payments next coming due upon
17 proof of Bondholder entitlement to interest payments and delivery
18 to the Insurance Trustee, in form satisfactory to the Insurance
19 Trustee, of an appropriate assignment of the registered owner's
20 right to payment, (iii) that should they be entitled to receive
21 full payment of principal from AMBAC Assurance, they must surrender
22 their Bonds (along with an appropriate instrument of assignment in
23 form satisfactory to the Insurance Trustee to permit ownership of
24 such Bonds to be registered in the name of AMBAC Assurance) for
25 payment to the Insurance Trustee, and the Paying Agent, and (iv)
26 that should they be entitled to receive partial payment of

1 principal from AMBAC Assurance, they must surrender their Bonds for
2 payment thereon first to the Paying Agent who shall note on such
3 Bonds the portion of the principal paid by the Paying Agent and
4 then, along with an appropriate instrument of assignment in form
5 satisfactory to the Insurance Trustee, to the Insurance Trustee,
6 which will then pay the unpaid portion of principal;

7 (5) In the event that the Paying Agent has notice
8 that any payment of principal or interest on a Bond which has
9 become due for payment which is made to a Bondholder by or on
10 behalf of the County has been deemed to be a preferential transfer
11 and recovered from its registered owner pursuant to the United
12 States Bankruptcy Code by a trustee in bankruptcy in accordance
13 with the final, nonappealable order of a court having competent
14 jurisdiction, the Paying Agent, shall, at the time AMBAC Assurance
15 is notified pursuant to paragraph (1) above, notify all registered
16 owners that in the event that any registered owner's payment is so
17 recovered, such registered owner will be entitled to payment from
18 AMBAC Assurance to the extent of such recovery if sufficient funds
19 are not otherwise available, and the Paying Agent shall furnish to
20 AMBAC Assurance its records evidencing the payments of principal of
21 and interest on the Bonds which have been made by the Paying Agent
22 and subsequently recovered from registered owners and the dates on
23 which such payments were made;

24 (6) In addition to those rights granted AMBAC
25 Assurance under this Ordinance, AMBAC Assurance shall, to the
26 extent it makes payment of principal of or interest on Bonds,

1 become subrogated to the rights of the recipients of such payments
2 in accordance with the terms of the Municipal Bond Insurance
3 Policy, and to evidence such subrogation (i) in the case of
4 subrogation as to claims for past due interest, the Paying Agent
5 shall note AMBAC Assurance's rights as subrogee on the registration
6 books of the County maintained by the Paying Agent upon receipt
7 from AMBAC Assurance of proof of the payment of interest thereon to
8 the registered owners of the Bonds, and (ii) in the case of
9 subrogation as to claims for past due principal, the Paying Agent
10 shall note AMBAC Assurance's rights as subrogee on the registration
11 books of the County maintained by the Paying Agent, upon surrender
12 of the Bonds by the registered owners thereof together with proof
13 of the payment of principal thereof;

14 O. To the extent that this Ordinance confers upon or
15 gives or grants to AMBAC Assurance any right, remedy or claim under
16 or by reason of this Ordinance, AMBAC Assurance is hereby
17 explicitly recognized as being a third-party beneficiary hereunder
18 and may enforce any such right, remedy or claim conferred, given or
19 granted hereunder.

20 P. Nothing in this Ordinance expressed or implied is
21 intended or shall be construed to confer upon, or to give or grant
22 to, any person or entity, other than the County, AMBAC Assurance,
23 the Paying Agent, and the registered owners of the Bonds, any
24 right, remedy or claim under or by reason of this Ordinance or any
25 covenant, condition or stipulation hereof, and all covenants,
26 stipulations, promises and agreements in this Ordinance contained

1 by and on behalf of the County shall be for the sole and exclusive
2 benefit of the County, AMBAC Assurance, the Paying Agent, and the
3 registered owners of the Bonds.

