

ORDINANCE NO. 7250-16

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED ONE HUNDRED FORTY-FIVE MILLION DOLLARS (\$145,000,000) PRINCIPAL AMOUNT OF GENERAL OBLIGATIONS OF THE CITY OF NEWPORT NEWS, VIRGINIA, IN THE FORM OF CITY OF NEWPORT NEWS, VIRGINIA, GENERAL OBLIGATION GENERAL IMPROVEMENT REFUNDING BONDS AND/OR GENERAL OBLIGATION WATER REFUNDING BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND AND REDEEM CERTAIN OUTSTANDING GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS AND/OR GENERAL OBLIGATION WATER BONDS OR OTHER GENERAL OBLIGATIONS OF SUCH CITY; AUTHORIZING THE SALE OF SUCH BONDS; FIXING THE FORM, DENOMINATION AND CERTAIN OTHER DETAILS OF SUCH BONDS; PROVIDING FOR THE SALE OF SUCH BONDS AND DELEGATING TO THE CITY MANAGER CERTAIN POWERS WITH RESPECT THERETO; AUTHORIZING THE PREPARATION AND DELIVERY OF THE PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT RELATING TO SUCH BONDS; AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER A CONTINUING DISCLOSURE CERTIFICATE OR A CONTINUING DISCLOSURE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE APPOINTMENT OF AN ESCROW AGENT; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT BY AND BETWEEN THE CITY AND SUCH ESCROW AGENT AND THE PURCHASE OF THE SECURITIES TO BE HELD THEREUNDER; AND AUTHORIZING THE DESIGNATION OF THE REFUNDED BONDS FOR REDEMPTION.**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA:

SECTION 1. The Council (the "Council") of the City of Newport News, Virginia (the "City"), hereby finds and determines as follows:

(a) The City has been advised by the City's Financial Advisor that the refunding in advance of their stated maturities of all or a portion of certain currently outstanding issues of General Obligation General Improvement Bonds and/or General Obligation Water Bonds of the City or other general obligations of the City for which the City is responsible for payment may result in debt service cost savings to the City.

(b) The Council desires to authorize the issuance and sale of General Obligation General Improvement Refunding Bonds and/or General Obligation Water Refunding Bonds to provide for the refunding and redemption of all or a portion of such outstanding General Obligation General Improvement Bonds and/or General Obligation Water Bonds of the City or other general obligations of the City for which the City is responsible for payment, the

refunding of which shall be recommended by the City's Financial Advisor (such bonds or other obligations to be refunded being referred to hereinafter as the "Refunded Bonds").

(c) In the judgment of the Council, it is desirable to authorize the issuance and sale of not to exceed One Hundred Forty-Five Million Dollars (\$145,000,000) aggregate principal amount of General Obligation General Improvement Refunding Bonds and/or General Obligation Water Refunding Bonds, the same to be known and designated as the "City of Newport News, Virginia, General Obligation General Improvement Refunding Bonds" (the "General Improvement Refunding Bonds") and/or the "City of Newport News, Virginia, General Obligation Water Refunding Bonds" (the "Water Refunding Bonds" and, collectively with the General Improvement Refunding Bonds, the "Refunding Bonds"), for the purpose of providing funds to refund and redeem all or a portion of the Refunded Bonds and to pay the costs of issuing the Refunding Bonds.

(d) In the further judgment of the Council, it is desirable to authorize the sale of the Refunding Bonds in one or more series under one or more Preliminary Official Statements and final Official Statements.

SECTION 2. Pursuant to Chapter 26 of Title 15.2 of the Code of Virginia, 1950, the same being the Public Finance Act of 1991, for the purpose of providing funds to refund and redeem certain outstanding General Obligation General Improvement Bonds and/or General Obligation Water Bonds of the City or other general obligations of the City for which the City is responsible for payment, there are authorized to be issued in one or more series not to exceed One Hundred Forty-Five Million Dollars (\$145,000,000) aggregate principal amount of general obligation bonds of the City, to be designated and known as the "City of Newport News, Virginia, General Obligation General Improvement Refunding Bonds" (hereinbefore defined as the "General Improvement Refunding Bonds") and/or the "City of Newport News, Virginia, General Obligation Water Refunding Bonds" (hereinbefore defined as the "Water Refunding Bonds", and, collectively with the General Improvement Refunding Bonds, as the "Refunding Bonds").

