
\$1,450,000
GENERAL OBLIGATION WARRANT
SERIES 2015
OF THE
CITY OF HOMEWOOD, ALABAMA

Closing Date: February 13, 2015

\$1,450,000
GENERAL OBLIGATION WARRANT
SERIES 2015
OF THE
CITY OF HOMEWOOD, ALABAMA

Delivery Date: February 13, 2015

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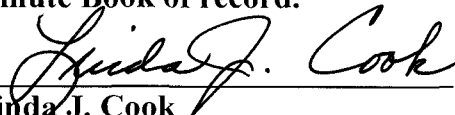
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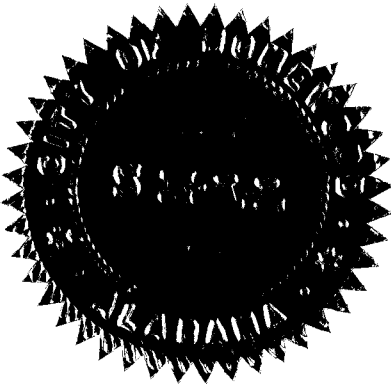
STATE OF ALABAMA)

JEFFERSON COUNTY)

I, Linda J. Cook, the City Clerk of the City of Homewood hereby certify that the foregoing is a true and correct copy of Ordinance No. 2546 as adopted by the City Council at a Regular Meeting held on February 9, 2015 a quorum being present and as recorded in Minute Book of record.



Linda J. Cook
City Clerk
City of Homewood



**EXCERPTS FROM THE MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF HOMEWOOD, ALABAMA**

The City Council of the City of Homewood met in regular public session at City Hall in the City of Homewood, Alabama, at 6:00 o'clock p.m. on February 9, 2015.

The meeting was called to order by the Council President, and the roll was called with the following results:

Present: Bruce Limbaugh, Council President
 Michael S. Hallman, Ward 1 – Place 1
 Britt Thames, Ward 1 – Place 2
 Walter Jones, Ward 3 – Place 2
 Heather Reid, Ward 4 – Place 1
 Rich Laws, Ward 5 – Place 1
 Peter Wright, Ward 5 – Place 2

Absent: Fred Hawkins, Ward 2 – Place 1
 Vance Moody, Ward 2 – Place 2
 Patrick McClusky, Ward 3 – Place 1
 Barry Smith, Ward 4 – Place 1

The Mayor, Scott McBrayer, and the City Clerk, Linda Cook, were also present.

The Council President stated that a quorum was present and that the meeting was open for the transaction of business.

* * *

Thereupon, the following ordinance was introduced in writing by the Council President, read by the Clerk and considered by the City Council:

ORDINANCE NO. 2546

CITY OF HOMEWOOD, ALABAMA

regarding

\$1,450,000

Maximum Principal Amount

GENERAL OBLIGATION WARRANT,

SERIES 2015

Adopted:

February 9, 2015

ORDINANCE NO. 2546

AN ORDINANCE AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF \$1,450,000 MAXIMUM PRINCIPAL AMOUNT GENERAL OBLIGATION WARRANT OF THE CITY OF HOMEWOOD AND THE PAYMENT THEREOF

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOMEWOOD, ALABAMA (the "Municipality") as follows:

Section 1. Definitions.

(a) **Act of Insolvency** shall mean the appointment of a receiver, liquidator or trustee of the Municipality or any of its property or assets; or a general assignment by the Municipality for the benefit of the creditors thereof; or the commencement of proceedings by the Municipality, or against the Municipality and not dismissed or unstayed for a period of 60 days, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law or any jurisdiction, now or hereafter in effect.

(b) **Applicable Law** shall mean all applicable provisions of all constitutions, statutes, rules, regulations and all binding orders, judgments and decrees of any Governmental Authority.

(c) **Authorized Municipality Representative** shall mean the Mayor, Finance Director or City Clerk of the Municipality.

(d) **Code** shall mean the Internal Revenue Code of 1986, as amended.

(e) **Environmental Laws** means all federal, state and local laws, regulations and orders regulating health, safety and environmental matters, including without limitation air pollution, soil and water pollution, and the use, generation storage, handling or disposal of hazardous materials.

(f) **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder.

(g) **Fiscal Year** shall mean the twelve (12) month period ending on September 30th of each year or the fiscal year of the Municipality as established from time to time.

(h) **Five-Year Treasury Rate** shall mean the yield on the United States Treasury Constant Maturity Series with maturity equal to five years, as then most recently published by the Federal Reserve Board in Federal Reserve Statistical Release H.15-Selected Interest Rates (or any successor publication), determined by linear interpolation between the yields reported in Release H.15, if necessary.

(i) **Governmental Authority** shall mean any federal, state, county, municipal, or other government, domestic or foreign, and any agency, authority, department, commission, bureau, board, court or other instrumentality thereof.

(j) **Material Adverse Effect** shall mean any act or circumstance or event (other than as a result of any act or omission by the Warrantholder) or change which (i) causes an Event of Default, or (ii) if determined or resolved adversely to the Municipality would have a material and adverse effect upon, or a material adverse change in, the financial condition or operations or prospects of the Municipality, or (iii) would adversely affect the validity or enforceability of this Ordinance or the Warrant.

(k) **Material Debt** shall mean, with respect to the Municipality on any date, debt of the Municipality which individually equals or exceeds \$500,000.

(l) **Project** shall mean the acquisition of police vehicles, garbage trucks and bucket trucks, that shall be owned and operated by the Municipality.

(m) **Project Costs** shall mean all costs of the Project, including without limitation: (1) the costs of the acquisition of the Project, (2) expenses incurred by the Warrantholder and the Municipality in connection with issuing the Warrant, including legal, consulting and accounting fees, and (3) reimbursement to the Municipality for any of the foregoing costs, fees and expenses set forth in (1) and (2) above, paid with the Municipality's funds.

(n) **Project Fund** shall mean the fund established pursuant to Section 6(a).

(o) **Tax Certificate and Agreement** shall mean the Tax Certificate and Agreement, dated the date of delivery of the Warrant, delivered by the Municipality with respect thereto.

(p) **Warrant** shall have the meaning assigned in Section 2(a).

(q) **Warrant Fund** shall have the meaning assigned in Section 3(f).

Section 2. Findings and Representations.

The Municipality, by and through its governing body, does hereby find, determine, represent and warrant as follows:

(a) It is necessary and desirable and in the public interest for the Municipality to provide for the financing of the Project. For such purposes, the Municipality shall issue its General Obligation Warrant, Series 2015, in a maximum principal amount of \$1,450,000, as authorized and described herein (the "Warrant"), and shall use the proceeds thereof to pay the Project Costs.

(b) (1) The net assessed valuation of the taxable property (including motor vehicles) in the Municipality for the preceding fiscal year (ending September 30, 2014 and on the basis of which taxes became due and payable on October 1, 2014) was not less than \$554,356,360.

(2) The total indebtedness of the Municipality chargeable against the debt limitation for the Municipality prescribed by Section 225 of the Constitution of Alabama of 1901, as amended, is not more than twenty percent of said assessed valuation.

(c) The population of the Municipality is 25,043 according to the 2010 United States Census.

Section 3. Authorization, Description, Payment and Form of Warrant.

(a) The Municipality shall borrow the maximum amount of \$1,450,000 in such amounts and at such times as shall be necessary for the purposes set forth in Section 2 hereof, and the Municipality shall issue therefor its General Obligation Warrant, Series 2015, in the following principal amount and of the following number, to the following financial institution to evidence a loan extended by such institution to the Municipality for such purposes:

<u>Warrant No.</u>	<u>Maximum Principal Amount</u>	<u>Institution</u>
R-1	\$1,450,000	Regions Bank

(b) The Warrant shall be dated the date of issuance; shall bear interest at the per annum rate or rates; shall be payable in installments of principal and interest in such amounts, at such times and in such manner; shall be subject to redemption and mandatory tender for purchase prior to maturity; and shall be registered and transferred; all as provided in the form of the Warrant in subsection (g).

(c) The interest rate on the Warrant shall be a fixed, per annum rate of interest equal to the sum of (i) the Five-Year Treasury Rate (as determined on the date of delivery of this Warrant) and (ii) eighteen basis points (0.18%).

(d) The principal of and interest on the Warrant shall be payable in lawful money of the United States of America, at the principal office of the registered owner thereof (the "Warrantholder"), in Birmingham, Alabama, at par and without discount, exchange or deduction or charge therefor. The Municipality hereby covenants and agrees to pay all bank charges for the Warrant.

(e) The indebtedness evidenced and ordered paid by the Warrant shall be a general obligation of the Municipality for the punctual payment of the principal of and interest on which the full faith, credit and taxing power of the Municipality are hereby irrevocably pledged.

(f) (1) There is hereby established a special fund designated the Series 2015 Warrant Fund (the "Warrant Fund") which shall be held by the bank named as paying agent for the Warrant. The Municipality shall pay or cause to be paid into the Warrant Fund from time to time such sums as

shall be sufficient to provide for the payment of the principal of and interest on the Warrant as it matures and comes due.

(2) The Municipality hereby authorizes the Warrantholder to charge all payments when due under the Warrant to the Warrant Fund, as follows:

Account Number: 1000280918 Routing Number: 062206512

(g) The Warrant shall be in substantially the following form and content, with such changes or additions thereto or deletions therefrom as the Mayor executing the Warrant shall approve, which approval shall be conclusively evidenced by his executing the Warrant as hereinafter provided:

**UNITED STATES OF AMERICA
STATE OF ALABAMA**

**CITY OF HOMEWOOD
GENERAL OBLIGATION WARRANT
SERIES 2015**

No. R-1

Dated Date:

Maturity Date:

February 13, 2015

February 1, 2020

The **CITY OF HOMEWOOD**, a municipal corporation organized and existing under and by virtue of the laws of the State of Alabama (the "Municipality"), for value received, hereby acknowledges itself indebted to, and does hereby order and direct the Treasurer of the Municipality to pay, solely from the Warrant Fund hereinafter referenced, to

REGIONS BANK

(the "Warrantholder") or registered assigns the principal amount of

**ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS
(\$1,450,000)**

together with interest on the unpaid balance of said principal amount advanced and outstanding hereunder from time to time, from the date advanced until payment in full, at a per annum rate of interest (computed on an Actual/360 Basis) equal to the Applicable Rate (as hereinafter defined), as adjusted from time to time as hereinafter provided, such principal and interest being payable in installments as follows:

(a) on the first day of March 2015 and continuing on the first day of each month thereafter until and including the first day of January, 2020, the principal amount shown on Schedule I to this Warrant, plus the interest accrued on the outstanding principal balance of this Warrant to each such date of payment; and

(b) on the above Maturity Date, unless sooner paid, an amount equal to the entire unpaid principal balance of this Warrant plus interest accrued thereon to such date of payment.

Definitions

For purposes hereof, the following terms have the following meanings:

Actual/360 Basis shall mean a method of computing interest or other charges hereunder on the basis of an assumed year of 360 days for the actual number of days elapsed, meaning that interest or other charges accrued for each day will be computed by multiplying the rate applicable on that day by the unpaid principal balance (or other relevant sum) on that day and dividing the result by 360.

Applicable Rate shall mean:

- (a) the Tax-Exempt Rate for the period beginning on the date of delivery of this Warrant and ending on the date immediately preceding the Taxability Date; and
- (b) the Taxable Rate for the period beginning on the Taxability Date and continuing thereafter.

Business Day shall mean any day other than a Saturday, a Sunday, or a day on which the Warrantholder is authorized to be closed under general law or regulation applicable in the place where the Warrantholder performs its business with respect to this Warrant.

Default Rate shall mean the Applicable Rate plus two percent (2%).

Dollars shall mean the lawful money of the United States of America.

Taxability Date shall mean the earliest date from which interest paid in respect of this Warrant is determined to be Taxable.

Taxable shall mean that, for purposes of federal income taxation, the interest accrued on this Warrant is includable in gross income for federal income tax purposes.

Taxable Rate shall mean a per annum rate of interest (fixed, or variable subject to periodic adjustment) that would provide the Warrantholder an after-tax yield on the then outstanding principal amount of this Warrant at least equal to the after-tax yield the Warrantholder would have received if a Determination of Taxability had not been made.

Tax-Exempt Rate shall mean a per annum rate of interest equal to _____%; provided, however, it is determined by the Warrantholder, supported by an opinion of counsel, or by the Internal Revenue Service, that this Warrant is not a "qualified tax-exempt obligation" within the meaning of Section 265(b) of the Code, then, anything herein to the contrary notwithstanding, the Tax-Exempt Rate shall be the per annum rate of interest that would provide the Warrantholder an after-tax yield on the then outstanding principal amount of this Warrant at least equal to the after-tax yield the Warrantholder would have received, if such determination had not been made, from the date the Warrantholder is required to take 100% (rather than 20%) of the interest hereon into account in complying with said Section 265(b), whereupon the Municipality will reimburse the Warrantholder the difference between (i) the interest then due computed at the higher rate, and (ii) the interest already paid at the lower rate, along with all costs, expenses, penalties, attorneys' fees and all other losses incurred by the Warrantholder as a result of such determination, within thirty days after the date a written notice is delivered by the Warrantholder to the Municipality stating that such a determination has been made and stating the amount that is then due. The obligation to pay such additional interest and such other costs, expenses, penalties, attorneys' fees, and other losses shall survive the payment of the principal hereof.

Determination of Interest Rate

The Applicable Rate shall apply only to the principal amount of this Warrant which shall have been advanced and be outstanding.

If any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at a per annum rate equal to the Default Rate, as adjusted as herein provided, from the scheduled date of payment to the date such payment thereof is made.

Payment

A late charge shall be due and payable on any installment of principal of, premium (if any) on and, to the extent legally enforceable, interest on, this Warrant which installment shall not have been paid by the tenth day of the month in which such installment is due and payable, in an amount equal to five percent (5%) of such installment.

This Warrant will be subject to prepayment and redemption prior to maturity at the option of the Municipality in whole or in part on any Business Day at a redemption price equal to 100% of the principal amount of this Warrant to be redeemed, plus accrued interest thereon to the date fixed for redemption, without premium or penalty.

Payment of the principal hereof and interest hereon shall be made at the office of the Warrantholder in Birmingham, Alabama or at such other place as shall be designated by the Warrantholder to the Municipality in writing; provided, however, the final payment of such principal and interest shall be made only upon presentation and surrender of this Warrant to the Municipality. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Authorization; Security; Advance of Proceeds

This Warrant is issued pursuant to the Constitution and laws of the state of Alabama, including, without limitation, Section 11-47-2 of the Code of Alabama (1975), to provide funds to be used in furtherance of the power and authority therein authorized, and an ordinance and proceedings of the governing body of the Municipality duly passed, held and conducted (the "Authorizing Proceedings").

The indebtedness evidenced by this Warrant is a general obligation of the Municipality, and the full faith and credit of the Municipality are hereby sacredly and irrevocably pledged to the punctual payment of the principal hereof and interest hereon.

The Municipality has established in the Authorizing Proceedings a special fund designated the "Series 2015 Warrant Fund" (the "Warrant Fund") for the payment of the principal of, premium, if any, and interest on this Warrant and has obligated itself to pay or cause to be paid into the Warrant Fund sums sufficient to provide for the payment of the principal of and interest on this Warrant as the same shall become due and payable.

This Warrant shall be valid and enforceable as to the aggregate principal amount advanced at any time hereunder, whether or not the full face amount hereof is advanced.

Registration and Transfer

This Warrant is recorded and registered as to principal and interest in the name of the owner on the book of registration maintained for that purpose by the Municipality. The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of and interest on this Warrant shall be made only to or upon the order of the registered owner hereof or his legal representative, and neither the Municipality nor any agent of the Municipality shall be affected by any notice to the contrary. Payment of principal of and interest on this Warrant shall be valid and effectual to satisfy and discharge the liability of the Municipality upon this Warrant to the extent of the amounts so paid.