4 Section 27. Bonds Not Presented when Due. If the Bonds shall
5 not be duly presented for payment when due at maturity or on the
6 redemption date thereof, and if moneys sufficient to pay such Bonds
7 are on deposit with the Paying Agent for the benefit of the owners
8 of such Bonds, all liability of the County to such owners for the
9 payment of such Bonds shall be completely discharged, such Bonds
10 shall not be deemed to be Outstanding and it shall be the duty of
11 the Paying Agent to segregate and to hold such moneys in trust,
12 without liability for interest thereon, for the benefit of the
13 owners of such Bonds as may be provided in any agreement hereafter
14 entered into between the Paying Agent and an officer of the County.

15 Section 28. Tax and Arbitrage Covenants. The County
16 covenants that it will restrict the use of the proceeds of the
17 Bonds in such manner and to such extent, if any, as may be
18 necessary so that the Bonds will not constitute arbitrage bonds
19 under Section 148 of the Internal Revenue Code of 1986, as amended
20 (the "Code"). The Chairman, County Clerk, County Manager or any
21 other officer of the County having responsibility for the issuance
22 of the Bonds shall give an appropriate certificate of the County,
23 for inclusion in the transcript of proceedings for the Bonds,
24 setting forth the reasonable expectations of the County regarding
25 the amount and use of all the proceeds of the Bonds, the facts,
26 circumstances and estimates on which they are based, and other

1 facts and circumstances relevant to the tax treatment of interest
2 on the Bonds.

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

21 For purposes of complying with the covenants of the County set
22 forth in the preceding paragraph, excess earnings (defined in the
23 Code), if any, shall be deposited to the Rebate Fund. Any
24 provision hereof to the contrary notwithstanding, amounts credited
25 to the Rebate Fund shall be free and clear of any lien hereunder or

1 in any other resolution authorizing the issuance of bonds of the
2 County.

3 Amounts in the Rebate Fund will be used at the times and in
4 the manner required by the Code to pay amounts due the United
5 States under the applicable provisions of the Code. Any moneys
6 remaining in the Rebate fund following such payments shall be
7 transferred to the Bond Fund or, if no Bonds payable from the Bond
8 Fund are then Outstanding, to such other fund or account of the
9 County as the County may determine.

10 The requirements of any part of this Section 28 may be
11 modified, if and to the extent, at any time, the County receives an
12 opinion of nationally recognized bond counsel that such action will
13 not adversely affect the exclusion from gross income of interest on
14 the Bonds for federal income tax purposes under Section 103(a) of
15 the Code.

16 Section 29. Continuing Disclosure Undertaking. This
17 Section 29 constitutes the written undertaking by the County for
18 the benefit of the holders of the Bonds required by Section
19 (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under
20 the Securities Exchange Act of 1934, as amended (17 C.F.R. Part
21 240, § 240.15c2-12) (the "Rule"). Capitalized terms used in this
22 undertaking and not otherwise defined in this Bond Ordinance shall
23 have the meanings assigned such terms in subsection C hereof.

24 A. The County undertakes to provide the following
25 information as provided herein:

26 1. Annual Financial Information;

1 2. Audited Financial Statements, if any; and

2 3. Material Event Notices.

3 B. 1. The County shall, while any Bonds are
4 Outstanding, provide the Annual Financial Information on or before
5 December 31 of each year (the "Report Date"), beginning in 1998, to
6 each then existing NRMSIR and the SID, if any. The County may
7 adjust the Report Date if the County changes its fiscal year by
8 providing written notice of the change of fiscal year and the new
9 Report Date to each then existing NRMSIR and the SID, if any;
10 provided that the new Report Date shall be 180 days after the end
11 of the new fiscal year and provided further that the period between
12 the final Report Date relating to the former fiscal year and the
13 initial Report Date relating to the new fiscal year shall not
14 exceed one year in duration. It shall be sufficient if the County
15 provides to each then existing NRMSIR and the SID, if any, the
16 Annual Financial Information by specific reference to documents
17 previously provided to each NRMSIR and the SID, if any, or filed
18 with the Securities and Exchange Commission and, if such a document
19 is a final official statement within the meaning of the Rule,
20 available from the Municipal Securities Rulemaking Board.