SECTION 3. (a) The Refunding Bonds of each issue shall be issued and sold in their entirety at one time, or from time to time in part in series, as shall be determined by the City Manager. Any series of the Refunding Bonds may be sold contemporaneously with any other bonds of the City, either as a separate series or as a combined series with any other bonds of the City. There shall be added to the designation of the Refunding Bonds a series designation determined by the City Manager of the City. All such Refunding Bonds shall be issued in fully registered form and shall be in the denomination of \$5,000 or any integral multiple thereof. The Refunding Bonds of a given series shall be numbered from R-1 upwards in order of issuance and shall have such other series prefix or suffix or numbering system as shall be determined by the City Manager; shall mature in such years and in such amounts in each year as shall be determined by the City Manager; and shall bear interest, calculated on the basis of a 360-day year comprised of twelve 30-day months, at such rate or rates per annum as shall be determined by the City Manager in accordance with the provisions of Section 10, such interest to be payable semiannually; *provided* the first interest payment date may be any date within one (1) year from the date of the Refunding Bonds as determined by the City Manager. The City Manager is

authorized to determine, in accordance with and subject to the provisions of this Ordinance: the date or dates of the Refunding Bonds; the interest payment dates thereof; the maturity dates thereof; the amount of principal maturing on each maturity date; the place or places of payment thereof and the paying agent or paying agents therefor; the place of registration, exchange or transfer thereof and the registrar therefor; and whether or not the Refunding Bonds shall be subject to redemption prior to their stated maturity or maturities and, if subject to such redemption, the premiums, if any, payable upon such redemption and the respective periods in which such premiums are payable. In the event the Refunding Bonds of any series shall be dated as of a date other than the first day of a calendar month or the dates on which interest is payable on such series are other than the first days of calendar months, the provisions of Section 5 with regard to the authentication of such Refunding Bonds and of Section 14 with regard to the forms of such Refunding Bonds shall be modified as the City Manager shall determine to be necessary or appropriate.

(b) (i) If the Refunding Bonds of any series are subject to redemption and if any Refunding Bonds (or portions thereof in installments of \$5,000 or any integral multiple thereof) are to be redeemed, notice of such redemption specifying the date, numbers and maturity or maturities of the Refunding Bond or Refunding Bonds to be redeemed, the date and place or places fixed for their redemption and if less than the entire principal amount of a Refunding Bond called for redemption is to be redeemed, that such Refunding Bond must be surrendered in exchange for payment of the principal amount thereof to be redeemed and the issuance of a new Refunding Bond or Refunding Bonds equalling in principal amount that portion of the principal amount of such Refunding Bond not to be redeemed, shall be mailed not less than thirty (30) days prior to the date fixed for redemption, by first class mail, postage prepaid, to the registered owner of such Refunding Bond at the address of such registered owner as it appears on the books of registry kept by the registrar and paying agent as of the close of business on the forty-fifth (45th) day next preceding the date fixed for redemption. If any Refunding Bond shall have been called for redemption and notice thereof shall have been given as hereinabove set forth, and payment of the principal amount of such Refunding Bond (or the principal amount thereof to be redeemed) and of the accrued interest payable upon such redemption shall have been duly made or provided for, interest on such Refunding Bond (or the principal amount thereof to be redeemed) shall cease to accrue from and after the date so specified for the redemption thereof.

(ii) Any notice of the optional redemption of the Refunding Bonds may state that it is conditioned upon there being on deposit with the City, or with the registrar and paying agent on behalf of the City, on the date fixed for the redemption thereof an amount of money sufficient to pay the redemption price of such Refunding Bonds, together with the interest accrued thereon to the date fixed for the redemption thereof, and any conditional notice so given may be rescinded at any time before the payment of the redemption price of such Refunding Bonds, together with the interest accrued thereon, is due and payable if any such condition so specified is not satisfied. If a redemption of any Refunding Bonds does not occur after a conditional notice is given due to there not being on deposit with the City, or with the registrar and paying agent on behalf of the City, a sufficient amount of money to pay the redemption price of such Refunding Bonds, together with the interest accrued thereon to the date fixed for the redemption thereof, the corresponding notice of redemption shall be deemed to be revoked.

(iii) So long as the Refunding Bonds are in book-entry only form, any notice of redemption shall be given only to The Depository Trust Company, New York, New York (“DTC”), or to its nominee. The City shall not be responsible for providing any beneficial owner of the Refunding Bonds any notice of redemption.