This Warrant may be transferred only upon written request of the registered owner or his legal representative addressed to the Municipality, such transfer to be recorded on said book of registration and endorsed hereon by the Municipality. Upon presentation to the Municipality for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the Municipality, duly executed by the registered owner or his attorney duly authorized in writing, and the Municipality shall endorse on the schedule attached hereto for such purpose the principal amount of this Warrant unpaid and the interest accrued hereon to the date of transfer. No charge shall be made for the privilege of transfer, but the registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

General

No covenant or agreement contained in this Warrant or in the Authorizing Proceedings shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the Municipality in the individual capacity thereof and none of such parties or persons nor any officer executing this Warrant shall be liable personally on this Warrant or be subject to any personal liability or accountability by reason of the issuance of this Warrant.

It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description, that this Warrant has been registered in the manner provided by law, that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant, and the adoption of the Authorizing Proceedings, have happened, do exist and have been performed as so required, and that the principal amount of this Warrant and all other indebtedness of the Municipality are within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the Municipality, acting by and through its governing body, has caused this Warrant to be executed in its name and on its behalf by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Warrant to be dated the Dated Date first above written.

CITY OF HOMEWOOD, ALABAMA

By _____
Mayor

SEAL

Attest: _____
City Clerk

Registration Certificate

It is hereby certified that this Warrant and the interest thereon have been registered by the undersigned as a claim against the City of Homewood, Alabama and the Warrant Fund herein referenced.

Finance Director of the City of Homewood,
Alabama

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the registry books of the City of Homewood in the name of the last owner named below. The principal of and interest on this Warrant shall be payable only to or upon the order of such registered owner.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Finance Director of Municipality</u>
<u>Dated Date</u>	<u>Regions Bank</u>	_____
_____	_____	_____
_____	_____	_____

**ENDORSEMENT BY MUNICIPALITY OF UNPAID
PRINCIPAL AND ACCRUED INTEREST
ON DATE OF TRANSFER**

<u>Date of Transfer</u>	<u>Principal Unpaid</u>	<u>Accrued Interest on Date of Transfer</u>	<u>Signature of Finance Director of Municipality</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

SCHEDULE I

<u>Payment Period</u>	<u>Principal Payment Due</u>
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Section 4. Execution of the Warrant.

The Warrant shall be executed in the name and on behalf of the Municipality by the Mayor and shall be attested by the Clerk of the Municipality, and the official seal of the Municipality shall be imprinted thereon. The Warrant and the interest thereon shall be registered by the Treasurer of the Municipality in the records maintained by said Treasurer as a charge against the Municipality and the Warrant Fund. The registration of ownership of the Warrant shall be executed by the Treasurer of the Municipality, who shall also make the endorsements required at the time of any transfer of the Warrant. Said officers are hereby directed to so execute, attest and register the Warrant and to make the appropriate endorsements and notations thereon.

Section 5. Sale and Delivery of Warrant.

The Mayor and the Clerk are hereby authorized and directed to effect delivery of the Warrant and in connection therewith deliver such closing papers containing such representations as are required to demonstrate the legality and validity of the Warrant, the absence of pending or threatened litigation with respect thereto, and the exemption of the interest on the Warrant from federal and state income tax.

Section 6. Project Fund; Application of Proceeds of the Warrant

(a) There is hereby established with the Warrantholder, for the account of the Municipality, a special fund for the Project designated the "Project Fund".

(b) On the date of issuance, the principal proceeds of the Warrant shall be deposited in the Project Fund. The Municipality shall use the proceeds of the Warrant solely for the purposes of paying Project Costs.

(c) Upon the payment of all Project Costs, and if no Event of Default shall have then occurred and be continuing, any amounts remaining in the Project Fund shall be applied to the prepayment of the principal of the Warrant in accordance with the terms thereof and without premium or penalty.

Section 7. Expenses of Issuance and Collection.

(a) The Municipality hereby agrees to pay all expenses of issuance of the Warrant.

(b) The Municipality covenants and agrees that, if the principal of and interest on the Warrant are not paid promptly as such principal and interest matures and comes due, it will pay to the registered owner of the Warrant or its registered assignees, all expenses incident to the collection of any unpaid portion thereof, including a reasonable attorney's fee.

Section 8. Covenants With Respect to Federal Tax Exemption for Interest; Designation of Warrant as "Bank-Qualified".

(a) The Municipality hereby covenants and agrees with the registered owner of the Warrant that it will duly and punctually observe and perform all agreements and covenants thereof under the Tax Certificate and Agreement.

(b) The Municipality hereby covenants and agrees with the registered owner of the Warrant that, to the extent permitted by law, it will not take any action, or omit to take any action, with respect to the Warrant that would cause the interest on the Warrant not to be and remain excludable from gross income pursuant to the provisions of Section 103 of the Code.

(c) The Municipality hereby designates the Warrant as a "qualified tax-exempt bond" for the purposes of paragraph (3) of subsection (b) of Section 265 of the Code. The Municipality does hereby represent that (1) the Municipality has not created any "subordinate entities" and does not reasonably expect to create any "subordinate entities" during the 2015 calendar year, and (2) neither the Municipality (nor its "subordinate entities") has issued in the aggregate more than \$10,000,000 of "qualified tax-exempt bonds" during the 2015 calendar year, and (3) the Municipality reasonably anticipates that the amount of "qualified tax-exempt bonds" or "tax-exempt bonds" which will be issued by the Municipality (and its "subordinate entities") during the 2015 calendar year will not exceed \$10,000,000.

Section 9. Representations and General Covenants of the Municipality

(a) Reporting Requirements.

The Municipality shall furnish to the Warrantholder each of the following:

(i) Annual Financial Statements. As soon as available, and in any event within 210 days after the close of each Fiscal Year of the Municipality, the complete, unqualified, financial statements of the Municipality, including the balance sheet as of the end of such Fiscal Year and the related statements of operations and changes in net assets and cash flows (showing in each case changes in cash, cash equivalents, and board-designated funds) for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the preceding Fiscal Year, all in reasonable detail, audited and prepared by an independent certified public accountant (reasonably satisfactory to the Warrantholder) in accordance with generally accepted accounting principles, consistently applied and fairly presenting the financial condition of the Municipality, as of the end of such Fiscal Year, and stating that in making the examination necessary to such audit such independent certified public accountant shall have obtained no knowledge, except as specifically stated, of any Event of Default.

(ii) Internal Revenue Service. Promptly upon sending or receiving and any correspondence to or from the Internal Revenue Service concerning the tax-exempt status of the Warrant or any other tax-exempt obligations issued by the Municipality.

(iii) Other Information. Such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Municipality, as the Warrantholder may from time to time reasonably request.

(b) Insurance.

(i) The Municipality shall maintain insurance, to the extent commercially available at reasonable rates, on its property and with respect to itself, which insurance shall be provided by an insurer with a credit rating acceptable to the Warrantholder and be of such type and in such amounts or in excess of such amounts as are customarily carried by and

insures against such risks as are customarily insured against by municipalities of like size and character to the Municipality and as shall be satisfactory to the Warrantholder.

(ii) The Municipality shall furnish upon request to the Warrantholder certificates of the respective insurers originally executed by the authorized agent(s) attesting the fact that the insurance required by this Section is in full force and effect and reflecting all coverages, amounts and deductibles. At least fifteen (15) days prior to the expiration of any such policy, the Municipality shall furnish the Warrantholder evidence that the policy has been renewed or replaced or is no longer required by this Ordinance.

(c) Visitation. The Municipality shall permit (after having received reasonable advance written notice from the Warrantholder), any employees, agents or other representatives of the Warrantholder and any attorneys, accountants or other agents or representatives designated by the Warrantholder to (a) have access to and visit and inspect any of the accounting systems, books of account, financial records and Property, thereof, (b) examine and make abstracts from any such accounting systems, books and records, and (c) discuss the affairs, finances and accounts thereof with the officers, employees or agents, all at such reasonable business times as the Warrantholder deems necessary or advisable to protect its interests; provided, however, that the foregoing shall not require the Municipality to divulge confidential information respecting clients, customers or patients of the Municipality.

(d) Compliance with Applicable Law. The Municipality shall comply with all Applicable Law, including without limitation Environmental Laws and ERISA (to the extent applicable to the Municipality), except for matters being contested in good faith by appropriate proceedings diligently pursued.

Section 10. Events of Default

The occurrence of any one or more of the following shall constitute an event of default (an "Event of Default") under this Ordinance (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any governmental authority:

(a) failure of the Municipality to pay any amount of the principal of or interest on the Warrant, as and when the same shall become due and payable; or

(b) failure of the Municipality to observe or perform any of the covenants, conditions or provisions of Sections 9(c); or

(c) any warranty, representation, financial statement (specifically not including projections or estimates of financial performance or results), report, schedule, certificate, statement or other document heretofore, now, or hereafter, made or furnished to the Warrantholder by or on behalf of the Municipality in compliance with, or in reference to, this Ordinance, shall prove to be false or misleading in any material respect as of the date on which it was made, and action which eliminates or corrects such falsity or misleading character is not completed for a period of 30 days after the Warrantholder or the applicable party becomes aware thereof; or

(d) the occurrence of a default or an event of default as defined in any other agreement or

contract under which the Municipality is now or hereafter obligated to the Warrantholder, or an affiliate thereof, that is not cured within the applicable cure period provided therein; or

(e) (1) the Municipality (i) fails to make any payment in respect of any Material Debt when due (whether at scheduled maturity, by required prepayment, acceleration, demand, or otherwise) and such failure continues after the applicable grace or notice period, if any, specified in the document relating thereto on the date of such failure, provided such failure results in a Material Adverse Effect; or (ii) shall default in the due performance or observance by it of any term, covenant or agreement contained in, or any other event shall occur or condition exist under, any agreement or instrument relating to any Material Debt, the effect of such default, event or condition is to cause, or to permit the holder or holders of such Material Debt or beneficiary or beneficiaries of such Material Debt (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, such Material Debt to be declared to be due and payable prior to its stated maturity, or to become payable or cash collateral in respect thereof to be demanded, provided such failure results in a Material Adverse Effect; or

(2) any Material Debt of the Municipality shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or at the option of the Municipality, prior to the stated maturity thereof, provided such failure results in a Material Adverse Effect; or

(f) an Act of Insolvency occurs.

Section 11. Availability of Remedies

(a) The Municipality agrees (i) the registered owners of the Warrant shall have all rights and remedies for the enforcement of the Warrant and this Ordinance as may be provided by the laws of the State of Alabama, and (ii) the Treasurer of the Municipality is subject to mandamus in the event such officer has money available for payment of principal of and interest on the Warrant and does not, as required by this Ordinance, deposit such money in the Warrant Fund, when and as required by Section 3(e) of this Ordinance in each Fiscal Year, and apply such proceeds (and investment earnings thereon) to the payment of the principal of and interest on the Warrant when and as the same become due and payable in each Fiscal Year in amounts sufficient for such purposes.

(b) No remedy herein conferred upon or reserved to the Municipality or the Warrantholder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall, to the extent permitted by law, be cumulative and in addition to every other remedy given under this Ordinance or now or hereafter existing at law or in equity or otherwise. No delay or omission by the Municipality or the Warrantholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) All rights, remedies and powers provided by this Section may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Section are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Ordinance invalid or unenforceable.

Section 12. Severability.

The provisions of this ordinance are severable. In the event that any one or more of such provisions or the provisions of the Warrant shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect the other provisions of this ordinance or of the Warrant, and this ordinance and the Warrant shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.


Section 13. Repeal of Conflicting Provisions.

All ordinances, resolutions and orders or parts thereof in conflict or inconsistent with this ordinance are, to the extent of such conflict or inconsistency, hereby repealed.

Section 14. Provisions of Ordinance a Contract.

The terms, provisions and conditions set forth in this ordinance constitute a contract between the Municipality and the registered owner of the Warrant and shall remain in effect until the principal of and interest on the Warrant shall have been paid in full.

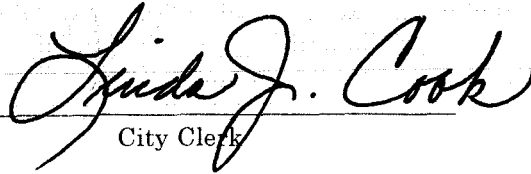
Duly passed and adopted this 9th day of February, 2015.



Council President

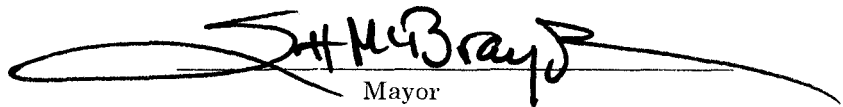
SEAL

Attest:



City Clerk

Transmitted to, and approved by, the Mayor of the City of Homewood, Alabama, on this
9th day of February, 2015.



Mayor

It was moved by Councilmember Wright that all rules and regulations which, unless suspended, would prevent the immediate consideration and adoption of said ordinance be suspended, and that unanimous consent to the immediate consideration of said ordinance be given. The motion was seconded by Councilmember Hallman and was unanimously carried, those voting aye being:

Ayes: Bruce Limbaugh
 Michael S. Hallman
 Britt Thames
 Walter Jones
 Heather Reid
 Rich Laws
 Peter Wright

Nays: None

The Council President declared the motion carried.

After said ordinance had been discussed and considered in full by the Council, it was moved by Councilmember Hallman that said ordinance be now placed upon its final passage and adopted. The motion was seconded by Councilmember Wright. The question being put as to the adoption of said motion and the final passage and adoption of said ordinance, the roll was called with the following results:

Ayes: Bruce Limbaugh
 Michael S. Hallman
 Britt Thames
 Walter Jones
 Heather Reid
 Rich Laws
 Peter Wright

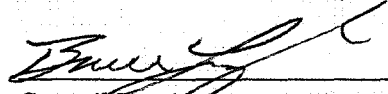
Nays: None

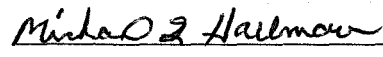
The Council President thereupon declared said motion carried and the ordinance passed and adopted as introduced and read.

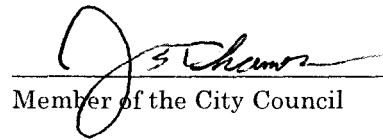
* * * *

There being no further business to come before the meeting, it was moved and seconded that the meeting be adjourned. Motion carried.

Minutes approved:


Council President

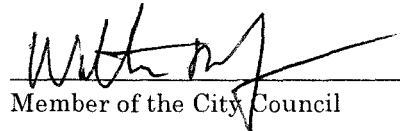

Member of the City Council


Member of the City Council

Member of the City Council

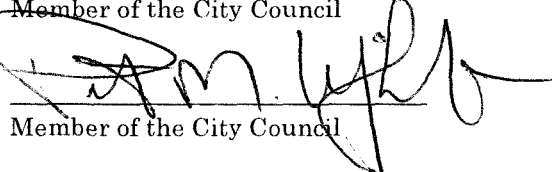
Member of the City Council


Member of the City Council


Member of the City Council

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Member of the City Council

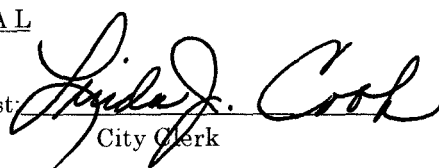

Member of the City Council


Member of the City Council

Member of the City Council

SEAL

Attest:


City Clerk

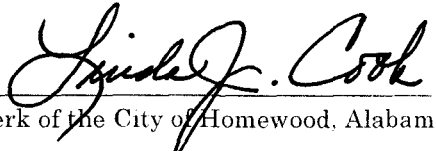
STATE OF ALABAMA)

JEFFERSON COUNTY)

CERTIFICATE OF CITY CLERK

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Clerk of the City of Homewood, Alabama (the "Municipality"). I do further certify that as Clerk of the Municipality I have access to all original records of the Municipality and I am duly authorized to make certified copies of its records on its behalf; the above and foregoing pages constitute a complete, verbatim and compared copy of excerpts from the minutes of a regular meeting of the City Council of the Municipality duly held on the 9th day of February, 2015, the original of which is on file and of record in the minute book of the City Council in my custody; the ordinance set forth in such excerpt is a complete, verbatim and compared copy of said ordinance as introduced and adopted by the City Council on such date; said ordinance is in full force and effect and has not been repealed, amended or changed.