21 2. If not provided as part of the Annual Financial
22 Information, the County shall provide the Audited Financial
23 Statements when and if available while any Bonds are Outstanding to
24 each then existing NRMSIR and the SID, if any.

25 3. If a Material Event occurs while any Bonds are
26 Outstanding, the County shall provide a Material Event Notice in a

1 timely manner to the Municipal Securities Rulemaking Board and the
2 SID, if any. Each Material Event Notice shall be so captioned and
3 shall prominently state the date, title and CUSIP numbers of the
4 Bonds.

5 4. The County shall provide in a timely manner to
6 the Municipal Securities Rulemaking Board and to the SID, if any,
7 notice of any failure by the County while any Bonds are Outstanding
8 to provide to each then existing NRMSIR and the SID, if any, Annual
9 Financial Information on or before the Report Date.

10 C. The following are the definitions of the capitalized
11 terms used herein and not otherwise defined in this Bond Ordinance:

12 1. "Annual Financial Information" means the
13 financial information (which shall be based on financial statements
14 prepared in accordance with generally accepted accounting
15 principles ("GAAP") for governmental units as prescribed by the
16 Governmental Accounting Standards Board ("GASB")) or operating data
17 with respect to the County, provided at least annually, of the type
18 included in the final official statement with respect to the Bonds;
19 which Annual Financial Information may, but is not required to,
20 include Audited Financial Statements.

21 2. "Audited Financial Statements" means the
22 County's annual financial statements, prepared in accordance with
23 GAAP for governmental units as prescribed by GASB, which financial
24 statements shall have been audited by such auditor as shall be then
25 required or permitted by the laws of the State.

1 3. "Material Event" means any of the following
2 events, if material, with respect to the Bonds:

3 (1) Principal and interest payment delinquen-
4 cies;

5 (2) Non-payment related defaults;

6 (3) Unscheduled draws on debt service reserves
7 reflecting financial difficulties;

8 (4) Unscheduled draws on credit enhancements
9 reflecting financial difficulties;

10 (5) Substitution of credit or liquidity
11 providers, or their failure to perform;

12 (6) Adverse tax opinions or events affecting
13 the tax-exempt status of the security;

14 (7) Modifications to rights of security
15 holders;

16 (8) Bond calls;

17 (9) Defeasances;

18 (10) Release, substitution, or sale of property
19 securing repayment of the securities; and

20 (11) Rating changes.

21 4. "Material Event Notice" means written or
22 electronic notice of a Material Event.

23 5. "NRMSIR" means a nationally recognized
24 municipal securities information repository, as recognized from
25 time to time by the Securities and Exchange Commission for the
26 purposes referred to in the Rule. The NRMSIRs as of the date
27 hereof are:

- 1 (1) Bloomberg Municipal Repositories
2 P.O. Box 840
3 Princeton, NJ 08542-0840
4 Telephone: (609) 279-3200
5 Fax: (609) 279-5962
6 E-mail: Munis@Bloomberg.com
- 7 (2) Thomson NRMSIR
8 Attn: Municipal Disclosure
9 395 Hudson Street, 3rd Floor
10 New York, NY 10014
11 Telephone: (212) 807-5001 or (800) 689-8466
12 Fax: (212) 989-2078
13 E-mail: Disclosure@Muller.com
- 14 (3) Moody's NRMSIR
15 Public Finance Information Center
16 99 Church Street
17 New York, NY 10007
18 Telephone: (800) 339-6306
19 Fax: (212) 553-1460
- 20 (4) Kenny Information Systems, Inc.
21 65 Broadway, 16th Floor
22 New York, NY 10006
23 Attn: Kenny Repository Service
24 Telephone: (212) 770-4595
25 Fax: (212) 797-7994
- 26 (5) Donnelley Financial
27 Municipal Securities Disclosure Archive
28 559 Main Street
29 Hudson, MA 01749
30 Telephone: (800) 580-3670
31 Fax: (508) 562-1969
32 E-mail: Sspotkill@rrdfin.com
- 33 (6) DPC Data Inc.
34 One Executive Drive
35 Fort Lee, NJ 07024
36 Telephone: (201) 346-0701
37 Fax: (201) 947-0107
38 E-mail: nrmsir@dpcdatata.com
- 39 6. "SID" means a state information depository as
40 operated or designated by the State as such for the purposes
41 referred to in the Rule. There is currently no designated SID for
42 the State.