SECTION 4. (a) The full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on the General Improvement Refunding Bonds as the same become due. In each year while the General Improvement Refunding Bonds, or any of them, are outstanding and unpaid, the Council is authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and interest on the General Improvement Refunding Bonds to the extent other funds of the City are not lawfully available and appropriated for such purpose.

(b) The full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on the Water Refunding Bonds as the same become due to the extent the income and revenues of the waterworks system of the City are or will be insufficient to provide for the payment of the principal of and interest on the Water Refunding Bonds. In each year while the Water Refunding Bonds, or any of them, are outstanding and unpaid, the Council is authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and interest on the Water Refunding Bonds to the extent other funds of the City are not lawfully available and appropriated for such purpose.

SECTION 5. (a) The Refunding Bonds shall be executed, for and on behalf of the City, by the manual or facsimile signature of the Mayor of the City and shall have a facsimile of the corporate seal of the City imprinted thereon, attested by the manual or facsimile signature of the City Clerk of the City.

(b) The City Manager shall direct the registrar and paying agent for the Refunding Bonds of a given series to authenticate such Refunding Bonds and no such Refunding Bond shall be valid or obligatory for any purpose unless and until the certificate of authentication endorsed on such Refunding Bond shall have been manually executed by an authorized officer of the registrar and paying agent. Upon the authentication of any Refunding Bonds the registrar and paying agent shall insert in the certificate of authentication the date as of which such Refunding Bonds are authenticated as follows: (i) if the Refunding Bond is authenticated prior to the first interest payment date, the certificate shall be dated as of the date of the initial issuance and delivery of the Refunding Bonds of the series of Refunding Bonds of which such Refunding Bond is one, (ii) if the Refunding Bond is authenticated upon an interest payment date, the certificate shall be dated as of such interest payment date, (iii) if the Refunding Bond is authenticated after the fifteenth (15th) day of the calendar month next preceding an interest payment date and prior to such interest payment date, the certificate shall be dated as of such

interest payment date, and (iv) in all other instances the certificate shall be dated as of the interest payment date next preceding the date upon which the Refunding Bond is authenticated.

(c) The execution and authentication of the Refunding Bonds in the manner above set forth is adopted as a due and sufficient authentication of the Refunding Bonds.

SECTION 6. (a) The principal of the Refunding Bonds shall be payable in such coin or currency of the United States of America as at the respective dates of payment thereof is legal tender for public and private debts, at the option of the registered owner thereof, at the place or places of payment and through the paying agent or paying agents for the Refunding Bonds determined by the City Manager in accordance with Section 3. Interest on the Refunding Bonds shall be payable by check mailed by the registrar and paying agent to the registered owners of the Refunding Bonds at their respective addresses as such addresses appear on the books of registry kept pursuant to this Section 6; *provided, however,* that so long as the Refunding Bonds are in book-entry form and registered in the name of Cede & Co., as nominee of DTC, or in the name of such other nominee of DTC as may be requested by an authorized representative of DTC, interest on the Refunding Bonds shall be paid directly to Cede & Co. or such other nominee of DTC by wire transfer.

(b) At all times during which any Refunding Bond of any series remains outstanding and unpaid, the registrar and paying agent for such series shall keep or cause to be kept at its designated corporate trust office books of registry for the registration, exchange and transfer of the Refunding Bonds of such series. Upon presentation at its designated corporate trust office for such purpose, the registrar and paying agent, under such reasonable regulations as it may prescribe, shall register, exchange or transfer, or cause to be registered, exchanged or transferred, on the books of registry the Refunding Bonds as hereinbefore set forth.

(c) The books of registry shall at all times be open for inspection by the City or any duly authorized officer thereof.

(d) Any Refunding Bond may be exchanged at the designated corporate trust office of the registrar and paying agent for such series of Refunding Bonds for a like aggregate principal amount of such Refunding Bonds in other authorized principal sums of the same series, interest rate and maturity.

(e) Any Refunding Bond of any series may, in accordance with its terms, be transferred upon the books of registry by the person in whose name it is registered, in person or by such person's duly authorized agent, upon surrender of such Refunding Bond to the registrar and paying agent for such series for cancellation, accompanied by a written instrument of transfer duly executed by the registered owner in person or by such registered owner's duly authorized attorney, in form satisfactory to the registrar and paying agent.