IN WITNESS WHEREOF, I have hereunto set my hand as City Clerk of the Municipality and have affixed the official seal of the Municipality, this 9th day of February, 2015.


Clerk of the City of Homewood, Alabama

SEAL

RESOLUTION NO. 14-140

BE IT RESOLVED AND ORDERED by the City Council (herein called the "Council") of the **City of Homewood, Alabama** (herein called the "City") as follows:

Section 1. Findings and Determinations.

(a) The City has been and will be making certain capital expenditures for the purpose of acquiring certain capital items, including without limitation certain vehicles and other equipment (the "Authorized Purpose"), and reasonably expects that additional capital expenditures for the Authorized Purpose will be necessary.

(b) The Council reasonably expects to be reimbursed for capital expenditures made for the Authorized Purpose in an approximate amount of \$1,440,000 from the proceeds of a tax-exempt note to be issued in 2015 (the "Note") to be subsequently issued by the City, which Note, when issued, shall be a general obligation of the City.

(c) The Council anticipates that there will be no funds from sources other than proceeds of the Note nor will any such funds be reserved, allocated on a long-term basis or otherwise set aside by the City to finance such capital expenditures for the Authorized Purpose, other than moneys needed in addition to the proceeds of the Note.

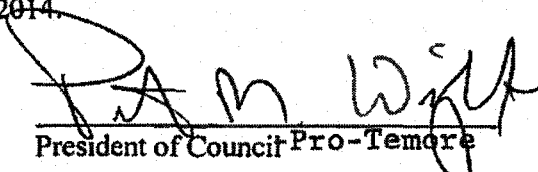
Section 2. The Council is making this declaration of official intent pursuant to Section 1.103-8(a) (5) and Section 1.150-2 of the United States Treasury Regulations (collectively, the "Reimbursement Regulations").

Section 3. The Council hereby declares its intent to issue the Note and use the proceeds from the sale of the Note for the Authorized Purpose.

Section 4. Capital expenditures for the Authorized Purpose made by the City before the issuance of the Note from any legally available source of funds of the City shall be reimbursed from the proceeds of the Note to the extent permitted by the Reimbursement Regulations.

Section 5. All resolutions in conflict with this resolution are hereby rescinded and repealed, but only to the extent of any such conflict. This resolution shall be effective immediately upon its adoption.

ADOPTED this 3rd day of November, 2014.


President of Council Pro-Temore

APPROVED:


Mayor

ATTEST:


City Clerk

COPY

**UNITED STATES OF AMERICA
STATE OF ALABAMA**

**CITY OF HOMEWOOD
GENERAL OBLIGATION WARRANT
SERIES 2015**

No. R-1

Dated Date:

Maturity Date:

February 13, 2015

February 1, 2020

The **CITY OF HOMEWOOD**, a municipal corporation organized and existing under and by virtue of the laws of the State of Alabama (the "Municipality"), for value received, hereby acknowledges itself indebted to, and does hereby order and direct the Treasurer of the Municipality to pay, solely from the Warrant Fund hereinafter referenced, to

REGIONS BANK

(the "Warrantholder") or registered assigns the principal amount of

**ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS
(\$1,450,000)**

together with interest on the unpaid balance of said principal amount advanced and outstanding hereunder from time to time, from the date advanced until payment in full, at a per annum rate of interest (computed on an Actual/360 Basis) equal to the Applicable Rate (as hereinafter defined), as adjusted from time to time as hereinafter provided, such principal and interest being payable in installments as follows:

(a) on the first day of March 2015 and continuing on the first day of each month thereafter until and including the first day of January, 2020, the principal amount shown on Schedule I to this Warrant, plus the interest accrued on the outstanding principal balance of this Warrant to each such date of payment; and

(b) on the above Maturity Date, unless sooner paid, an amount equal to the entire unpaid principal balance of this Warrant plus interest accrued thereon to such date of payment.

Definitions

For purposes hereof, the following terms have the following meanings:

Actual/360 Basis shall mean a method of computing interest or other charges hereunder on the basis of an assumed year of 360 days for the actual number of days elapsed, meaning that interest or other charges accrued for each day will be computed by multiplying the rate applicable on that day by the unpaid principal balance (or other relevant sum) on that day and dividing the result by 360.

Applicable Rate shall mean:

(a) the Tax-Exempt Rate for the period beginning on the date of delivery of this Warrant and ending on the date immediately preceding the Taxability Date; and

(b) the Taxable Rate for the period beginning on the Taxability Date and continuing thereafter.

Business Day shall mean any day other than a Saturday, a Sunday, or a day on which the Warrantholder is authorized to be closed under general law or regulation applicable in the place where the Warrantholder performs its business with respect to this Warrant.

Default Rate shall mean the Applicable Rate plus two percent (2%).

Dollars shall mean the lawful money of the United States of America.

Taxability Date shall mean the earliest date from which interest paid in respect of this Warrant is determined to be Taxable.

Taxable shall mean that, for purposes of federal income taxation, the interest accrued on this Warrant is includable in gross income for federal income tax purposes.

Taxable Rate shall mean a per annum rate of interest (fixed, or variable subject to periodic adjustment) that would provide the Warrantholder an after-tax yield on the then outstanding principal amount of this Warrant at least equal to the after-tax yield the Warrantholder would have received if a Determination of Taxability had not been made.

Tax-Exempt Rate shall mean a fixed, per annum rate of interest equal to 1.70%; provided, however, it is determined by the Warrantholder, supported by an opinion of counsel, or by the Internal Revenue Service, that this Warrant is not a "qualified tax-exempt obligation" within the meaning of Section 265(b) of the Code, then, anything herein to the contrary notwithstanding, the Tax-Exempt Rate shall be the per annum rate of interest that would provide the Warrantholder an after-tax yield on the then outstanding principal amount of this Warrant at least equal to the after-tax yield the Warrantholder would have received, if such determination had not been made, from the date the Warrantholder is required to take 100% (rather than 20%) of the interest hereon into account in complying with said Section 265(b), whereupon the Municipality will reimburse the Warrantholder the difference between (i) the interest then due computed at the higher rate, and (ii) the interest already paid at the lower rate, along with all costs, expenses, penalties, attorneys' fees and all other losses incurred by the Warrantholder as a result of such determination, within thirty days after the date a written notice is delivered by the Warrantholder to the Municipality stating that such a determination has been made and stating the amount that is then due. The obligation to pay such additional interest and such other costs, expenses, penalties, attorneys' fees, and other losses shall survive the payment of the principal hereof.

Determination of Interest Rate

The Applicable Rate shall apply only to the principal amount of this Warrant which shall have been advanced and be outstanding.

If any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at a per annum rate equal to the Default Rate, as adjusted as herein provided, from the scheduled date of payment to the date such payment thereof is made.

Payment

A late charge shall be due and payable on any installment of principal of, premium (if any) on and, to the extent legally enforceable, interest on, this Warrant which installment shall not have been paid by the tenth day of the month in which such installment is due and payable, in an amount equal to five percent (5%) of such installment.

This Warrant will be subject to prepayment and redemption prior to maturity at the option of the Municipality in whole or in part on any Business Day at a redemption price equal to 100% of the principal amount of this Warrant to be redeemed, plus accrued interest thereon to the date fixed for redemption, without premium or penalty.

Payment of the principal hereof and interest hereon shall be made at the office of the Warrantholder in Birmingham, Alabama or at such other place as shall be designated by the Warrantholder to the Municipality in writing; provided, however, the final payment of such principal and interest shall be made only upon presentation and surrender of this Warrant to the Municipality. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Authorization; Security; Advance of Proceeds

This Warrant is issued pursuant to the Constitution and laws of the state of Alabama, including, without limitation, Section 11-47-2 of the Code of Alabama (1975), to provide funds to be used in furtherance of the power and authority therein authorized, and an ordinance and proceedings of the governing body of the Municipality duly passed, held and conducted (the "Authorizing Proceedings").

The indebtedness evidenced by this Warrant is a general obligation of the Municipality, and the full faith and credit of the Municipality are hereby sacredly and irrevocably pledged to the punctual payment of the principal hereof and interest hereon.

The Municipality has established in the Authorizing Proceedings a special fund designated the "Series 2015 Warrant Fund" (the "Warrant Fund") for the payment of the principal of, premium, if any, and interest on this Warrant and has obligated itself to pay or cause to be paid into the Warrant Fund sums sufficient to provide for the payment of the principal of and interest on this Warrant as the same shall become due and payable.

This Warrant shall be valid and enforceable as to the aggregate principal amount advanced at any time hereunder, whether or not the full face amount hereof is advanced.

Registration and Transfer

This Warrant is recorded and registered as to principal and interest in the name of the owner on the book of registration maintained for that purpose by the Municipality. The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of and interest on this Warrant shall be made only to or upon the order of the registered owner hereof or his legal representative, and neither the Municipality nor any agent of the Municipality shall be affected by any notice to the contrary. Payment of principal of and interest on this Warrant shall be valid and effectual to satisfy and discharge the liability of the Municipality upon this Warrant to the extent of the amounts so paid.

This Warrant may be transferred only upon written request of the registered owner or his legal representative addressed to the Municipality, such transfer to be recorded on said book of registration and endorsed hereon by the Municipality. Upon presentation to the Municipality for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the Municipality, duly executed by the registered owner or his attorney duly authorized in writing, and the Municipality shall endorse on the schedule attached hereto for such purpose the principal amount of this Warrant unpaid and the interest accrued hereon to the date of transfer. No charge shall be made for the privilege of transfer, but the registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

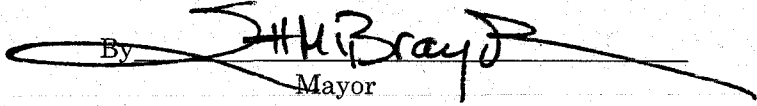
General

No covenant or agreement contained in this Warrant or in the Authorizing Proceedings shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the Municipality in the individual capacity thereof and none of such parties or persons nor any officer executing this Warrant shall be liable personally on this Warrant or be subject to any personal liability or accountability by reason of the issuance of this Warrant.

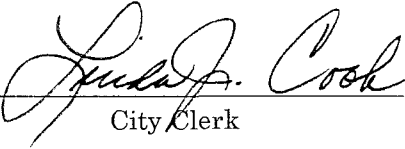
It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description, that this Warrant has been registered in the manner provided by law, that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant, and the adoption of the Authorizing Proceedings, have happened, do exist and have been performed as so required, and that the principal amount of this Warrant and all other indebtedness of the Municipality are within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the Municipality, acting by and through its governing body, has caused this Warrant to be executed in its name and on its behalf by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Warrant to be dated the Dated Date first above written.

CITY OF HOMEWOOD, ALABAMA

By 
Mayor

SEAL

Attest: 
City Clerk

Registration Certificate

It is hereby certified that this Warrant and the interest thereon have been registered by the undersigned as a claim against the City of Homewood, Alabama and the Warrant Fund herein referenced.


Finance Director of the City of Homewood, Alabama

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the registry books of the City of Homewood in the name of the last owner named below. The principal of and interest on this Warrant shall be payable only to or upon the order of such registered owner.

Date of
Registration

In Whose Name
Registered

Signature of Finance Director
of Municipality

Dated Date

Regions Bank

Melody R. Satter

ENDORSEMENT BY MUNICIPALITY OF UNPAID PRINCIPAL AND ACCRUED INTEREST ON DATE OF TRANSFER

Date of
Transfer

Principal
Unpaid

Accrued
Interest on Date
of Transfer

Signature of
Finance Director
of Municipality

SCHEDULE I

<u>Payment Period</u>	<u>Principal Payment Due</u>
3/1/2015	\$23,171.24
4/1/2015	23,204.06
5/1/2015	23,236.93
6/1/2015	23,269.85
7/1/2015	23,302.82
8/1/2015	23,335.83
9/1/2015	23,368.89
10/1/2015	23,402.00
11/1/2015	23,435.15
12/1/2015	23,468.35
1/1/2016	23,501.60
2/1/2016	23,534.89
3/1/2016	23,568.23
4/1/2016	23,601.62
5/1/2016	23,635.05
6/1/2016	23,668.54
7/1/2016	23,702.07
8/1/2016	23,735.65
9/1/2016	23,769.27
10/1/2016	23,802.94
11/1/2016	23,836.67
12/1/2016	23,870.43
1/1/2017	23,904.25
2/1/2017	23,938.11
3/1/2017	23,972.03
4/1/2017	24,005.99
5/1/2017	24,040.00
6/1/2017	24,074.05
7/1/2017	24,108.16
8/1/2017	24,142.31
9/1/2017	24,176.51
10/1/2017	24,210.76
11/1/2017	24,245.06
12/1/2017	24,279.41
1/1/2018	24,313.80
2/1/2018	24,348.25

3/1/2018	24,382.74
4/1/2018	24,417.28
5/1/2018	24,451.88
6/1/2018	24,486.52
7/1/2018	24,521.20
8/1/2018	24,555.94
9/1/2018	24,590.73
10/1/2018	24,625.57
11/1/2018	24,660.45
12/1/2018	24,695.39
1/1/2019	24,730.37
2/1/2019	24,765.41

3/1/2019	24,800.49
4/1/2019	24,835.63
5/1/2019	24,870.81
6/1/2019	24,906.04
7/1/2019	24,941.33
8/1/2019	24,976.66
9/1/2019	25,012.05
10/1/2019	25,047.48
11/1/2019	25,082.96
12/1/2019	25,118.50
1/1/2020	25,154.08
2/1/2020	25,189.72

February 13, 2015

City of Homewood
Homewood, Alabama

Regions Bank
Birmingham, Alabama

**Re: \$1,450,000 General Obligation Warrant, Series 2015, No. R-1, of even date,
 issued by the City of Homewood, Alabama**

Ladies and Gentlemen:

We have acted as bond counsel to the City of Homewood, Alabama (the "Issuer") in connection with the issuance of the above-referenced warrant (the "Warrant") pursuant to Ordinance No. 2546 duly adopted by the governing body of the Issuer on February 9, 2015 (the "Warrant Ordinance").

In rendering this opinion we have (a) examined the Warrant, the Warrant Ordinance, the Tax Certificate and Agreement of even date by the Issuer (the "Tax Certificate and Agreement") and such other proceedings, certificates, documents and proofs, and made such studies of matters of law, as we have deemed necessary, and (b) relied, without independent investigation or inquiry, upon (1) statements set forth in certificates executed by public officials and by officers of the Issuer, (2) the representations made by the Issuer in the Warrant Ordinance, and (3) the representations and agreements made by the Issuer in the Tax Certificate and Agreement.

The proceedings certified to us show that the Warrant is a general obligation of the Issuer for the payment of the principal thereof and interest thereon for which the full faith, credit and taxing powers of the Issuer are irrevocably pledged.

The opinions herein are limited to the laws of the State of Alabama and the federal laws of the United States of America.

Based upon the foregoing and subject to the below qualifications, we are of the opinion, as of the date hereof and under existing law, that:

(1) The Warrant is a valid and binding obligation of the Issuer for the payment of the principal thereof and interest thereon and evidences and orders paid the valid general obligation indebtedness of the Issuer.

(2) Interest on the Warrant is presently excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax (as defined for federal income tax purposes) imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Warrant in order that interest thereon be, and continue to be, excludable

from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Warrant to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Warrant.

(3) Interest on the Warrant is exempt from income taxation in the State of Alabama.