1 D. Unless otherwise required by law and subject to
2 technical and economic feasibility, the County shall employ such
3 methods of information transmission as shall be requested or
4 recommended by the designated recipients of the County's
5 information.

6 E. The continuing obligation hereunder of the County
7 to provide Annual Financial Information, Audited Financial
8 Statements, if any, and Material Event Notices shall terminate
9 immediately once Bonds no longer are Outstanding. This
10 undertaking, or any provision hereof, shall be null and void in the
11 event that the County delivers to each then existing NRMSIR and the
12 SID, if any, an opinion of nationally recognized bond counsel to
13 the effect that those portions of the Rule which require this
14 undertaking, or any such provision, are invalid, have been repealed
15 retroactively or otherwise do not apply to the Bonds. This
16 undertaking may be amended without the consent of the Bondholders,
17 but only upon the delivery by the County to each then existing
18 NRMSIR and the SID, if any, of the proposed amendment and an
19 opinion of nationally recognized bond counsel to the effect that
20 such amendment, and giving effect thereto, will not adversely
21 affect the compliance of this undertaking by the County with the
22 Rule.

23 F. Any failure by the County to perform in accordance
24 herewith shall not constitute an "Event of Default" under the Bonds
25 and this Bond Ordinance, and the rights and remedies provided by
26 this Bond Ordinance upon the occurrence of an "Event of Default"

1 shall not apply to any such failure; however, Bondholders may sue
2 to enforce performance of the undertakings set forth in this
3 Section 29.

4 Section 30. Delegated Powers. The officers of the County be,
5 and they hereby are, authorized and directed to take all action
6 necessary or appropriate to effectuate the provisions of this Bond
7 Ordinance, including, without limiting the generality of the
8 foregoing, the publication of the summary of publication set out in
9 Section 37 of this Bond Ordinance (with such changes, additions and
10 deletions as they may determine), the distribution of material
11 relating to the Bonds, the printing of the Bonds, the printing,
12 execution and distribution of disclosure documents relating to the
13 Bonds, and the execution thereof, of a purchase agreement for the
14 Bonds and of such other documents as may be required by the
15 Purchaser or bond counsel.

16 Section 31. Amendment Of Bond Ordinance. This Bond Ordinance
17 may be amended without the consent of the holder of any Bonds to
18 cure any ambiguity or to cure, correct or supplement any defect or
19 inconsistent provision contained herein. Prior to the date of the
20 initial delivery of the Bonds to the Purchaser, the provisions of
21 this Bond Ordinance may be amended without the written consent of
22 the Purchaser by any Sale Resolution or other resolution of the
23 Board with respect to any changes which are not inconsistent with
24 the substantive provisions of this Bond Ordinance. Except as
25 provided above, this Bond Ordinance may be amended without receipt
26 by the County of any additional consideration, but with the written

1 consent of two-thirds of all holders of the Bonds then Outstanding;
2 but no amendment adopted without the written consent of the holders
3 of all Outstanding Bonds shall have the effect of permitting:

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

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

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

14 Section 32. Defeasance. When all principal, interest and
15 prior redemption premiums, if any, in connection with the Bonds
16 hereby authorized have been duly paid, the pledge and lien for the
17 payment of the Bonds shall thereby be discharged and the Bonds
18 shall no longer be deemed to be outstanding within the meaning of
19 this Bond Ordinance. The County shall receive an opinion from Bond
20 Counsel that the defeasance does not adversely affect the exclusion
21 from income of interest on the Bonds for federal income tax
22 purposes. Payment shall be deemed made with respect to the Bonds
23 when the Board has placed in escrow with a commercial bank
24 exercising trust powers, an amount sufficient (including the known
25 minimum yield from federal securities) to meet all requirements of
26 principal, interest and prior redemption premiums, if any, as the

1 same become due to their final maturities or upon designated
2 redemption dates. The sufficiency of such amount shall be verified
3 by an opinion, which opinion shall be conclusively presumed
4 accurate as to the sufficiency of said deposit, addressed to the
5 County from an Independent Accountant. Any federal securities
6 shall become due when needed in accordance with a schedule agreed
7 upon between the Board and such bank at the time of the creation of
8 the escrow. Federal securities within the meaning of this Section
9 32 shall include only direct obligations of, or obligations the
10 principal of and interest on which are unconditionally guaranteed
11 by the United States of America.

12 Section 33. Ordinance Irrepealable. After the Bonds are
13 issued, this Bond Ordinance shall be and remain irrepealable until
14 the Bonds and the interest thereon shall be fully paid, canceled
15 and discharged, as herein provided, or there has been defeasance as
16 herein provided.

17 Section 34. Severability Clause. If any section, paragraph,
18 clause or provision of this Bond Ordinance shall for any reason be
19 held to be invalid or unenforceable, the invalidity or
20 unenforceability of such section, paragraph, clause or provision
21 shall not affect any of the remaining provisions of this Bond
22 Ordinance.

23 Section 35. Repealer Clause. All bylaws, orders, resolutions
24 and ordinances, or parts thereof, inconsistent herewith are hereby
25 repealed to the extent only of such inconsistency. This repealer

1 shall not be construed to revive any bylaw, order, resolution or
2 ordinance, or part thereof, heretofore repealed.

3 **Section 36. Effective Date.** Upon due adoption of this Bond
4 Ordinance, it shall be recorded in the book of ordinances of the
5 County kept for that purpose, authenticated by the signatures of
6 the Chairman of the Board and County Clerk, and the title and
7 general summary of the subject matter contained in this Bond
8 Ordinance (set out in Section 37 below) shall be published in a
9 newspaper which maintains an office and is of general circulation
10 in the County, or posted in accordance with law, and this Bond
11 Ordinance shall be in full force and effect 30 days thereafter, in
12 accordance with law.

13 **Section 37. General Summary for Publication.** Pursuant to the
14 general laws of the State, the title and a general summary of the
15 subject matter contained in this Bond Ordinance shall be published
16 in substantially the following form:

17 **Santa Fe County, New Mexico**

18 **Notice of Adoption of County Ordinance No. 1998-2**

19 Notice is hereby given of the title and of a general
20 summary of the subject matter contained in an ordinance duly
21 adopted and approved by the Board of County Commissioners of Santa
22 Fe County, New Mexico, on January 28, 1998, relating to the
23 authorization and issuance of the County's Gross Receipts Tax
24 Refunding and Improvement Revenue Bonds, Second Subordinate Series
25 1998. Complete copies of the ordinance are available for public

1 inspection during the normal and regular business hours of the
2 County Clerk, 102 Grant Avenue, Santa Fe, New Mexico.