(f) All transfers or exchanges pursuant to this Section 6 shall be made without expense to the registered owner of such Refunding Bonds, except as otherwise herein provided, and except that the registrar and paying agent for such series of Refunding Bonds shall require the payment by the registered owner of the Refunding Bond requesting such transfer or exchange

of any tax or other governmental charges required to be paid with respect to such transfer or exchange. All Refunding Bonds surrendered pursuant to this Section 6 shall be cancelled.

(g) (i) The Refunding Bonds shall be issued in full book-entry form. One Refunding Bond representing each maturity of each series of the Refunding Bonds will be issued to and registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Refunding Bonds and each such Refunding Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Refunding Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Refunding Bonds purchased.

(ii) Principal and interest payments on the Refunding Bonds will be made by the registrar and paying agent to DTC or its nominee, Cede & Co., as registered owner of the Refunding Bonds, which will in turn remit such payments to the DTC participants for subsequent disbursement to the beneficial owners of the Refunding Bonds. Transfers of principal and interest payments to the DTC participants will be the responsibility of DTC. Transfers of such payments to beneficial owners of the Refunding Bonds by DTC participants will be the responsibility of such participants and other nominees of such beneficial owners. Transfers of ownership interests in the Refunding Bonds will be accomplished by book entries made by DTC and, in turn, by the DTC participants who act on behalf of the indirect participants of DTC and the beneficial owners of the Refunding Bonds.

(iii) The City will not be responsible or liable for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants or for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owner of the Refunding Bonds.

SECTION 7. (a) CUSIP identification numbers may be printed on the Refunding Bonds, but no such number shall constitute a part of the contract evidenced by the particular Refunding Bond upon which it is printed; no liability shall attach to the City or any officer or agent thereof (including any paying agent for the Refunding Bonds) by reason of such numbers or any use made thereof (including any use thereof made by the City, any such officer or any such agent) or by reason of any inaccuracy, error or omission with respect thereto or in such use; and any inaccuracy, error or omission with respect to such numbers shall not constitute cause for failure or refusal by a purchaser of the Refunding Bonds to accept delivery of and pay for such Refunding Bonds. All expenses in connection with the assignment and printing of CUSIP numbers on the Refunding Bonds shall be paid by the initial purchasers of the Refunding Bonds.

(b) A copy of the final legal opinion with respect to the Refunding Bonds, with the name of the attorney or attorneys rendering the same, together with a certification of the City Clerk, executed by a facsimile signature of that officer, to the effect that such copy is a true and complete copy (except for letterhead and date) of the legal opinion which was dated as of the date of delivery of and payment for the Refunding Bonds, may be printed on the Refunding Bonds.

SECTION 8. The proceeds of sale of the Refunding Bonds shall be applied as follows:

(a) Such portion of the proceeds of the Refunding Bonds as shall be required shall be deposited with an Escrow Agent under an Escrow Deposit Agreement and applied as provided therein to pay when due (i) the interest on the Refunded Bonds to the respective maturity dates or dates of redemption thereof and (ii) the principal or the redemption prices of the Refunded Bonds on the respective maturity dates or dates of redemption thereof.

(b) The balance of the proceeds of the Refunding Bonds shall be applied to the payment of the costs of issuing the Refunding Bonds to the extent payable from the proceeds of the Refunding Bonds.

SECTION 9. To the extent it shall be contemplated at the time of their issuance that the interest on any Refunding Bonds issued hereunder shall be excludable from gross income for purposes of federal income taxation, the City covenants and agrees to comply with the provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986 and the applicable Treasury Regulations promulgated thereunder throughout the term of the Refunding Bonds.

SECTION 10. (a) Pursuant to the authority of and for the purposes specified herein, the Council hereby authorizes the City Manager, without further action of the Council, to sell the Refunding Bonds in one or more series in accordance with the provisions of Section 3 at competitive or negotiated sale at not less than ninety-seven percent (97%) of the principal amount thereof, plus accrued interest from their date to the date of delivery thereof and payment therefor, and on such other terms and conditions as are provided in the Official Notice of Sale thereof or in the Purchase Contract or Bond Purchase Agreement relating thereto; *provided* that a series of the Refunding Bonds may be sold, whether at competitive or negotiated sale, only if the refunding of the Refunded Bonds will result in net present value savings to the City of not less than three percent (3%), based on the principal amount of the related Refunded Bonds. The Refunding Bonds shall bear interest at such rates per annum as shall be approved by the City Manager; *provided, however*, in no event shall the true interest cost for the Refunding Bonds of any series exceed six percent (6%) and *provided further* in no event shall the premium payable by the City upon the redemption of the Refunding Bonds exceed two percent (2%) of the principal amount thereof.