The rights of the registered owner of the Warrant and the enforceability thereof are subject to and may be limited by (i) the exercise of judicial discretion (in a proceeding in equity or at law), (ii) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama, and (iii) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

We express no opinion with respect to the tax treatment of any taxpayer under any provision or section of the Internal Revenue Code of 1986, as amended, other than the aforesaid Section 103 thereof, as a result of the receipt of interest on the Warrant, and by rendering the within opinions we give no assurances that federal or state legislation will not be introduced and enacted which could adversely affect the exclusion of interest on the Warrant from gross income for federal income taxation or state income taxation or the federal or state tax treatment of certain owners of the Warrant as a result of the receipt of such interest.

It should be noted, however, that ownership of the Warrant may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income", foreign corporations subject to a branch profits tax, life insurance companies and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Warrant.

Regions Bank (the "Purchaser") has represented that (1) our engagement as bond counsel did not include services relating to the compilation, verification or furnishing to the Purchaser of information regarding the merits and risks of investment in the Warrant and the Purchaser has knowledge and experience in financial and business matters sufficient to enable the Purchaser to evaluate such merits and risks; (2) the Purchaser has had full and free access to all books, records, and audits of the Issuer and has been provided with and has evaluated such financial, corporate and general information respecting the Issuer and the Warrant as the Purchaser deems necessary to make an informed investment judgment with respect to the purchase of the Warrant; (3) the Purchaser is purchasing the Warrant for its own account; and (4) the Purchaser will not offer, sell, or otherwise transfer the Warrant or any part thereof or any interest therein except in compliance with all applicable federal and state securities laws (including without limitation those securities laws providing for full and accurate disclosure by a seller of a security to all persons to whom the Warrant (or any interest therein) is offered of all facts material to an investment in the Warrant).

February 13, 2015

Page 3

The opinion is (a) limited to matters stated herein and no opinion may be inferred beyond the matters expressly stated, (b) given as of the date hereof and with the express understanding that we have no obligation to advise you or any of your successors or assigns of any changes in law or fact subsequent to the date hereof, even though such changes may affect the opinions expressed herein, (c) rendered to you solely in connection with the subject transactions and may not be relied upon by you or by any other person for any other purpose, and (d) rendered as an expression of our professional judgment as to the legal issues explicitly addressed herein, by the rendering of which we do not become an insurer or guarantor of that expression of professional judgment or of the outcome of any legal dispute that may arise with respect to any of the matters herein contained.

Faithfully yours,

Maynard, Cooper & Gale, P.C.

MAYNARD COOPER
& GALE PC
ATTORNEYS AT LAW

To: Regions Bank
Maynard, Cooper & Gale, PC

TAX CERTIFICATE AND AGREEMENT

February 13, 2015

Re: \$1,450,000 General Obligation Warrant, Series 2015, No. R-1, of even date, issued by the City of Homewood, Alabama

This Tax Certificate and Agreement is entered into by the CITY OF HOMEWOOD, ALABAMA (the "Issuer").

ARTICLE 1

Introduction and Structure of Financing

SECTION 1.1 Identification of Issue; Definitions

(a) **Delivery.** This Certificate and Agreement is delivered simultaneously and in connection with the issuance of the above referenced Warrant by the Issuer.

(b) **Definitions.**

(1) Capitalized terms not otherwise defined in this Agreement shall have the meaning assigned in the Warrant Ordinance.

(2) For purposes hereof, the following terms have the following meanings:

Code means the Internal Revenue Code of 1986, as amended.

Lender shall mean Regions Bank and its successors and assigns.

Project shall mean the acquisition of police vehicles, garbage trucks and bucket trucks to be owned and operated by the Issuer.

Regulations shall mean final, temporary and proposed regulations promulgated pursuant to the Code.

Warrant shall mean the \$1,450,000 General Obligation Warrant, Series 2015, of even date, of the Issuer.

Warrant Ordinance shall mean Ordinance No. 2546 adopted by the governing body of the Issuer on February 9, 2015 authorizing the issuance of the Warrant.

SECTION 1.2 Purpose of Issue

The Warrant is being issued for the purposes described in Section 2 of the Warrant Ordinance.

SECTION 1.3 Sale of Warrant

The Warrant will be sold on this date to the Lender for a purchase price equal to 100% of the principal amount thereof. The principal proceeds of the Warrant shall be deposited in the Project Fund from time to time as requested by the Issuer. Amounts advanced and subsequently repaid may be reborrowed.

ARTICLE 2

Qualification as Governmental Warrant (Section 141)

SECTION 2.1 Description of the Project

The Project consists of the acquisition of police vehicles, garbage trucks and bucket trucks to be owned and operated by the Issuer.

SECTION 2.2 Use of the Project

(a) Except as described in this Section, no person will have actual or beneficial use, direct or indirect, of the Project.

(b) The expected use of the Project will be as follows:

(1) **Issuer.** The Issuer shall own the Project.

(2) **Owner.** No person will be treated as the owner of any portion of the Project for federal income tax purposes other than the Issuer.

(3) **General Public.** The Project will be available for general public use, which (i) will include natural persons not engaged in a trade or business and (ii) may include use by nongovernmental persons who are engaged in a trade or business, but only if such use is on the same basis as use by members of the general public (that is, natural persons not engaged in a trade or business). No preference or priority rights will be established with respect to the use or capacity of the Project. The Project will be made available for general public use either at no charge to any user, or at charges or rates that are generally applicable and uniformly applied for all users (which may include different rates for different classes of users, such as volume purchasers, to the extent that such differences in rates are customary and reasonable).

(4) **Use of Project.** The Project will be operated only by employees of the Issuer or a public corporation of the Issuer.

(5) **Incidental Use.** The Project may have use by persons providing incidental services such as pay telephones, vending machines, advertising displays and television cameras, but such incidental uses will not involve transfer of possession and control of space that is separated from other areas of the Project by walls, partitions or other barriers, and such incidental uses will not, in the aggregate, involve the use of more than 2.5% of the buildings or structures that are part of the Project.

(6) **Services Provided.** Services may be provided with respect to the Project by nongovernmental persons, but only if:

(i) such persons are providing services that are solely incidental to the primary function or functions of the Project; or

(ii) such persons are providing services pursuant to contracts that comply with guidelines of Revenue Procedure 97-13.

(7) **Lessee or Manager.** The Project will not be leased to any person and will not be managed or operated by any person other than the Issuer. The Issuer has no formal or informal agreement for the management, lease or use of any portion of the Project.

(8) **Incentive Payment Contracts.** No person will have any contract providing for incentive payments (including any share of net profits) with respect to the use or operation of the Project.

(9) **Output Users.** No person will have a contract or arrangement with respect to the Project such as a take-or-pay or other output-type contract.

(c) The Project shall carry out "essential governmental functions" within the meaning of Treas. Reg. §1.141-5(d)(4)(ii).

SECTION 2.3 Private Loans

Proceeds of the Warrant will not be used to make or finance loans to any Person.

SECTION 2.4 Bank-Qualified Status

The Warrant is hereby designated as a qualified tax-exempt obligation for purposes of Section 265(b)(3) of the Internal Revenue Code. The following representations are made by the Issuer to support this designation:

(a) **Not a Private Activity Bond.** The Warrant is a governmental bond or qualified 501(c)(3) bond (that is not a private activity bond other than a qualified 501(c)(3) bond).

(b) **\$10 Million Limit.** The aggregate amount of all tax-exempt bonds (including the Warrant) issued, or expected to be issued, during the current calendar year by the Issuer and all on-behalf-of and subordinate entities is not expected to exceed \$10 million. This representation is based on the following additional representations:

(1) **Private Activity Warrant Not Counted.** Tax-exempt private activity bonds (other than qualified 501(c)(3) bonds) issued, or to be issued, during the current calendar year do not count against the \$10 million limit.

(2) **Current Refunding Warrant Not Counted.** Tax-exempt bonds issued, or to be issued, during the current calendar year to refund (on a current refunding basis) other bonds do not count against the \$10 million limit (to the extent that the amount of the refunding bond does not exceed the outstanding amount of the refunded bond).

(3) **Subordinate and On-Behalf-Of Issuers.** There are no entities that are subordinate to the Issuer or that issue bonds on behalf of the Issuer that issued, or will issue, tax-exempt bonds during the current calendar year.

(4) **Obligations Counted.** Based on the foregoing, the following obligations will count against the \$10 million limit:

\$1,450,000 General Obligation Warrant, Series 2015

ARTICLE 3

Arbitrage and Rebate (Section 148)

SECTION 3.1 Identification of Gross Proceeds

(a) **Gross Proceeds.** The “gross proceeds” of the Warrant for purposes of the arbitrage and rebate requirements are expected to include the following:

(1) **Sale proceeds.** Proceeds received from the sale of the Warrant. Funds and accounts established under the plan of financing that will hold sale proceeds are identified in Section 3.1(c) below.

(2) **Investment proceeds.** Investment earnings on the Warrant sale proceeds until such proceeds are expended for the purpose or purposes of the issue. Funds and accounts established under the plan of financing that will hold investment proceeds are identified in Section 3.1(c) below.

(3) **Replacement proceeds.**

(i) Replacement proceeds, which includes money from a source other than sale or investment proceeds (e.g., revenues) that meets one of the following tests:

(A) The money is expected to be used to pay principal or interest on the Warrant.

(B) The money is pledged directly or indirectly as security for payment of the Warrant, and there is reasonable assurance that the money will be available to pay debt service if financial difficulty is encountered.

(ii) Funds and accounts established under the plan of financing that will hold replacement proceeds are described in Section 3.1(d) below.

(iii) Neither the Issuer, nor any Person related to the Issuer within the meaning of Section 147(a) of the Code and Treas. Reg. § 1.150 (a "Related Person"), has on hand any funds which could legally and practically be used for the purposes for which the Warrant are issued, or to pay the interest on the Warrant, which funds are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes. Accordingly, no portion of the proceeds of the Warrant will be used (A) directly or indirectly to replace funds of the Issuer or any Related Person that could be used for the purpose for which the Warrant are issued or (B) to replace any proceeds of any prior issuance of obligations by the Issuer or any Related Person.

(iv) There are no replacements proceeds (within the meaning of Treas. Reg. § 1.148-1(c)) of the Warrant and the Warrant will not remain outstanding longer than necessary to accomplish the governmental purposes of the Warrant (within the meaning of Treas. Reg. §1.148-10(a)(4)), in that the weighted average maturity of the Warrant (2.540 years) is less than 120% of the average reasonably expected economic life of the property to be financed by the Warrant (in accordance with Section 147(b)(3)(B)(ii) of the Code).

(4) **Accrued Interest.** No accrued interest is received with respect to the Warrant.

(b) **Funds and Accounts Established Under Plan of Financing.** The Warrant Ordinance establishes the Warrant Fund and the Project Fund.

(c) **Funds and Accounts Holding Sale and Investment Proceeds.** The only fund or account established under the Warrant Ordinance to hold sale or investment proceeds is the Project Fund.

(d) **Funds and Accounts holding Replacement Proceeds.** The only fund or account that will hold replacement proceeds under the plan of financing is the Warrant Fund.

SECTION 3.2 Yield on Warrant

(a) **Initial Offering Price.** For purposes of computing yield on the Warrant, the initial offering price of the Warrant is 100% of the principal amount thereof.

(b) **Simultaneous Issues.** There are no tax-exempt bonds or other tax-exempt obligations that (i) were sold within 15 days of the date of sale of the Warrant and (ii) provide financing for the Issuer or any related or affiliated person.

(c) **Yield on the Warrant.** The yield on the Warrant for federal income tax purposes is 1.70%. For purposes of this Certificate, the term "yield" has the meaning described in Section 148(f) of the Code and means that yield which, when used in computing the present value of all payment of principal and interest to be paid on an obligation, produces an amount equal to the purchase price of such obligation. The yield on the Warrant and any investments allocable to the Warrant ("non-purpose investments") shall be calculated by using the same frequency intervals of compounding

interest, all in accordance with Treas. Reg. 1.148-4. The Issuer assumes the sole responsibility for the determination of yield.

SECTION 3.3 Application of Sale and Investment Proceeds

(a) Payment of Issuance Expenses.

Proceeds of the Warrant will be applied to pay issuance expenses within ten day of the date hereof.

(b) The Project.

(1) The Issuer will apply the principal amount of the Warrant, together with all investment income therefrom, to the payment of the costs of the Project as the Issuer shall determine consistent with the covenants and expectations of the Issuer set forth herein.

(2) The proceeds of the Warrant may be invested at an unrestricted yield pursuant to the temporary period provisions of Section 148(c)(1) of the Internal Revenue Code and Treas. Reg. §1.148-2(e)(2).

(3) The expectations of the Issuer with respect to the completion of the Project are as follows:

(i) **Expenditure Test.** The Project is expected to be completed, and all principal proceeds of the Warrant, and any investment income allocable thereto, to be expended, within 1 year of the date hereof.

(ii) **Time Test.** The Issuer will spend not less than 5% of the proceeds of the Warrant for the Project within 60 days of the date hereof.

(iii) **Due Diligence Test.** Work on or acquisition of the Project will proceed with due diligence to completion.

(4) The Issuer does not expect to sell or otherwise dispose of any part of the Project prior to the last maturity of the Warrant, except such minor parts or portions of the Project that may be disposed of due to normal wear, obsolescence, or depreciation.

SECTION 3.4 Application of Replacement (Sinking Fund) Proceeds

(a) All amounts in the Warrant Fund shall be applied to the payment of the principal of and interest on the Warrant upon, and in any event within 13 months from the date of, deposit thereof in the Warrant Fund, and all income and profits received from the investment of the amounts in the Warrant Fund shall be applied to the payment of the principal of and interest on the Warrant upon, and in any event within 12 months of the date of, receipt of such income or profits.

(b) Money in the Warrant Fund may be invested at an unrestricted yield pursuant to Treas. Reg. § 1.148-2(e)(5).

SECTION 3.5 Overissuance

The original proceeds of the Warrant (net amount remaining after payment of all expenses of issuance) will not exceed the amount necessary for the purpose or purposes of the issue.

SECTION 3.6 Artifice or Device

No artifice or device has been employed in the issuance of the Warrant that attempts to circumvent the provisions of Sections 103 and 148 of the Code or the Regulations relating to "arbitrage bonds". The terms of issuance of the Warrant are not designed to enable the Issuer to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage. Furthermore, issuance of the Warrant will not increase the burden on the market for tax-exempt obligations by selling obligations that would not otherwise be sold, by selling more obligations than would otherwise be necessary, or by issuing obligations sooner or allowing them to remain outstanding longer than would otherwise be necessary.

ARTICLE 4

Other Requirements for Tax-Exempt Status (Section 149)

SECTION 4.1 No Federal Guarantee

The Warrant shall never be "federally guaranteed", within the meaning of Section 149(b) of the Code, except as permitted under said Section.

SECTION 4.2 Information Reporting

Form 8038G executed by the Issuer in connection with the issuance of the Warrant is accurate and complete in all material respects and will be submitted to the Secretary of the Treasury not later than May 15, 2015.

SECTION 4.3 Reimbursement

(a) **Official Intent.** On November 3, 2014 (the "Official Intent Date"), the governing body of the Issuer adopted Resolution No. 14-140, evidencing its intent to use the proceeds of the Warrant to reimburse capital expenditures made with respect to the Project. Proceeds of the Warrant in the amount of \$182,968.54 shall be used to reimburse the Issuer for the acquisition of a bucket truck.

(b) **General Reimbursement Rule.** The Issuer represents that, except for preliminary expenditures described in Section 4.3(c), no portion of the Warrant proceeds shall be used to reimburse the Issuer for expenditures that were made more than 60 days prior to the Official Intent Date.