3 **The title of the Ordinance is:**

4 AMENDING AND RESTATING ORDINANCE NO. 97-13; AUTHORIZING
5 THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF SANTA FE
6 COUNTY, NEW MEXICO GROSS RECEIPTS TAX REFUNDING AND
7 IMPROVEMENT REVENUE BONDS IN THE AGGREGATE PRINCIPAL
8 AMOUNT NOT TO EXCEED FIFTEEN MILLION DOLLARS
9 (\$15,000,000) (THE "BONDS") FOR ANY ONE OR MORE OF THE
10 PURPOSES OF: (1) CONSTRUCTING, PURCHASING, FURNISHING,
11 EQUIPPING, REHABILITATING, MAKING ADDITIONS TO OR MAKING
12 IMPROVEMENTS TO ONE OR MORE PUBLIC BUILDINGS OR
13 PURCHASING OR IMPROVING ANY GROUND RELATED THERETO,
14 INCLUDING BUT NOT NECESSARILY LIMITED TO ACQUIRING AND
15 IMPROVING PARKING LOTS OR ANY COMBINATION OF THE FORE-
16 GOING; (2) RECONSTRUCTING, RESURFACING, MAINTAINING,
17 REPAIRING OR OTHERWISE IMPROVING EXISTING ALLEYS,
18 STREETS, ROADS OR BRIDGES OR ANY COMBINATION OF THE
19 FOREGOING, OR LAYING OFF, OPENING, CONSTRUCTING OR
20 OTHERWISE ACQUIRING NEW ALLEYS, STREETS, ROADS OR BRIDGES
21 OR ANY COMBINATION OF THE FOREGOING, PROVIDED THAT ANY OF
22 THE FOREGOING IMPROVEMENTS MAY INCLUDE BUT IS NOT LIMITED
23 TO THE ACQUISITION OF RIGHTS OF WAY; (3) PURCHASING OR
24 OTHERWISE ACQUIRING OR CLEARING LAND OR PURCHASING,
25 OTHERWISE ACQUIRING AND BEAUTIFYING LAND FOR OPEN SPACE;
26 (4) ACQUIRING, CONSTRUCTING, PURCHASING, EQUIPPING,
27 FURNISHING, MAKING ADDITIONS TO, RENOVATING,
28 REHABILITATING, BEAUTIFYING OR OTHERWISE IMPROVING PUBLIC
29 PARKS, PUBLIC RECREATIONAL BUILDINGS OR OTHER PUBLIC
30 RECREATIONAL FACILITIES OR ANY COMBINATION OF THE
31 FOREGOING; AND (5) ACQUIRING, EXTENDING, ENLARGING,
32 BETTERING, REPAIRING, OTHERWISE IMPROVING OR MAINTAINING
33 STORM SEWERS, AND OTHER DRAINAGE IMPROVEMENTS, SANITARY
34 SEWERS, SEWAGE TREATMENT PLANTS OR WATER UTILITIES,
35 INCLUDING BUT NOT LIMITED TO THE ACQUISITION OF RIGHTS OF
36 WAY AND WATER AND WATER RIGHTS OR ANY COMBINATION OF THE
37 FOREGOING; ALL WITHIN THE COUNTY; AND REFUNDING THE
38 OUTSTANDING NEW MEXICO FINANCE AUTHORITY 1995 EQUIPMENT
39 LOAN; PROVIDING FOR THE PAYMENT OF THE BONDS FROM THE
40 COUNTY'S GROSS RECEIPTS TAX REVENUES REMITTED TO THE
41 COUNTY BY THE STATE OF NEW MEXICO AND WHICH MAY BE
42 DEDICATED TO SAID PURPOSES SUBORDINATE TO (1) SANTA FE
43 COUNTY, NEW MEXICO CORRECTIONAL SYSTEM REVENUE BONDS,
44 SERIES 1997, DATED FEBRUARY 1, 1997; (2) SANTA FE COUNTY,
45 NEW MEXICO GROSS RECEIPTS TAX REVENUE BONDS, SUBORDINATE
46 SERIES 1997A DATED FEBRUARY 1, 1997; AND (3) TO ANY GROSS
47 RECEIPTS TAX REVENUE BONDS THE COUNTY MAY ISSUE AFTER THE
48 DATE OF ISSUANCE OF THE BONDS WHICH THE COUNTY MAY