(b) If the Bonds are sold at competitive sale, they may be sold contemporaneously with other bonds of the City under a combined Official Notice of Sale. If the Refunding Bonds are sold at competitive sale, the City Manager is hereby authorized to cause to be prepared and distributed (via electronic dissemination or otherwise) an Official Notice of Sale of the Refunding Bonds in such form and containing such terms and conditions as he may deem advisable, subject to the provisions hereof.

(c) If the Refunding Bonds are sold at negotiated sale, the City Manager is hereby authorized to select the underwriters for the Refunding Bonds of each series (the "Underwriters") and to sell the Refunding Bonds of each series at a negotiated sale to the Underwriters selected by the City Manager, and to execute and deliver to the Underwriters one

or more Purchase Contracts or Bond Purchase Agreements relating to the sale of the Refunding Bonds by the City to such Underwriters.

(d) The actions of the City Manager and other City officials, employees and agents of the City in connection with the authorization, issuance, sale and delivery of the Refunding Bonds and the refunding of the Refunded Bonds are hereby authorized, approved, ratified and confirmed.

SECTION 11. The City Manager is hereby authorized to cause to be prepared and distributed (via electronic dissemination or otherwise) a Preliminary Official Statement and a final Official Statement relating to each series of the Refunding Bonds. The City Manager is hereby further authorized to certify that the Preliminary Official Statement for the Refunding Bonds of each series authorized hereunder is "deemed final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 ("Rule 15c2-12"). The City Manager is hereby further authorized to execute and deliver to the purchasers of the Refunding Bonds of each series authorized hereunder a Continuing Disclosure Certificate or a Continuing Disclosure Agreement evidencing the City's undertaking to comply with the continuing disclosure requirements of Paragraph (b)(5) of Rule 15c2-12 to the extent applicable to the Refunding Bonds, such Continuing Disclosure Certificate or Continuing Disclosure Agreement to be in such form as shall be approved by the City Manager upon the advice of counsel (including the City Attorney or Bond Counsel to the City), such approval to be conclusively evidenced by the execution of such Continuing Disclosure Certificate or Continuing Disclosure Agreement by the City Manager. The Mayor is hereby authorized to execute and deliver the final Official Statement for the Refunding Bonds of each series authorized hereunder, and the City Manager, the Director of Budget and Evaluation and the City Attorney are hereby authorized to execute and deliver to the purchasers of the Refunding Bonds of each series certificates in the forms provided for in the Official Statement for the Refunding Bonds of such series.

SECTION 12. (a) The City Manager is hereby authorized to appoint an escrow agent (the "Escrow Agent") for the City in connection with the refunding of the Refunded Bonds.

(b) The City Manager is hereby authorized to execute and deliver an Escrow Deposit Agreement in connection with each series of Refunding Bonds by and between the City and the Escrow Agent in such form as shall be approved by the City Manager upon the advice of counsel (including the City Attorney or Bond Counsel), such approval to be conclusively evidenced by the execution of the Escrow Deposit Agreement by the City Manager.

(c) Either the City Manager or the Director of Budget and Evaluation, or their respective designees, are hereby authorized from time to time to execute, on behalf of the City, subscriptions for United States Time Deposit Securities - State and Local Government Series, if any, or purchase agreements for open market obligations, if any, to be purchased by the Escrow Agent as Government Securities (as defined in the Escrow Deposit Agreement) from moneys deposited in the Escrow Deposit Fund created and established under any Escrow Deposit Agreement and from time to time to authorize the sale of such United States Time Deposit Securities - State and Local Government Series and the purchase of other United States Time

Deposit Securities - State and Local Government Series or open market obligations of the United States in lieu of and in substitution therefor. Such United States Time Deposit Securities - State and Local Government Series, if any, and open market obligations so purchased shall be held by the Escrow Agent under and in accordance with the provisions of the related Escrow Deposit Agreement. Either the City Manager or the Director of Budget and Evaluation, or their respective designees, are hereby authorized to enter into such purchase agreements as shall be required in connection with the purchase by the Escrow Agent, from moneys deposited in the Escrow Deposit Fund created and established under any Escrow Deposit Agreement, of Government Securities (as defined in the Escrow Deposit Agreement) other than United States Time Deposit Securities - State and Local Government Series.