(c) **Preliminary Expenditures Exception.** Up to 20% of the issue price of the Warrant (\$290,000) may be used to reimburse the Issuer for preliminary expenditures made more than 60 days prior to the Official Intent Date. Preliminary expenditures include architectural, engineering, surveying, soil testing, issuance costs with respect to the Warrant and similar costs that are incurred prior to the commencement of acquisition, construction, or rehabilitation of the Project.

Preliminary expenditures do not include land acquisition, site preparation and similar costs incident to commencement of construction.

(d) **Prompt Allocation.** The Issuer represents that no portion of the Warrant proceeds were used to reimburse the Issuer for expenditures made more than 18 months prior to the reimbursement.

(e) **Nature of Expenditure.** The Issuer represents that no portion of the Warrant proceeds will be used to reimburse the Issuer for working capital expenditures.

(f) **Sinking Fund Allocation.** The Issuer represents that the proceeds of the Warrant, or funds corresponding to such proceeds, were not used, within 1 year of the reimbursement, to pay, or to establish a sinking fund or escrow for payment of, debt service on a separate issue of obligations.

ARTICLE 5

Covenants Regarding Continued Tax-Exempt Status

SECTION 5.1 General Covenants

(a) (1) The Issuer covenants and agrees that it will not take any action, or fail to take any action, if such action or failure to act would cause interest on the Warrant to be Taxable.

(2) "Taxable" shall mean that for purposes of federal income taxation interest on the Warrant is includible in the gross income of any Beneficial Owner thereof for any reason. Interest on the Warrant shall not be deemed "Taxable" because interest is includible in any calculation of income for purposes of an alternative minimum tax, a foreign branch profits tax or any other type of taxation other than the regular tax imposed on gross income.

(b) The Issuer covenants and agrees that the proceeds of the Warrant shall not be used or applied in a manner that would cause the Warrant to be an "arbitrage bond," within the meaning of Section 148 of the Code.

SECTION 5.2 Continued Qualification as Governmental Warrant

The Issuer covenants and agrees that, to the extent necessary for the Warrant to remain tax-exempt:

(a) **Private Business Use Tests.** Either:

(1) **Private Business Use Test.** Not more than 10% of the proceeds of the Warrant shall be used in any private business use; or

(2) **Private Security or Payment Test.** Not more than 10% of the debt service on the Warrant shall be directly or indirectly (i) secured by any interest in property used or to be used for a private business use, or payments in respect of such property, or (ii) derived from payments in respect of property or borrowed money used or to be used for a private business use.

The test described in this paragraph shall be applied by changing 10% to 5% with respect to any proceeds used for unrelated or disproportionate private business use.

(b) **Private Loan Financing Test.** Not more than 5% of the proceeds of the Warrant shall be used to make or finance loans to persons other than governmental units.

(c) **Representations in this Agreement.** The Issuer shall not take any action, or fail to take any action, if such action or failure to act would cause any representation in this Agreement to be incorrect or inaccurate.

SECTION 5.3 Rebate

(a) The Issuer will maintain all records required by Section 148(f) of the Internal Revenue Code and the applicable regulations thereunder and shall furnish such data or information regarding compliance with Section 148(f) of the Internal Revenue Code as the Lender shall reasonably request in writing.

(b) The Issuer shall make timely rebate payments to the United States Treasury Department. The Issuer acknowledges that rebate payments are due (i) within 60 days after each 5-year anniversary of the date of issuance of the Warrant and (ii) within 60 days after the date when the Warrant is finally retired (each such date being referred to as a "required payment date").

(c) The undersigned acknowledges receipt of instructions from Bond Counsel (Maynard, Cooper & Gale, P.C., Birmingham, Alabama) regarding compliance with the rebate provisions of Section 148(f) of the Internal Revenue Code.

(d) Within 60 days after any required payment date, the Issuer shall obtain and furnish to the Lender evidence that, as of such date, the Issuer has made all rebate payments to the United States Treasury Department necessary to prevent the Warrant from being an "arbitrage bond" under Section 148(f) of the Code (including a copy of all forms or other documents filed with the United States Treasury Department for such purpose and any report, opinion or other document that contains the supporting conclusions and calculations).

SECTION 5.4 Compliance Responsibilities

The Finance Director of the Issuer is responsible (a) to ensure that all nonqualified amounts of the Warrant are remediated in accordance with the Internal Revenue Code and Section 1.141-12 of the Regulations and (b) to monitor the requirements of Section 148 of the Internal Revenue Code as described in the Warrant Ordinance and this Agreement. The undersigned acknowledge receipt of instructions from Bond Counsel (Maynard, Cooper & Gale, P.C., Birmingham, Alabama) regarding these responsibilities.

ARTICLE 6

Provision of General Application

SECTION 6.1 Purpose of Agreement

This Agreement is entered into for the benefit of the holders of the Warrant. Pursuant to the Warrant Ordinance the Issuer has agreed to comply with the terms of this Agreement.

SECTION 6.2 Agreement to Constitute Arbitrage Certificate

(a) Article 3 and related portions of this Agreement shall constitute an "arbitrage certificate" that is being executed and delivered pursuant to the Regulations prescribed under the Code, and the undersigned are officers charged with the responsibility of issuing the Warrant.

(b) The Warrant would be issued and the herein referenced actions taken to accomplish these governmental purposes if the interest on the Warrant were not excludable from gross income under Section 103(a) of the Code (assuming that the hypothetical taxable interest rate would be the same as the actual tax-exempt interest rate).

(c) The Issuer has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its obligations under the regulations on "arbitrage bonds" applicable under Section 148 of the Code.

SECTION 6.3 Reasonable Expectations

To the best of the knowledge and belief of the undersigned, the expectations set forth in this Agreement are reasonable.

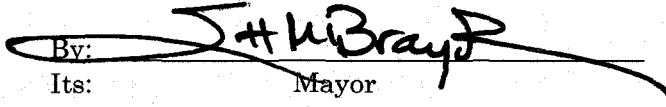
SECTION 6.4 Reliance

(a) Bond Counsel (Maynard, Cooper & Gale, PC, Birmingham, Alabama) may rely upon the facts, expectations and representations made in this Agreement in rendering its opinion that interest on the Warrant is excluded from gross income of the holders thereof for purposes of federal income taxation.

(b) The Issuer acknowledges that such facts, expectations and representations must be true and correct as of this date and that the Issuer must comply with the covenants contained in Article 5 hereof in order for interest on the Warrant to be and remain tax-exempt.

IN WITNESS WHEREOF, the Issuer has caused this Agreement to be executed and delivered by an officer thereof duly authorized thereunto on and as of the date and year first above written.

CITY OF HOMEWOOD, ALABAMA

By: 
Its: Mayor

February 13, 2015

Melody Salter
Finance Director
City of Homewood
2850 19th Street South
Homewood, Alabama 35209

Re: \$1,450,000 General Obligation Warrant, Series 2015, issued by the City of Homewood

Melody:

This letter will provide general guidance with respect to the arbitrage rebate requirements of Section 148 of the Internal Revenue Code as applied to the above-referenced warrant (the "Series 2015 Warrant"). In general, Section 148 provides that excess arbitrage profits from the gross proceeds of the Series 2015 Warrant must be rebated to the United States Treasury. Failure to pay the rebate in a timely manner may cause the Series 2015 Warrant to become taxable, retroactive to the date of issuance, or may result in the imposition of a penalty.

The Series 2015 Warrant is being issued pursuant to Ordinance No. 2546 adopted by the City Council of the City of Homewood (the "City") on February 9, 2015 (the "Warrant Ordinance"). Capitalized terms not otherwise defined in this letter shall have the meaning assigned in the Warrant Ordinance or, if not defined in the Warrant Ordinance, in the Tax Certificate and Agreement (the "Tax Agreement") executed by the City in connection with the issuance of the Series 2015 Warrant.

Responsibility for Compliance

The Tax Agreement requires the City to undertake the responsibility for assuring compliance with the rebate rules. The Tax Agreement and the applicable regulations in effect require a computation of rebate liability only once every 5 years; however, in order to monitor accrued rebate liability, we recommend annual review by a qualified professional. The amount of the accrued rebate liability each year will be important for your planning and budgeting purposes and may be a material disclosure item for financial reporting and audit purposes. The Tax Agreement also requires the City to furnish Regions Bank evidence of timely rebate payments and a copy of the forms or documents filed in connection with such payments.

General Rebate Requirements

The general rebate requirement is that the bond issuer must rebate to the Treasury the difference between the amount actually earned on the investments of "gross proceeds" of the Series 2015 Warrant and the amount that would have been earned if those investments had a yield equal to the yield on the Series 2015 Warrant.

The starting point for the rebate determination is to identify "gross proceeds" of the Series 2015 Warrant. An obvious source of gross proceeds is the amount actually received from the sale of the Series 2015 Warrant. However, the term "gross proceeds" may also include funds of the City, or the funds of others, to the extent that those funds are deemed to "replace" Series 2015 Bond proceeds. In general, "replacement funds" are funds that are segregated or set aside for the purpose of paying principal or interest on the Series 2015 Warrant or funds that are pledged as security for the Series 2015 Warrant. It is important to note, however, that gross proceeds may arise in the future from unanticipated sources. For example, the funds used to establish a trust for payment of the Series 2015 Warrant may be "gross proceeds". As a result, the identification of gross proceeds will be an ongoing process while the Series 2015 Warrant is outstanding.

Investments of gross proceeds may nevertheless be exempt from the rebate requirement if certain exceptions to the rebate rule are available. We have indicated below which funds or accounts established in connection with this financing are subject to the rebate requirement.

Funds Established in Connection With the Issuance of the Series 2015 Warrant

The structure of this financing includes the establishment of various funds and accounts, which are identified in Section 3.1(b) of the Tax Agreement. Those funds and accounts, and any related exception to the rebate requirement, are as follows:

1. **Warrant Fund.** The Warrant Ordinance establishes a Warrant Fund in which the City will make deposits for the purpose of paying debt service on the Series 2015 Warrant. This fund should constitute a "bona fide debt service fund" and therefore investments in this fund should be exempt from the rebate requirement.

2. **Project Fund.** Money deposited in this fund will be used to pay Project Costs, including the expenses of issuing the Series 2015 Warrant. Investments in this fund will be subject to the rebate requirement unless one of the three spending exceptions is met. The general requirements for the three spending exceptions are as follows:

(a) **Six-Month Spending Exception.** Money deposited in this fund and the related investment income will be exempt from the rebate requirement if all gross proceeds of the Series 2015 Warrant are spent within 6 months from the date of deposit, although relatively small amounts can be carried beyond the 6-month period under certain circumstances.

(b) **Eighteen-Month Exception.** Money deposited in this fund and the related investment income of the Series 2015 Warrant will be exempt from the rebate requirement if all gross proceeds are spent in accordance with the following schedule (measured from the date of deposit): (i) at least 15% within 6 months, (ii) at least 60% within 12 months, and (iii) 100% within 18 months, although relatively small amounts can be carried beyond the third period under certain circumstances.

Rebate Calculations and Payments

The method for computing the rebate due is described in the regulations under Section 148 of the Internal Revenue Code. It is not possible to summarize in this letter all the relevant rules for making the necessary computations. The qualified professional you hire to do the reviews required by the Tax Agreement can explain the computations when they are prepared.

Rebate payments must be made to the Treasury every 5 years (the "interim installments") and when the Series 2015 Warrant is retired (the "final installment"). The interim installments are due within 60 days after the end of the 5th anniversary of the date of issuance of the Series 2015 Warrant and every 5 years thereafter, and the final installment is due within 60 days after the Series 2015 Warrant is retired. Since the Series 2015 Warrant has a 5-year term and matures on February 1, 2020, there will be no interim installments. The final installment will be due on April 1, 2020 and must provide for payment in full of the accrued, but unpaid, liability.

Conclusion

The regulations are extremely complex and do not cover many important aspects of the rebate rules. Existing regulations may be clarified or modified, and it is quite possible, even likely, that Congress will further modify the rebate rules before the Series 2015 Warrant is retired. In short, the rebate requirements discussed in this letter may change in the future, and we advise that you should periodically consult knowledgeable counsel about these requirements. The review process required by the Tax Agreement will be a good occasion for such consultations.

Very truly yours,

MAYNARD, COOPER & GALE, P.C.

By: 

cc: Mr. David Germany, Regions Bank

**MAYNARD COOPER
& GALE PC**
ATTORNEYS AT LAW

Barry A. Staples
DIRECT 205.254.1859
EMAIL bstaples@maynardcooper.com

February 16, 2015

REGISTERED MAIL
RR 756 240 916 US

Department of the Treasury
Internal Revenue Service Center
Ogden, Utah 84201

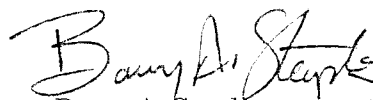
Re: \$1,450,000 General Obligation Warrant, Series 2015, No. R-1, issued by the
City of Homewood, Alabama

Ladies and Gentlemen:

Enclosed please find Form 8038-G to be filed on behalf of the City of Homewood, Alabama in connection with the issuance of the warrant referenced above.

Thank you for your time and attention.

Sincerely,


Barry A. Staples

BAS/bbm
Enclosure

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
► See separate instructions.
Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name City of Homewood, Alabama		2 Issuer's employer identification number (EIN) 63-6001295	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Barry A. Staples, bond counsel		3b Telephone number of other person shown on 3a (205) 254-1859	
4 Number and street (or P.O. box if mail is not delivered to street address) 1901 Sixth Avenue North	Room/suite 2400	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code Birmingham, Alabama 35203		7 Date of issue 02/13/2015	
8 Name of issue General Obligation Warrant, Series 2015		9 CUSIP number N/A	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Scott McBrayer, Mayor		10b Telephone number of officer or other employee shown on 10a (205) 332-6103	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ► Municipal Vehicles	18	1,450,000	00
19 If obligations are TANs or RANs, check only box 19a <input type="checkbox"/>			
If obligations are BANs, check only box 19b <input type="checkbox"/>			
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>			

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	02/01/2020	\$ 1,450,000	\$ 1,450,000	2.540 years	1.700 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22	0	00
23 Issue price of entire issue (enter amount from line 21, column (b))	23	1,450,000	00
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	3,500	00
25 Proceeds used for credit enhancement	25	0	00
26 Proceeds allocated to reasonably required reserve or replacement fund	26	0	00
27 Proceeds used to currently refund prior issues	27	0	00
28 Proceeds used to advance refund prior issues	28	0	00
29 Total (add lines 24 through 28)	29	3,500	00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	1,446,500	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	►	N/A	years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	►	N/A	years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	►	N/A	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	►	N/A	

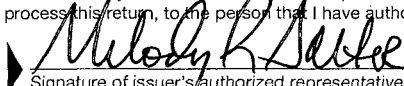
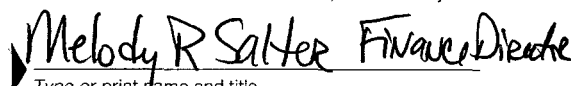
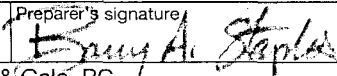
For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form **8038-G** (Rev. 9-2011)

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0	00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	0	00
b	Enter the final maturity date of the GIC ▶ _____			
c	Enter the name of the GIC provider ▶ _____			
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	0	00
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:			
b	Enter the date of the master pool obligation ▶ _____			
c	Enter the EIN of the issuer of the master pool obligation ▶ _____			
d	Enter the name of the issuer of the master pool obligation ▶ _____			
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box			<input checked="" type="checkbox"/>
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box			<input type="checkbox"/>
41a	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:			
b	Name of hedge provider ▶ _____			
c	Type of hedge ▶ _____			
d	Term of hedge ▶ _____			
42	If the issuer has superintegrated the hedge, check box			<input type="checkbox"/>
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box			<input checked="" type="checkbox"/>
44	If the issuer has established written procedures to monitor the requirements of section 148, check box			<input checked="" type="checkbox"/>
45a	If some portion of the proceeds was used to reimburse expenditures, check here <input checked="" type="checkbox"/> and enter the amount of reimbursement ▶ \$182,968.54			
b	Enter the date the official intent was adopted ▶ 11/03/2014			

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	 Signature of issuer's authorized representative		2/13/2015 Date		 Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Barry A. Staples		2-13-2015		P01070093
	Firm's name ▶ Maynard, Cooper & Gale, PC	Firm's EIN ▶ 63-0864426			
	Firm's address ▶ 2400 1901 6th Ave N, Birmingham, AL 35203	Phone no. (205) 254-1000			

All Entries MUST be in Ball Point or Typed

REGISTERED NO. RR 756 240 916 US		POSTMARK OF <div style="border: 1px solid black; border-radius: 50%; width: 100px; height: 100px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> </div>	
Post Office Completion	Reg. Fee \$	Special Delivery \$	
	Handling Charge \$	Return Receipt \$	
	Postage \$	Restricted Delivery \$	
	Received by		
		<input type="checkbox"/> Intl.	
Customer Completion (Please Print)	Customer must declare Full value \$		<input type="checkbox"/> With Postal Insurance <input checked="" type="checkbox"/> Without Postal Insurance \$25,000 Domestic Ins. Limit
	(0)		
	FROM	Barry A. Staples Maynard, Cooper & Gale, P.C. 1901 Sixth Avenue North 2400 Regions/Harbert Plaza Birmingham, AL 35203	
	TO	Department of the Treasury Internal Revenue Service Center Ogden, UT 84201	
		<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Homewood 14909-174 </div>	

PS Form 3806, RECEIPT FOR REGISTERED MAIL (Customer Copy)
 June 1986 (See Information on Reverse)

MAYNARD COOPER
& GALE PC
ATTORNEYS AT LAW

February 13, 2015

Melody Salter
Finance Director
City of Homewood
2850 19th Street South
Homewood, Alabama 35209

Re: \$1,450,000 General Obligation Warrant, Series 2015, issued by the City of Homewood

Dear Melody:

Enclosed please find the post-issuance compliance checklist in connection with the issuance of the above-referenced Warrant. The attached checklist is based on a checklist that the National Association of Bond Lawyers and the Government Finance Officers Association jointly developed in order to assist bond counsel in discussing post-issuance compliance matters with issuers and conduit borrowers.