1 DESIGNATE AS HAVING A SENIOR PRIORITY OVER THE BONDS,
2 PROVIDING FOR THE FORM, EXECUTION AND OTHER DETAILS CON-
3 CERNING THE BONDS, THE FUNDS APPERTAINING THERETO
4 INCLUDING A RESERVE FUND AND FOR A SUPPLEMENTAL
5 RESOLUTION OF THE COUNTY ESTABLISHING CERTAIN DETAILS OF
6 THE BONDS; PROVIDING FOR THE PAYMENT OF THE COSTS OF
7 ISSUANCE OF THE BONDS; APPROVING DISCLOSURE AND OTHER
8 DOCUMENTS RELATING TO THE BONDS; AND RATIFYING ACTION
9 PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

10 The following is a general summary of the subject matter
11 contained in the ordinance:

12 Preambles recite or include such matters as: the status
13 of the gross receipts tax revenues under State law; the County's
14 receipt of the proposed ordinance which relates to the issuance and
15 sale of the County's Gross Receipts Tax Refunding and Improvement
16 Revenue Bonds, Second Subordinate Series 1998 (the "Bonds"); the
17 County Commission's determination that it is in the best interests
18 of the County and its residents to issue the Bonds secured by a
19 subordinate and junior lien, on the Pledged Revenues, and the
20 County Commission's determination that it is in the best interest
21 of the County to authorize issuance of the Bonds.

22 Sections 1 through 4 define terms used in the Ordinance;
23 ratify and confirm all previous actions taken by the County
24 directed toward the authorization of the Bonds; authorize the
25 issuance of the Bonds for any one or more of the purposes of:
26 (1) constructing, purchasing, furnishing, equipping, rehabilita-
27 ting, making additions to or making improvements to one or more
28 public buildings or purchasing or improving any ground related
29 thereto, including but not necessarily limited to acquiring and
30 improving parking lots or any combination of the foregoing; (2)

1 reconstructing, resurfacing, maintaining, repairing or otherwise
2 improving existing alleys, streets, roads or bridges or any
3 combination of the foregoing, or laying off, opening, constructing
4 or otherwise acquiring new alleys, streets, roads or bridges or any
5 combination of the foregoing, provided that any of the foregoing
6 improvements may include but is not limited to the acquisition of
7 rights of way; (3) purchasing or otherwise acquiring or clearing
8 land or purchasing, otherwise acquiring and beautifying land for
9 open space; (4) acquiring, constructing, purchasing, equipping,
10 furnishing, making additions to, renovating, rehabilitating,
11 beautifying or otherwise improving public parks, public recrea-
12 tional buildings or other public recreational facilities or any
13 combination of the foregoing; and (5) acquiring, extending,
14 enlarging, bettering, repairing, otherwise improving or maintaining
15 storm sewers, and other drainage improvements, sanitary sewers,
16 sewage treatment plants or water utilities, including but not
17 limited to the acquisition of rights of way and water and water
18 rights or any combination of the foregoing; all within the County,
19 paying costs of issuance of the Bonds; including but not limited to
20 the reimbursement of certain costs incurred by the County related
21 to the foregoing prior to the adoption of the Ordinance and
22 refunding the Refunded Obligations (the "Project"); set forth
23 certain findings of the County Commission which include: moneys
24 available for acquiring the Project other than from the issuance of

1 revenue bonds are not sufficient to defray the cost of acquiring
2 the Project.

3 Section 5 authorizes the issuance of the Bonds in the
4 principal amount not to exceed \$15,000,000 to be payable and
5 collectible from gross receipts tax revenues received by the
6 County; provides for the negotiated sale of the Bonds to the
7 Purchaser at a price to be approved in a subsequent resolution (the
8 "Sale Resolution"); provides that the maturity schedule and
9 interest for the Bonds will be established in the Sale Resolution,
10 and that the Bonds shall be issued as fully registered bonds.