SECTION 13. Subject to the issuance, sale and delivery of the Refunding Bonds pursuant to this Ordinance, the Council hereby designates the Refunded Bonds to be redeemed, together with the interest accrued thereon to the respective dates fixed for the redemption thereof, plus the applicable premium, if any. The City Manager is hereby authorized and directed to deliver to the escrow agent under the Escrow Deposit Agreement, irrevocable written instructions to give notices of such redemption of the Refunded Bonds, in the name and on behalf of the City, to the holders thereof, such notices to be given in the manner and at the time or times provided in the respective proceedings authorizing the issuance of the respective bonds and to be in substantially the form to be set forth as an exhibit to the Escrow Deposit Agreement.

SECTION 14. The Refunding Bonds, the certificate of authentication of the registrar and paying agent and the assignment endorsed on the Refunding Bonds, shall be in substantially the forms set forth in Exhibit A.

SECTION 15. The City Clerk is hereby directed to file a copy of this Ordinance, certified by such City Clerk to be a true copy hereof, with the Circuit Court of the City of Newport News, Virginia.

SECTION 16. All ordinances and proceedings in conflict herewith are, to the extent of such conflict, repealed.

SECTION 17. In the event any Refunding Bonds authorized for issuance under this Ordinance shall not have been issued on or before December 31, 2016, such authorization to issue such Refunding Bonds shall terminate and shall be of no further force and effect.

SECTION 18. That this ordinance shall be in effect on and after the date of its adoption, January 26, 2016.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON JANUARY 26, 2016

Mabel Washington Jenkins, MMC  
City Clerk

McKinley L. Price, DDS  
Mayor

A true copy, teste:

City Clerk

EXHIBIT A

UNITED STATES OF AMERICA  
COMMONWEALTH OF VIRGINIA  
CITY OF NEWPORT NEWS  
GENERAL OBLIGATION [GENERAL IMPROVEMENT]  
[WATER] REFUNDING BOND  
SERIES \_\_ OF \_\_\_\_

REGISTERED

REGISTERED

No. [GR-\_\_] [WR-\_\_]

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

MATURITY DATE:    INTEREST RATE:    DATE OF BONDS:    CUSIP NUMBER:

REGISTERED OWNER:

PRINCIPAL SUM:

DOLLARS

THE CITY OF NEWPORT NEWS, IN THE COMMONWEALTH OF VIRGINIA (THE "CITY"), FOR VALUE RECEIVED, ACKNOWLEDGES ITSELF INDEBTED AND HEREBY PROMISES TO PAY to the Registered Owner (named above), or registered assigns, on the Maturity Date (specified above) (unless this Bond shall be subject to prior redemption and shall have been duly called for previous redemption and payment of the redemption price duly made or provided for), the Principal Sum (specified above), and to pay interest on such Principal Sum on \_\_\_\_\_, \_\_\_\_ and semiannually on each \_\_\_\_\_ and \_\_\_\_\_ thereafter (each such date is hereinafter referred to as an "interest payment date"), from the date hereof or from the interest payment date next preceding the date of authentication hereof to which interest shall have been paid, unless such date of authentication is an interest payment date, in which case from such interest payment date, [or unless such date of authentication is within the period from the sixteenth (16th) day to the last day of the calendar month next preceding the following interest payment date, in which case from such following interest payment date, such interest to be paid until the maturity or redemption hereof at the Interest Rate (specified above) per annum, by check mailed by the Registrar and Paying Agent hereinafter mentioned to the Registered Owner hereof in whose name this Bond is registered upon the books of registry, as of the close of business on the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding each interest payment date] [or unless such date of authentication is within the period from the first (1st) day to the fourteenth (14th) day of the calendar month in which the following interest payment date shall occur, in which case from such following interest payment date, such interest to be paid until the maturity or redemption hereof at the Interest Rate (specified above) per annum, by check mailed by the Registrar and Paying Agent hereinafter mentioned to the Registered Owner hereof in whose name this Bond is registered upon the books of registry, as of the close of business on the last day (whether or not a business day) of the calendar month next preceding each interest payment date]; *provided, however,* that so long as this Bond is in book-entry only form and registered in the name of

Cede & Co., as nominee of The Depository Trust Company ("DTC"), or in the name of such other nominee of DTC as may be requested by an authorized representative of DTC, interest on this Bond shall be paid directly to Cede & Co. or such other nominee of DTC by wire transfer. Interest on this Bond shall be calculated on the basis of a three hundred and sixty (360) day year comprised of twelve (12) thirty (30) day months.