In the "document reference" column in the attached checklist, the financing document pertaining to the referenced point is named in order to assist members of the finance team – present and future – to be able to locate the original notation. The "responsibility" column lists the various offices/desks within the government or legal or other professional organizations that have been engaged for the purpose of that section who is/are responsible for maintaining the noted task.

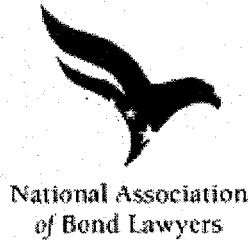
The attached checklist is intended to help you throughout the entire lifetime of the financing to identify matters that you (and perhaps counsel) need to analyze. You should retain and distribute the checklist to all "responsible" parties and others who may find it useful during the lifetime of the financing. You should be aware, however, that the completion and distribution of the attached checklist does not presume a contractual obligation on parties to complete the tasks identified in the checklist.

Should you have any questions about the checklist, please feel free to give me a call at (205) 254-1859.

Very truly yours,

MAYNARD, COOPER & GALE, P.C.

By: Barry A. Staples



POST ISSUANCE COMPLIANCE CHECKLIST
CITY OF HOMEWOOD, ALABAMA
(\$1,450,000 General Obligation Warrant, Series 2015)

The National Association of Bond Lawyers (“NABL”) and the Government Finance Officers Association (“GFOA”) have jointly developed the following checklist to assist bond counsel in discussing with issuers and conduit borrowers, as applicable, post issuance compliance matters. The checklist is divided into three parts: tax, securities and State law matters. The checklist can serve as a framework for discussion at an appropriate time during the transaction or as a written document prepared by bond counsel and furnished to the issuer or conduit borrower after completion of the financing. Bond counsel may need to explain various items on the checklist to provide the issuer with a more complete understanding of the noted concept. The checklist can be amended or supplemented as needed to address the particular financing issue. Issuers and conduit borrowers are encouraged to contact bond counsel at any time they may have questions or concerns pertaining to tax, securities or State law issues.

In the “document reference” column, where applicable, the financing document pertaining to the referenced point should be named. This will assist others on the finance team – present and future – to be able to locate the original notation. The “responsibility” column should list the various offices/desks within the government or legal or other professional that have been engaged for the purpose of that section who is/are responsible for maintaining the noted task. This list covers a broad spectrum of financing purposes of which only some will apply to your financing. Instances where each line will be completed are unlikely. However, you are encouraged to review the entire document and complete the lines that are applicable to your financing.

The checklist is intended to help issuers and/or borrowers throughout the entire lifetime of the financing to identify matters that need to be analyzed by the issuer and perhaps by counsel. Issuers are encouraged to retain and distribute the checklist to all “responsible” parties and others who may find it useful during the lifetime of a financing. **Keeping the checklist throughout the lifetime of the financing is important. Thus, issuers are encouraged to keep the document with the transcript.**

The completion and distribution of this checklist does not presume a contractual obligation on parties to complete these tasks.



National Association of Bond Lawyers

POST ISSUANCE COMPLIANCE CHECKLIST

TRANSACTION PARTIES	
Overall Responsible Office for Debt Management Activities	Finance Director ("FD") (Melody Salter)
Bond Counsel	Maynard, Cooper & Gale, P.C.
Trustee	N/A
Paying Agent	N/A
Rebate Specialist	
Other: Purchaser	Regions Bank
Other:	
Other:	

A.	TAX LAW REQUIREMENTS	Document Reference	Responsibility
1.	General Matters.		
	(a) Proof of filing Form 8038, 8038-G, 8038-GC, 8038-B, or 8038-TC. Copies of Form 8038, etc., to State authorities as required by State procedures.	8038-G	Bond Counsel
	(b) "Significant modification" to bond documents results in reissuance under Treas. Reg. § 1.1001-3. Proof of filing new Form 8038, etc., plus final rebate calculation on pre-modification bonds.	Article 5 of Tax Certificate and Agreement ("TCA")	FD in consultation with Bond Counsel
2.	Use of Proceeds: Governmental Bonds or Qualified 501(c)(3) Bonds.		
	(a) No private business use arrangement with private entity (includes federal government) beyond permitted <i>de minimis</i> amount unless cured by remedial action under Treas. Reg. § 1.141-12.	Article 2 of TCA	FD in consultation with Bond Counsel
	(i) Sale of facilities.	Article 2 of TCA	FD in consultation with Bond Counsel
	(ii) Lease.	Article 2 of TCA	FD in consultation with Bond Counsel
	(iii) Nonqualified management contract. Rev. Proc. 97-13.	Article 2 of TCA	FD in consultation with Bond Counsel
	(iv) Nonqualified research contract. Rev. Proc. 2007-47.	Article 2 of TCA	FD in consultation with Bond Counsel

(v)	"Special legal entitlement."	Article 2 of TCA	FD in consultation with Bond Counsel
(b)	Additional requirements for qualified 501(c)(3) bonds.	N/A	N/A
(i)	No unrelated business activity income in facility beyond permitted <i>de minimis</i> amount.	N/A	N/A
(ii)	No activities jeopardizing 501(c)(3) exemption of 501(c)(3) borrower.	N/A	N/A
(c)	Remedial action may consist generally of redemption or defeasance of bonds (with notice of defeasance to IRS). Where disposition is a cash sale, remedial action may be an alternative qualifying use of proceeds. If bonds are 501(c)(3) bonds, alternative use must have "TEFRA" hearing and elected official approval prior to sale of original facilities. Proof of filing new Form 8038, etc.	Article 5 of TCA	FD in consultation with Bond Counsel
3.	Private Activity Bonds. IRC §142.		
(a)	Exempt facilities—in general.	N/A	N/A
(i)	Continuing use of exempt facilities in accord with basis of tax exemption.	N/A	N/A
(ii)	Use excess proceeds for redemption or defeasance (with notice of defeasance to IRS) within 90 days of determination that proceeds will not be spent, or date financed facility is placed in service. Treas. Reg. § 1.142-2(c).	N/A	N/A
(b)	Residential rental project bonds.	N/A	N/A
(i)	Meet low-income requirements for qualified project period. IRC §142(d).	N/A	N/A
(ii)	Proof of filing annual reports of compliance by project operator on Form 8703.	N/A	N/A
(c)	Qualified mortgage bonds.	N/A	N/A
(i)	Good faith compliance efforts for mortgage eligibility. IRC §143(a)(2).	N/A	N/A
(ii)	Spend proceeds or redeem bonds within 42 months of issuance; use mortgage prepayments after first 10 years to redeem bonds at next semiannual debt service date after receipt.	N/A	N/A

(iii)	Proof of filing annual reports of mortgagor income due 8/15. Treas. Reg. § 1.103A-2(k)(2)(ii).	N/A	N/A
(d)	Small issue manufacturing bonds using \$10,000,000 (\$20,000,000 for 2007) capital expenditure limit: monitor capital expenditures during three years after issuance for compliance with limit. IRC §144(a).	N/A	N/A
(e)	Acquisition of existing facilities: make qualifying rehabilitation within 24 months unless covered by exceptions. IRC §147(d).	N/A	N/A
4.	Arbitrage.		
(a)	Rebate. IRC §148(f).		
(i)	First installment of arbitrage rebate due on fifth anniversary of bond issuance plus 60 days.	Rebate Instructions	FD in consultation with Bond Counsel
(ii)	Succeeding installments every five years.	Rebate Instructions	FD in consultation with Bond Counsel
(iii)	Final installment 60 days after retirement of last bonds of issue.	Rebate Instructions	FD in consultation with Bond Counsel
(iv)	Monitor expenditures prior to semi-annual target dates for six-month, 18-month, or 24-month spending exception.	Rebate Instructions	FD in consultation with Bond Counsel
(b)	Monitor expenditures generally against date of issuance expectations for three-year or five-year temporary periods or five-year hedge bond rules.	Rebate Instructions	FD in consultation with Bond Counsel
(c)	For advance refunding escrows, confirm that any scheduled purchases of 0% Securities of State and Local Government Series are made on scheduled date.	N/A	N/A
5.	Special Rules for Pool Bonds.		
(a)	Redeem bonds at one-year and three-year expenditure target dates. Pay 95% of costs of issuance within 180 days. IRC §149(f), as amended 2006.	N/A	N/A
(b)	501(c)(3) pools: redeem bonds at one-year expenditure target date. IRC §147(b)(4).	N/A	N/A
6.	Record Retention.		

(a)	Maintain general records relating to issue for life of issue plus any refunding plus three years.	N/A	FD
(b)	Maintain special records required by safe harbor for investment contracts or defeasance escrows. Treas. Reg. § 1.148-5.	N/A	FD
(c)	Maintain record of identification on issuer's books and records of "qualified hedge" contract. Treas. Reg. § 1.148-4(h)(2)(viii) and § 1.148-11A(i)(3).	N/A	N/A
(d)	Maintain record of election not to take depreciation on leased property that must be treated as owned by a governmental unit. Treas. Reg. § 1.103(n)-2T Q/A7.	N/A	N/A
(e)	Maintain record of agreements and assignments between governmental units that affect volume cap allocations under IRC §146. Treas. Reg. § 1.103(n)-3T Q/A8, 13 & 14.	N/A	N/A
(f)	Maintain record of election to utilize the \$10,000,000 small issue bond limit on the books and records of the issuer. Treas. Reg. § 1.103-10(b)(2)(vi).	N/A	N/A
7.	Allocations of Bond Proceeds to Expenditures. Make any allocations of bond proceeds to expenditures needed under Treas. Reg. § 1.148-6(d) and § 1.141-6(a) by 18 months after the later of the date the expenditure was made or the date the project was placed in service, but not later than the earlier of five years after the bonds were issued or 60 days after the issue is retired.	N/A	FD in consultation with Bond Counsel
B. DISCLOSURE REQUIREMENTS			
1.	SEC Rule 15c2-12 Requirements.		
(a)	Determine applicability of continuing disclosure undertaking ("CDU").	N/A	N/A
(b)	Identification of "obligated person" for purposes of Rule 15c2-12. Governmental Bonds: Issuer. Private Activity Bonds: Issuer or Borrower	N/A	N/A
(c)	Name of Dissemination Agent, if applicable.	N/A	N/A
(d)	Periodically determine that required CDU filings have been prepared, sent to and received by the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA").	N/A	N/A

(e) Information required to be provided to EMMA:			
(i) Annual Reports.			
(1)	Quantitative financial information and operating data disclosed in official statement.	N/A	N/A
(2)	Audited financial statements.	N/A	N/A
(ii) Other information.			
(1)	Change of fiscal year.	N/A	N/A
(2)	Other information specified in CDU.	N/A	N/A
(f) Material Event Disclosure.		N/A	N/A
Notification by obligated person to EMMA, in a timely manner not in excess of 10 business days after the occurrence of the event, of any following events with respect to bonds:			
(i)	Principal and interest payment delinquencies.		
(ii)	Non-payment related defaults, if material.		
(iii)	Unscheduled draws on debt service reserves reflecting financial difficulties.		
(iv)	Unscheduled draws on credit enhancements reflecting financial difficulties.		
(v)	Substitution of credit or liquidity providers, or their failure to perform.		
(vi)	Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the bonds.		
(vii)	Modifications to rights of holders of the bonds, if material.		
(viii)	Bond calls, if material, and tender offers.		
(ix)	Defeasances.		

(x)	Release, substitution or sale of property securing repayment of the bonds, if material.		
(xi)	Rating changes.		
(xii)	Bankruptcy, insolvency, receivership or similar event.		
(xiii)	Merger, consolidation or acquisition involving obligated person or the sum of all or substantially all of the assets.		
(xiv)	Appointment of a successor or additional trustee or the change of name of a trustee, if material.		
(g)	Failure of the obligated person to timely file financial information (including audited financial statements) and operating data with EMMA.	N/A	N/A
2.	Notification to Underwriters of Bonds. Determination of whether bond purchase agreement requires issuer of the bonds to notify underwriters for a specified period of time of any fact or event that might cause the official statement to contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading.	N/A	N/A
3.	Information Required to be Filed with Other Entities.		
(a)	Trustee.	N/A	N/A
(b)	Rating Agency(ies).	N/A	FD
(c)	Bond Insurer.	N/A	N/A
(d)	Purchaser.	Warrant Ordinance	FD
	Examples:		
(i)	Financial records.		
(1)	Annual.	Section 9 of Warrant Ordinance	FD
(2)	Quarterly.	N/A	N/A

(ii)	Budgets.	N/A	N/A
(iii)	Issuance of additional bonds.	N/A	N/A
(iv)	Events of default.	Section 10 of Warrant Ordinance	FD
(v)	Notices of redemption.	N/A	N/A
(vi)	Amendments to bond documents.	N/A	N/A
4.	Local Disclosure. State and/or local requirements.	N/A	N/A
C. MISCELLANEOUS STATE LAW AND DOCUMENT REQUIREMENTS			
1.	Security.	N/A	N/A
(a)	Proof of filing UCC statements with appropriate authorities as required by State procedures.	N/A	N/A
(i)	Initial UCC financing statements filed with appropriate authorities. UCC 9-501(a).	N/A	N/A
(ii)	Continuation statements filed by fifth anniversary. UCC 9-515(d).	N/A	N/A
(iii)	Transfer by government or governmental unit not requiring a UCC statement. UCC 9-102(a)(45) (UCC exception adopted in certain jurisdictions).	N/A	N/A
(iv)	Public finance transaction in connection with debt securities (all or portion of securities have initial stated maturity of 20 years; obligated party is State or State governmental unit) qualifies for 30-year filing. UCC 9-515(b)	N/A	N/A
(v)	Other local requirements or exceptions.	N/A	N/A
(b)	Proof of filing recorded mortgages, deeds of trust with appropriate authorities and proof of delivery of originals to trustee or custodian.	N/A	N/A
2.	Insurance.	N/A	N/A
(a)	Proof of receipt of final title policy and proof of delivery to trustee or custodian.	N/A	N/A

(b) Monitor compliance with property and casualty insurance requirements.	Section 9 of Warrant Ordinance	FD
3. Financial Covenants. Monitor compliance with rate covenant or other covenants not included in B(3) above.	N/A	N/A
4. Transfer of Property.	N/A	N/A
(a) Restrictions on transfer of cash.	N/A	N/A
(b) Restrictions on releases of property.	N/A	N/A
(c) Restrictions on granting liens or encumbering property.	N/A	N/A
5. Investments. Compliance with permitted investments.	Warrant Ordinance	FD in consultation with Bond Counsel
6. Derivatives.		
Entering into and ongoing compliance of derivatives contracts is complex and a universe in and of itself. GFOA has created a Derivatives Checklist and a Recommended Practice on the Use of Debt-Related Derivatives Products and the Development of a Derivatives Policy to assist issuers with understanding these products. These documents can be found at: http://gfoa.org/services/rp/debt.shtml .	N/A	N/A

CERTIFICATE REGARDING ISSUANCE OF TAX-EXEMPT OBLIGATIONS

The undersigned Mayor and Finance Director of the **CITY OF HOMEWOOD, ALABAMA** (the "City") hereby warrant, represent and certify as follows:

1. This certificate is being delivered in connection with the issuance by the City of its \$1,450,000 principal amount General Obligation Warrant, Series 2015 (the "Warrant"), pursuant to Ordinance No. 2546 duly adopted by the Homewood City Council, as governing body of the City, on February 9, 2015.