11 Sections 6 through 9 provide that details with respect to
12 the prior redemption of the Bonds will be as stated in the Sale
13 Resolution; provide details with respect to the notice of
14 redemption; for the filing of signatures, execution and authenti-
15 cation of the Bonds; and that the Bonds are fully negotiable.

16 Sections 10 through 13 provide details relating to payment
17 of the Bonds and presentation of the Bonds for payment; for the
18 registration, transfer, exchange and ownership of the Bonds; that
19 the Bonds constitute special limited obligations of the County; for
20 the form of the Bonds; and provide that the Bonds are issued in book
21 entry form.

22 Sections 14 through 20 provide details relating to
23 disposition of the proceeds of the Bonds; for creation and
24 administration of special funds and accounts for deposit of the
25 revenues pledged to the payment of the Bonds; provide for the

1 deposit and flow of funds to pay the Bonds, security for the payment
2 of the Bonds and other obligations of the County relating thereto.

3 Sections 21 through 22 provide details relating to the
4 issuance of additional bonds and refunding bonds secured by Pledged
5 Revenues.

6 Sections 23 through 26A provide protective covenants
7 relating to such matters as the use of Bond proceeds, the payment of
8 the Bonds, the existence of the County, other gross receipts tax
9 liens, impairment of contract; define events of default; and provide
10 for remedies and duties upon default and provisions relating to the
11 bond insurance.

12 Sections 27 through 28 relate to the extent of liability
13 for the Bonds not presented when due; provide for the payment of
14 rebatable arbitrage to the United States.

15 Section 29 contains the County's undertaking to provide
16 continuing disclosure with regard to the Bonds.

17 Sections 30 through 37 delegate powers to the officers of
18 the County to effectuate the provisions of the Ordinance; provide
19 for amendments to the Ordinance and the defeasance of the Bonds;
20 provide a limitation of action period; state that the Ordinance is
21 irrevocable; provide for severability and repealer clauses; provide
22 an effective date for the Ordinance; and provide a form for
23 publication.

24 This notice constitutes compliance with § 6-14-6 NMSA
25 1978.

1 WITNESS my hand and the seal of the County of Santa Fe,
2 New Mexico, this 28TH day of January, 1998.

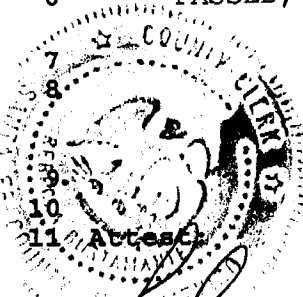
3 /s/ REBECCA BUSTAMANTE
4 County Clerk

5 (END OF FORM OF NOTICE FOR PUBLICATION)

6 PASSED, ADOPTED, AND APPROVED this 28TH day of January, 1998.

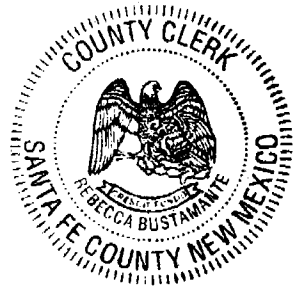
BOARD OF COUNTY COMMISSIONERS
SANTA FE COUNTY, NEW MEXICO

Javier Gonzales
JAVIER GONZALES, Chairman



11 Rebecca Bustamante
12
13 REBECCA BUSTAMANTE, County Clerk

14 APPROVED AS TO FORM:
Steven G. Kopelman
15
16 Steven G. Kopelman, County Attorney



1011155

COUNTY OF SANTA FE)
STATE OF NEW MEXICO)SS
I hereby certify that this instrument was filed
for record on the 3 day of FEB. A.D.
19 98 , at 2:55 o'clock P.m
and was duly recorded in book 1452
page 503-042 of the records of
Santa Fe County.

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