The principal of this Bond is payable on presentation and surrender hereof, at the designated corporate trust office of \_\_\_\_\_, the Registrar and Paying Agent, in the City of \_\_\_\_\_, \_\_\_\_\_. Principal of and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for public and private debts.

*[General Improvement Refunding Bonds:* This Bond is one of a series of Bonds of like date, denomination and tenor except as to number, interest rate and maturity issued for the purpose of providing funds to refund in advance of their stated maturities certain outstanding general obligation general improvement bonds of the City, under and pursuant to and in full compliance with the Constitution and statutes of the Commonwealth of Virginia, including Chapter 26 of Title 15.2 of the Code of Virginia, 1950 (the same being the Public Finance Act of 1991), and ordinances and other proceedings of the Council of the City duly adopted and taken under the Public Finance Act of 1991.]

*[Water Refunding Bonds:* This Bond is one of a series of Bonds of like date, denomination and tenor except as to number, interest rate and maturity issued for the purpose of providing funds to refund in advance of their stated maturities certain outstanding general obligation water bonds of the City, under and pursuant to and in full compliance with the Constitution and statutes of the Commonwealth of Virginia, including Chapter 26 of Title 15.2 of the Code of Virginia, 1950 (the same being the Public Finance Act of 1991), the Charter of the City, and ordinances and other proceedings of the Council of the City duly adopted and taken under the Public Finance Act of 1991.]

The Bonds of the series of which this Bond is one (or portions thereof in installments of \$5,000) maturing on and after \_\_\_\_\_ 1, \_\_\_\_ are subject to redemption at the option of the City prior to their stated maturities on or after \_\_\_\_\_ 1, \_\_\_\_, in whole or in part from time to time on any date, in such order as may be determined by the City (except that if at any time less than all of the Bonds of a given maturity are called for redemption, the particular Bonds or portions thereof in installments of \$5,000 of such maturity to be redeemed shall be selected by lot), upon payment of a redemption price equal to the principal amount of the Bonds to be redeemed, together with the interest accrued thereon to the date fixed for redemption thereof.

The Bonds of the series of which this Bond is one maturing on \_\_\_\_\_ 1, \_\_\_\_ are subject to mandatory sinking fund redemption on \_\_\_\_\_ 1, \_\_\_\_ and on \_\_\_\_\_ 1 of each year thereafter and to payment at maturity in the principal amounts in each year set forth below, in the case of redemption with the particular Bond or Bonds maturing on \_\_\_\_\_ 1, \_\_\_\_ or portions thereof to be redeemed to be selected by lot, upon payment of the principal amount of

the Bonds maturing on \_\_\_\_\_ 1, \_\_\_\_ to be redeemed, together with the interest accrued on the principal amount to be redeemed to the date fixed for the redemption thereof:

<u>Year</u>	<u>Principal Amount</u>
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The City, at its option, may credit against such mandatory sinking fund redemption requirement the principal amount of any Bonds maturing on \_\_\_\_\_ 1, \_\_\_\_ which have been purchased and cancelled by the City or which have been redeemed and not theretofore applied as a credit against such mandatory sinking fund redemption requirement.

If this Bond is redeemable and this Bond (or any portion of the principal amount hereof in installments of \$5,000) shall be called for redemption, notice of the redemption hereof, specifying the date, number and maturity of this Bond, the date and place or places fixed for its redemption and if less than the entire principal amount of this Bond is to be redeemed, that this Bond must be surrendered in exchange for the portion of the principal amount hereof to be redeemed and a new Bond or Bonds issued equalling in principal amount that portion of the principal amount hereof not to be redeemed, shall be mailed not less than thirty (30) days prior to the date fixed for redemption, by first class mail, postage prepaid, to the Registered Owner hereof at such Registered Owner's address as it appears on the books of registry kept by the Registrar and Paying Agent as of the close of business on the forty-fifth (45th) day next preceding the date fixed for redemption. If notice of the redemption of this Bond (or the portion of the principal amount hereof to be redeemed) shall have been given as aforesaid, and payment of the principal amount of this Bond (or the portion of the principal amount hereof to be redeemed) and of the accrued interest payable upon such redemption shall have been duly made or provided for, interest hereon shall cease to accrue from and after the date so specified for the redemption hereof.