2. The City has designated the Warrant as a "qualified tax-exempt obligation" for the purposes of paragraph (3) of subsection (b) of Section 265 of the Internal Revenue Code of 1986, as amended.

3. As of the date hereof, except for the Warrant, neither the City, nor any entity which issues tax-exempt obligations on behalf of the City, has issued any tax-exempt warrants, bonds, notes or obligations during the current calendar year.

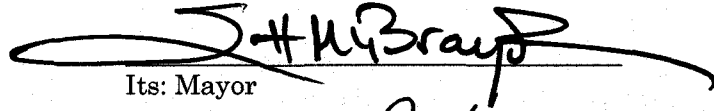
4. The City does not reasonably anticipate issuing any tax-exempt warrants, bonds, notes or obligations for the remainder of the current calendar year.

5. The City does not reasonably anticipate any entity which issues tax-exempt obligations on behalf of the City issuing any tax-exempt warrants, bonds, notes or obligations for the remainder of the current calendar year.

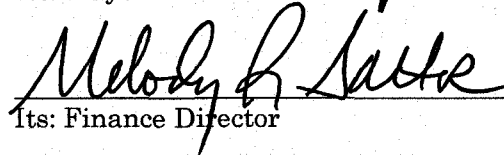
6. Maynard, Cooper & Gale, P.C. may rely on this certificate for purposes of Section 265(b)(3) of the Internal Revenue Code, as amended.

Dated: February 13, 2015

CITY OF HOMEWOOD, ALABAMA

A handwritten signature in black ink, appearing to read "J. H. Bray", written over a horizontal line.

Its: Mayor

A handwritten signature in black ink, appearing to read "Melody B. Little", written over a horizontal line.

Its: Finance Director

**GENERAL CERTIFICATE
OF THE CITY OF HOMEWOOD, ALABAMA**

The undersigned duly elected, qualified and acting Mayor and City Clerk of the City of Homewood, Alabama (the "Municipality") hereby certify, as of February 13, 2015, as follows:

1. The names of the Mayor and the members of the City Council of the Municipality, the governing body of the Municipality (the "Council"), who are serving current terms are as follows:

Name and Office

Scott McBrayer, Mayor
Bruce Limbaugh, Council President
Michael S. Hallman, Ward 1 – Place 1
Britt Thames, Ward 1 – Place 2
Fred Hawkins, Ward 2 – Place 1
Vance Moody, Ward 2 – Place 2
Patrick McClusky, Ward 3 – Place 1
Walter Jones, Ward 3 – Place 2
Barry Smith, Ward 4 – Place 1
Heather Reid, Ward 4 – Place 1
Rich Laws, Ward 5 – Place 1
Peter Wright, Ward 5 – Place 2

2. Each of the foregoing officers and members of the Council has duly filed his or her oath of office and each of them legally required to give bond or other undertaking has filed such bond or undertaking in form and amount and at the time required by law and has otherwise duly qualified and each is the acting officer holding the office stated immediately following his name for the period above indicated.

3. Regular meetings of the Council are held on the second and fourth Mondays of every month in the Municipality, at 6:00 p.m. pursuant to Sections 11-43-49 and 11-43-50 of the CODE OF ALABAMA 1975, and as fixed by order of the Council and publicly announced by it.

4. The population of the Municipality according to the 2010 Federal Census was 25,043.

5. The Municipality is now and has been for more than fifty years a municipal corporation duly organized and existing and operating under the laws of Alabama. No proceedings for the dissolution of the Municipality have ever been taken.

6. The seal affixed hereto is the officially adopted corporate seal of the Municipality and the undersigned clerk is the official custodian thereof and is duly authorized to affix the same to bonds, warrants, contracts, certificates and other obligations and documents of the Municipality and to certify copies of the minutes, proceedings and records of the Municipality and the Council.

7. (a) At a regular meeting held on February 9, 2015, the Council adopted Ordinance No. 2546 (the "Warrant Ordinance") authorizing the issuance of a \$1,450,000 principal amount General Obligation Warrant, Series 2015, of even date (the "Warrant").

(b) A true, correct and complete copy of the Warrant Ordinance is attached hereto as Exhibit A.

(c) The Warrant Ordinance has not been repealed, amended, revoked or changed and is still in full force and effect.

(d) Capitalized terms not otherwise defined herein are used as defined in the Warrant Ordinance.

8. The undersigned Mayor has manually executed the Warrant and the undersigned Clerk has manually attested the Warrant. The undersigned Clerk has manually affixed the official corporate seal of the Municipality to the Warrant. The Warrant is in the form provided therefor in the Warrant Ordinance and has been executed as provided therein. No obligation of the Municipality other than the Warrant has been issued pursuant to the Warrant Ordinance.

9. On the date of execution of the Warrant, on the date of adoption of the Warrant Ordinance, and on this date, we were and now are the duly elected or appointed, qualified and acting officers of the Municipality indicated by our signatures thereon and hereon.

10. We have no knowledge or information of any agreement, representation, condition, understanding or stipulation, whether oral or written or expressed or implied, respecting the authorization of the Warrant or the terms of the sale thereof, or the disposition or other dealing with the proceeds of the Warrant, other than as set forth in the Warrant Ordinance, the closing papers of which this certificate forms a part, and in the other documents which have been furnished to Maynard, Cooper & Gale, PC, bond counsel, for its examination preliminary to bond counsel's approval of the legality of the Warrant. None of the proceedings, records or representations which have been certified to the purchaser to whom the Warrant is delivered or to bond counsel have been repealed, amended or changed, and there has been no change in the facts affecting the Warrant.

11. There is no litigation of any nature pending or threatened in any court restraining, enjoining or in any manner questioning the validity or legality of any of the following: the corporate existence of the Municipality; the territorial boundaries of the Municipality; the election or title of any of the aforesaid persons as officers of the Municipality; the Warrant; the Warrant Ordinance or any term or provision thereof; the purposes for which the Warrant is issued; the application of the proceeds of the sale of the Warrant; the constitutionality of any statute or the validity of any proceedings relative to the Warrant; the taxing power of the Municipality to pay the Warrant; or any other matter referred to in this certificate.

12. On the date of this certificate, the Warrant was delivered to Regions Bank ("Regions"), the purchaser thereof identified in the Warrant Ordinance.

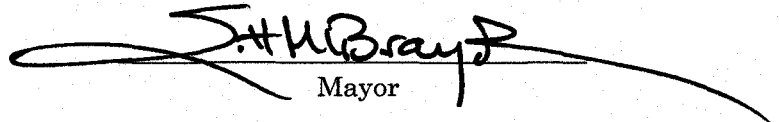
13. The findings, determinations, representations and warranties on the part of the Municipality set forth in the Warrant Ordinance are true and correct in all respects on the date hereof.

14. The execution and delivery of the Warrant, the adoption of the Warrant Ordinance, and the performance and observance of the terms of the Warrant Ordinance, do not and will not conflict with, or constitute on the part of the Municipality a breach of or default under, any agreement, indenture, mortgage, contract, lease, regulation, court order, or consent decree to which the Municipality is a party or is subject.

15. Regions and their representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services. With respect to the Warrant, the Warrant Ordinance and the term sheet provided by Regions and any other information, materials or communications provided by Regions: (a) Regions and its representatives are not recommending an action to any municipal entity or obligated person; (b) Regions and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to the Warrant or the Warrant Ordinance or the term sheet related thereto, information, materials or communications; (c) Regions and its representatives are acting for their own interests; and (d) the Municipality has been informed that the Municipality should discuss the loan to be evidenced by the Warrant and any such other information, materials or communications with any and all internal and external advisors and experts that the Municipality deems appropriate.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official corporate seal of the Municipality on and as of the date and year first above written.

SEAL


Mayor

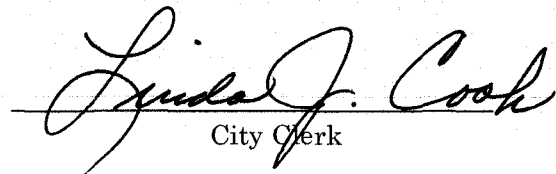

City Clerk

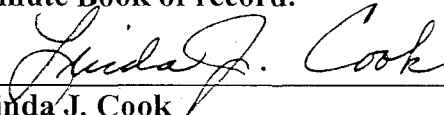
EXHIBIT A

Ordinance No. 2546 of the City Council of the City of Homewood

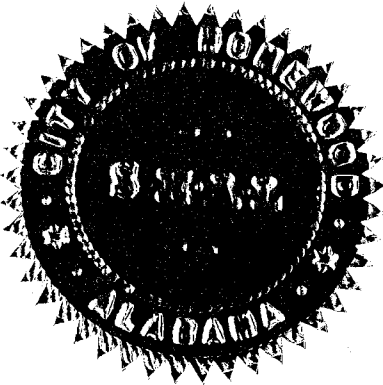
STATE OF ALABAMA)

JEFFERSON COUNTY)

I, Linda J. Cook, the City Clerk of the City of Homewood hereby certify that the foregoing is a true and correct copy of Ordinance No. 2546 as adopted by the City Council at a Regular Meeting held on February 9, 2015 a quorum being present and as recorded in Minute Book of record.



Linda J. Cook
City Clerk
City of Homewood



**EXCERPTS FROM THE MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF HOMEWOOD, ALABAMA**

The City Council of the City of Homewood met in regular public session at City Hall in the City of Homewood, Alabama, at 6:00 o'clock p.m. on February 9, 2015.

The meeting was called to order by the Council President, and the roll was called with the following results:

Present: Bruce Limbaugh, Council President
 Michael S. Hallman, Ward 1 – Place 1
 Britt Thames, Ward 1 – Place 2
 Walter Jones, Ward 3 – Place 2
 Heather Reid, Ward 4 – Place 1
 Rich Laws, Ward 5 – Place 1
 Peter Wright, Ward 5 – Place 2

Absent: Fred Hawkins, Ward 2 – Place 1
 Vance Moody, Ward 2 – Place 2
 Patrick McClusky, Ward 3 – Place 1
 Barry Smith, Ward 4 – Place 1

The Mayor, Scott McBrayer, and the City Clerk, Linda Cook, were also present.

The Council President stated that a quorum was present and that the meeting was open for the transaction of business.

* * *

Thereupon, the following ordinance was introduced in writing by the Council President, read by the Clerk and considered by the City Council:

ORDINANCE NO. 2546

CITY OF HOMEWOOD, ALABAMA

regarding

\$1,450,000

Maximum Principal Amount

GENERAL OBLIGATION WARRANT,

SERIES 2015

Adopted:

February 9, 2015

ORDINANCE NO. 2546

AN ORDINANCE AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF \$1,450,000 MAXIMUM PRINCIPAL AMOUNT GENERAL OBLIGATION WARRANT OF THE CITY OF HOMEWOOD AND THE PAYMENT THEREOF

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOMEWOOD, ALABAMA (the "Municipality") as follows:

Section 1. Definitions.

(a) **Act of Insolvency** shall mean the appointment of a receiver, liquidator or trustee of the Municipality or any of its property or assets; or a general assignment by the Municipality for the benefit of the creditors thereof; or the commencement of proceedings by the Municipality, or against the Municipality and not dismissed or unstayed for a period of 60 days, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law or any jurisdiction, now or hereafter in effect.

(b) **Applicable Law** shall mean all applicable provisions of all constitutions, statutes, rules, regulations and all binding orders, judgments and decrees of any Governmental Authority.

(c) **Authorized Municipality Representative** shall mean the Mayor, Finance Director or City Clerk of the Municipality.

(d) **Code** shall mean the Internal Revenue Code of 1986, as amended.

(e) **Environmental Laws** means all federal, state and local laws, regulations and orders regulating health, safety and environmental matters, including without limitation air pollution, soil and water pollution, and the use, generation storage, handling or disposal of hazardous materials.

(f) **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder.

(g) **Fiscal Year** shall mean the twelve (12) month period ending on September 30th of each year or the fiscal year of the Municipality as established from time to time.

(h) **Five-Year Treasury Rate** shall mean the yield on the United States Treasury Constant Maturity Series with maturity equal to five years, as then most recently published by the Federal Reserve Board in Federal Reserve Statistical Release H.15-Selected Interest Rates (or any successor publication), determined by linear interpolation between the yields reported in Release H.15, if necessary.

(i) **Governmental Authority** shall mean any federal, state, county, municipal, or other government, domestic or foreign, and any agency, authority, department, commission, bureau, board, court or other instrumentality thereof.

(j) **Material Adverse Effect** shall mean any act or circumstance or event (other than as a result of any act or omission by the Warrantholder) or change which (i) causes an Event of Default, or (ii) if determined or resolved adversely to the Municipality would have a material and adverse effect upon, or a material adverse change in, the financial condition or operations or prospects of the Municipality, or (iii) would adversely affect the validity or enforceability of this Ordinance or the Warrant.

(k) **Material Debt** shall mean, with respect to the Municipality on any date, debt of the Municipality which individually equals or exceeds \$500,000.

(l) **Project** shall mean the acquisition of police vehicles, garbage trucks and bucket trucks, that shall be owned and operated by the Municipality.

(m) **Project Costs** shall mean all costs of the Project, including without limitation: (1) the costs of the acquisition of the Project, (2) expenses incurred by the Warrantholder and the Municipality in connection with issuing the Warrant, including legal, consulting and accounting fees, and (3) reimbursement to the Municipality for any of the foregoing costs, fees and expenses set forth in (1) and (2) above, paid with the Municipality's funds.

(n) **Project Fund** shall mean the fund established pursuant to Section 6(a).

(o) **Tax Certificate and Agreement** shall mean the Tax Certificate and Agreement, dated the date of delivery of the Warrant, delivered by the Municipality with respect thereto.

(p) **Warrant** shall have the meaning assigned in Section 2(a).

(q) **Warrant Fund** shall have the meaning assigned in Section 3(f).

Section 2. Findings and Representations.

The Municipality, by and through its governing body, does hereby find, determine, represent and warrant as follows:

(a) It is necessary and desirable and in the public interest for the Municipality to provide for the financing of the Project. For such purposes, the Municipality shall issue its General Obligation Warrant, Series 2015, in a maximum principal amount of \$1,450,000, as authorized and described herein (the "Warrant"), and shall use the proceeds thereof to pay the Project Costs.