Any notice of the optional redemption of this Bond may state that it is conditioned upon there being on deposit with the City, or with the Registrar and Paying Agent on behalf of the City, on the date fixed for the redemption hereof an amount of money sufficient to pay the redemption price of this Bond, together with the interest accrued thereon to the date fixed for the redemption hereof, and any conditional notice so given may be rescinded at any time before the payment of the redemption price of this Bond, together with the interest accrued thereon, is due and payable if any such condition so specified is not satisfied. If a redemption of this Bond does not occur after a conditional notice is given due to there not being on deposit with the City, or with the Registrar and Paying Agent on behalf of the City, a sufficient amount of money to pay the redemption price of this Bond, together with the interest accrued thereon to the date fixed for the redemption hereof, the corresponding notice of redemption shall be deemed to be revoked.

Subject to the limitations and upon payment of the charges, if any, provided in the proceedings authorizing the Bonds of the series of which this Bond is one, this Bond may be exchanged at the designated corporate trust office of the Registrar and Paying Agent for a like aggregate principal amount of Bonds of other authorized principal amounts and of the same

series, interest rate and maturity. This Bond is transferable by the Registered Owner hereof, in person or by such Registered Owner's attorney duly authorized in writing, on the books of registry kept by the Registrar and Paying Agent for such purpose at the designated corporate trust office of the Registrar and Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the proceedings authorizing the Bonds of the series of which this Bond is one, and upon the surrender hereof for cancellation. Upon such transfer a new Bond or Bonds of authorized denominations and of the same aggregate principal amount, issue, interest rate and maturity as the Bond surrendered, will be issued to the transferee in exchange herefor.

[*General Improvement Refunding Bonds:* The full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on this Bond as the same become due. In each year while this Bond is outstanding and unpaid, the Council of the City is authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and interest on this Bond to the extent other funds of the City are not lawfully available and appropriated for such purpose.]

[*Water Refunding Bonds:* The full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on this Bond as the same become due to the extent the income and revenues of the waterworks system of the City are or will be insufficient to provide for the payment of the principal of and interest on the Bonds of the issue of Bonds of which this Bond is one. In each year while this Bond is outstanding and unpaid, the Council of the City is authorized and required to levy and collect annually, at the same time and in the same manner as other taxes in the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and interest on this Bond to the extent other funds of the City are not lawfully available and appropriated for such purpose.]

This Bond shall not be valid or obligatory unless the certificate of authentication hereon shall have been manually signed by an authorized officer of the Registrar and Paying Agent.

It is certified, recited and declared that all acts, conditions and things required to exist, happen or be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the City does not exceed any limitation of indebtedness prescribed by the Constitution or statutes of the Commonwealth of Virginia or the Charter of the City.

IN WITNESS WHEREOF, the City has caused this Bond to be executed by the manual or facsimile signature of the Mayor of the City; a facsimile of the corporate seal of the City to be imprinted hereon attested by the manual or facsimile signature of the City Clerk of the City; and this Bond to be dated first above written.

CITY OF NEWPORT NEWS, VIRGINIA

\_\_\_\_\_  
Mayor

[SEAL]

Attest:

\_\_\_\_\_  
City Clerk

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds delivered pursuant to the within-mentioned proceedings.

[\_\_\_\_\_] ,  
Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_

**ASSIGNMENT**

For valued received the undersigned hereby sell(s), assign(s) and transfer(s) unto

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(Please print or type name and address, including postal zip code, of Assignee)

PLEASE INSERT SOCIAL SECURITY OR  
OTHER TAX IDENTIFYING NUMBER OF ASSIGNEE

the within Bond and all rights hereunder, hereby irrevocably constituting and appointing \_\_\_\_\_, Attorney, to transfer such Bond on the books kept for the registration thereof, with the full power of substitution in the premises.

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

Signature Guaranteed:

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NOTICE: Signature(s) must be guaranteed by a member firm of The New York Stock Exchange, Inc. or a commercial bank or trust company.

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(Signature of Registered Owner)  
NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration, enlargement or any change whatsoever.