(b) (1) The net assessed valuation of the taxable property (including motor vehicles) in the Municipality for the preceding fiscal year (ending September 30, 2014 and on the basis of which taxes became due and payable on October 1, 2014) was not less than \$554,356,360.

(2) The total indebtedness of the Municipality chargeable against the debt limitation for the Municipality prescribed by Section 225 of the Constitution of Alabama of 1901, as amended, is not more than twenty percent of said assessed valuation.

(c) The population of the Municipality is 25,043 according to the 2010 United States Census.

Section 3. Authorization, Description, Payment and Form of Warrant.

(a) The Municipality shall borrow the maximum amount of \$1,450,000 in such amounts and at such times as shall be necessary for the purposes set forth in Section 2 hereof, and the Municipality shall issue therefor its General Obligation Warrant, Series 2015, in the following principal amount and of the following number, to the following financial institution to evidence a loan extended by such institution to the Municipality for such purposes:

<u>Warrant No.</u>	<u>Maximum Principal Amount</u>	<u>Institution</u>
R-1	\$1,450,000	Regions Bank

(b) The Warrant shall be dated the date of issuance; shall bear interest at the per annum rate or rates; shall be payable in installments of principal and interest in such amounts, at such times and in such manner; shall be subject to redemption and mandatory tender for purchase prior to maturity; and shall be registered and transferred; all as provided in the form of the Warrant in subsection (g).

(c) The interest rate on the Warrant shall be a fixed, per annum rate of interest equal to the sum of (i) the Five-Year Treasury Rate (as determined on the date of delivery of this Warrant) and (ii) eighteen basis points (0.18%).

(d) The principal of and interest on the Warrant shall be payable in lawful money of the United States of America, at the principal office of the registered owner thereof (the "Warrantholder"), in Birmingham, Alabama, at par and without discount, exchange or deduction or charge therefor. The Municipality hereby covenants and agrees to pay all bank charges for the Warrant.

(e) The indebtedness evidenced and ordered paid by the Warrant shall be a general obligation of the Municipality for the punctual payment of the principal of and interest on which the full faith, credit and taxing power of the Municipality are hereby irrevocably pledged.

(f) (1) There is hereby established a special fund designated the Series 2015 Warrant Fund (the "Warrant Fund") which shall be held by the bank named as paying agent for the Warrant. The Municipality shall pay or cause to be paid into the Warrant Fund from time to time such sums as

shall be sufficient to provide for the payment of the principal of and interest on the Warrant as it matures and comes due.

(2) The Municipality hereby authorizes the Warrantholder to charge all payments when due under the Warrant to the Warrant Fund, as follows:

Account Number: 1000280918 Routing Number: 062206512

(g) The Warrant shall be in substantially the following form and content, with such changes or additions thereto or deletions therefrom as the Mayor executing the Warrant shall approve, which approval shall be conclusively evidenced by his executing the Warrant as hereinafter provided:

UNITED STATES OF AMERICA
STATE OF ALABAMA

CITY OF HOMEWOOD
GENERAL OBLIGATION WARRANT
SERIES 2015

No. R-1

Dated Date:

Maturity Date:

February 13, 2015

February 1, 2020

The **CITY OF HOMEWOOD**, a municipal corporation organized and existing under and by virtue of the laws of the State of Alabama (the "Municipality"), for value received, hereby acknowledges itself indebted to, and does hereby order and direct the Treasurer of the Municipality to pay, solely from the Warrant Fund hereinafter referenced, to

REGIONS BANK

(the "Warrantholder") or registered assigns the principal amount of

ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS
(\$1,450,000)

together with interest on the unpaid balance of said principal amount advanced and outstanding hereunder from time to time, from the date advanced until payment in full, at a per annum rate of interest (computed on an Actual/360 Basis) equal to the Applicable Rate (as hereinafter defined), as adjusted from time to time as hereinafter provided, such principal and interest being payable in installments as follows:

(a) on the first day of March 2015 and continuing on the first day of each month thereafter until and including the first day of January, 2020, the principal amount shown on Schedule I to this Warrant, plus the interest accrued on the outstanding principal balance of this Warrant to each such date of payment; and

(b) on the above Maturity Date, unless sooner paid, an amount equal to the entire unpaid principal balance of this Warrant plus interest accrued thereon to such date of payment.

Definitions

For purposes hereof, the following terms have the following meanings:

Actual/360 Basis shall mean a method of computing interest or other charges hereunder on the basis of an assumed year of 360 days for the actual number of days elapsed, meaning that interest or other charges accrued for each day will be computed by multiplying the rate applicable on that day by the unpaid principal balance (or other relevant sum) on that day and dividing the result by 360.

Applicable Rate shall mean:

- (a) the Tax-Exempt Rate for the period beginning on the date of delivery of this Warrant and ending on the date immediately preceding the Taxability Date; and
- (b) the Taxable Rate for the period beginning on the Taxability Date and continuing thereafter.

Business Day shall mean any day other than a Saturday, a Sunday, or a day on which the Warrantholder is authorized to be closed under general law or regulation applicable in the place where the Warrantholder performs its business with respect to this Warrant.

Default Rate shall mean the Applicable Rate plus two percent (2%).

Dollars shall mean the lawful money of the United States of America.

Taxability Date shall mean the earliest date from which interest paid in respect of this Warrant is determined to be Taxable.

Taxable shall mean that, for purposes of federal income taxation, the interest accrued on this Warrant is includable in gross income for federal income tax purposes.

Taxable Rate shall mean a per annum rate of interest (fixed, or variable subject to periodic adjustment) that would provide the Warrantholder an after-tax yield on the then outstanding principal amount of this Warrant at least equal to the after-tax yield the Warrantholder would have received if a Determination of Taxability had not been made.

Tax-Exempt Rate shall mean a per annum rate of interest equal to _____%; provided, however, it is determined by the Warrantholder, supported by an opinion of counsel, or by the Internal Revenue Service, that this Warrant is not a "qualified tax-exempt obligation" within the meaning of Section 265(b) of the Code, then, anything herein to the contrary notwithstanding, the Tax-Exempt Rate shall be the per annum rate of interest that would provide the Warrantholder an after-tax yield on the then outstanding principal amount of this Warrant at least equal to the after-tax yield the Warrantholder would have received, if such determination had not been made, from the date the Warrantholder is required to take 100% (rather than 20%) of the interest hereon into account in complying with said Section 265(b), whereupon the Municipality will reimburse the Warrantholder the difference between (i) the interest then due computed at the higher rate, and (ii) the interest already paid at the lower rate, along with all costs, expenses, penalties, attorneys' fees and all other losses incurred by the Warrantholder as a result of such determination, within thirty days after the date a written notice is delivered by the Warrantholder to the Municipality stating that such a determination has been made and stating the amount that is then due. The obligation to pay such additional interest and such other costs, expenses, penalties, attorneys' fees, and other losses shall survive the payment of the principal hereof.

Determination of Interest Rate

The Applicable Rate shall apply only to the principal amount of this Warrant which shall have been advanced and be outstanding.

If any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at a per annum rate equal to the Default Rate, as adjusted as herein provided, from the scheduled date of payment to the date such payment thereof is made.

Payment

A late charge shall be due and payable on any installment of principal of, premium (if any) on and, to the extent legally enforceable, interest on, this Warrant which installment shall not have been paid by the tenth day of the month in which such installment is due and payable, in an amount equal to five percent (5%) of such installment.

This Warrant will be subject to prepayment and redemption prior to maturity at the option of the Municipality in whole or in part on any Business Day at a redemption price equal to 100% of the principal amount of this Warrant to be redeemed, plus accrued interest thereon to the date fixed for redemption, without premium or penalty.

Payment of the principal hereof and interest hereon shall be made at the office of the Warrantholder in Birmingham, Alabama or at such other place as shall be designated by the Warrantholder to the Municipality in writing; provided, however, the final payment of such principal and interest shall be made only upon presentation and surrender of this Warrant to the Municipality. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Authorization; Security; Advance of Proceeds

This Warrant is issued pursuant to the Constitution and laws of the state of Alabama, including, without limitation, Section 11-47-2 of the Code of Alabama (1975), to provide funds to be used in furtherance of the power and authority therein authorized, and an ordinance and proceedings of the governing body of the Municipality duly passed, held and conducted (the "Authorizing Proceedings").

The indebtedness evidenced by this Warrant is a general obligation of the Municipality, and the full faith and credit of the Municipality are hereby sacredly and irrevocably pledged to the punctual payment of the principal hereof and interest hereon.

The Municipality has established in the Authorizing Proceedings a special fund designated the "Series 2015 Warrant Fund" (the "Warrant Fund") for the payment of the principal of, premium, if any, and interest on this Warrant and has obligated itself to pay or cause to be paid into the Warrant Fund sums sufficient to provide for the payment of the principal of and interest on this Warrant as the same shall become due and payable.

This Warrant shall be valid and enforceable as to the aggregate principal amount advanced at any time hereunder, whether or not the full face amount hereof is advanced.

Registration and Transfer

This Warrant is recorded and registered as to principal and interest in the name of the owner on the book of registration maintained for that purpose by the Municipality. The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of and interest on this Warrant shall be made only to or upon the order of the registered owner hereof or his legal representative, and neither the Municipality nor any agent of the Municipality shall be affected by any notice to the contrary. Payment of principal of and interest on this Warrant shall be valid and effectual to satisfy and discharge the liability of the Municipality upon this Warrant to the extent of the amounts so paid.

This Warrant may be transferred only upon written request of the registered owner or his legal representative addressed to the Municipality, such transfer to be recorded on said book of registration and endorsed hereon by the Municipality. Upon presentation to the Municipality for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the Municipality, duly executed by the registered owner or his attorney duly authorized in writing, and the Municipality shall endorse on the schedule attached hereto for such purpose the principal amount of this Warrant unpaid and the interest accrued hereon to the date of transfer. No charge shall be made for the privilege of transfer, but the registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

General

No covenant or agreement contained in this Warrant or in the Authorizing Proceedings shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the Municipality in the individual capacity thereof and none of such parties or persons nor any officer executing this Warrant shall be liable personally on this Warrant or be subject to any personal liability or accountability by reason of the issuance of this Warrant.

It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description, that this Warrant has been registered in the manner provided by law, that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant, and the adoption of the Authorizing Proceedings, have happened, do exist and have been performed as so required, and that the principal amount of this Warrant and all other indebtedness of the Municipality are within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the Municipality, acting by and through its governing body, has caused this Warrant to be executed in its name and on its behalf by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Warrant to be dated the Dated Date first above written.

CITY OF HOMEWOOD, ALABAMA

By _____
Mayor

SEAL

Attest: _____
City Clerk

Registration Certificate

It is hereby certified that this Warrant and the interest thereon have been registered by the undersigned as a claim against the City of Homewood, Alabama and the Warrant Fund herein referenced.

Finance Director of the City of Homewood,
Alabama

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the registry books of the City of Homewood in the name of the last owner named below. The principal of and interest on this Warrant shall be payable only to or upon the order of such registered owner.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Finance Director of Municipality</u>
<u>Dated Date</u>	<u>Regions Bank</u>	
_____	_____	_____
_____	_____	_____

**ENDORSEMENT BY MUNICIPALITY OF UNPAID
PRINCIPAL AND ACCRUED INTEREST
ON DATE OF TRANSFER**

<u>Date of Transfer</u>	<u>Principal Unpaid</u>	<u>Accrued Interest on Date of Transfer</u>	<u>Signature of Finance Director of Municipality</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

SCHEDULE I

<u>Payment Period</u>	<u>Principal Payment Due</u>
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Section 4. Execution of the Warrant.

The Warrant shall be executed in the name and on behalf of the Municipality by the Mayor and shall be attested by the Clerk of the Municipality, and the official seal of the Municipality shall be imprinted thereon. The Warrant and the interest thereon shall be registered by the Treasurer of the Municipality in the records maintained by said Treasurer as a charge against the Municipality and the Warrant Fund. The registration of ownership of the Warrant shall be executed by the Treasurer of the Municipality, who shall also make the endorsements required at the time of any transfer of the Warrant. Said officers are hereby directed to so execute, attest and register the Warrant and to make the appropriate endorsements and notations thereon.

Section 5. Sale and Delivery of Warrant.

The Mayor and the Clerk are hereby authorized and directed to effect delivery of the Warrant and in connection therewith deliver such closing papers containing such representations as are required to demonstrate the legality and validity of the Warrant, the absence of pending or threatened litigation with respect thereto, and the exemption of the interest on the Warrant from federal and state income tax.

Section 6. Project Fund; Application of Proceeds of the Warrant

(a) There is hereby established with the Warrantholder, for the account of the Municipality, a special fund for the Project designated the "Project Fund".

(b) On the date of issuance, the principal proceeds of the Warrant shall be deposited in the Project Fund. The Municipality shall use the proceeds of the Warrant solely for the purposes of paying Project Costs.

(c) Upon the payment of all Project Costs, and if no Event of Default shall have then occurred and be continuing, any amounts remaining in the Project Fund shall be applied to the prepayment of the principal of the Warrant in accordance with the terms thereof and without premium or penalty.

Section 7. Expenses of Issuance and Collection.

(a) The Municipality hereby agrees to pay all expenses of issuance of the Warrant.

(b) The Municipality covenants and agrees that, if the principal of and interest on the Warrant are not paid promptly as such principal and interest matures and comes due, it will pay to the registered owner of the Warrant or its registered assignees, all expenses incident to the collection of any unpaid portion thereof, including a reasonable attorney's fee.

Section 8. Covenants With Respect to Federal Tax Exemption for Interest; Designation of Warrant as "Bank-Qualified".

(a) The Municipality hereby covenants and agrees with the registered owner of the Warrant that it will duly and punctually observe and perform all agreements and covenants thereof under the Tax Certificate and Agreement.

(b) The Municipality hereby covenants and agrees with the registered owner of the Warrant that, to the extent permitted by law, it will not take any action, or omit to take any action, with respect to the Warrant that would cause the interest on the Warrant not to be and remain excludable from gross income pursuant to the provisions of Section 103 of the Code.

(c) The Municipality hereby designates the Warrant as a "qualified tax-exempt bond" for the purposes of paragraph (3) of subsection (b) of Section 265 of the Code. The Municipality does hereby represent that (1) the Municipality has not created any "subordinate entities" and does not reasonably expect to create any "subordinate entities" during the 2015 calendar year, and (2) neither the Municipality (nor its "subordinate entities") has issued in the aggregate more than \$10,000,000 of "qualified tax-exempt bonds" during the 2015 calendar year, and (3) the Municipality reasonably anticipates that the amount of "qualified tax-exempt bonds" or "tax-exempt bonds" which will be issued by the Municipality (and its "subordinate entities") during the 2015 calendar year will not exceed \$10,000,000.

Section 9. Representations and General Covenants of the Municipality

(a) Reporting Requirements.

The Municipality shall furnish to the Warrantholder each of the following:

(i) Annual Financial Statements. As soon as available, and in any event within 210 days after the close of each Fiscal Year of the Municipality, the complete, unqualified, financial statements of the Municipality, including the balance sheet as of the end of such Fiscal Year and the related statements of operations and changes in net assets and cash flows (showing in each case changes in cash, cash equivalents, and board-designated funds) for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the preceding Fiscal Year, all in reasonable detail, audited and prepared by an independent certified public accountant (reasonably satisfactory to the Warrantholder) in accordance with generally accepted accounting principles, consistently applied and fairly presenting the financial condition of the Municipality, as of the end of such Fiscal Year, and stating that in making the examination necessary to such audit such independent certified public accountant shall have obtained no knowledge, except as specifically stated, of any Event of Default.

(ii) Internal Revenue Service. Promptly upon sending or receiving and any correspondence to or from the Internal Revenue Service concerning the tax-exempt status of the Warrant or any other tax-exempt obligations issued by the Municipality.

(iii) Other Information. Such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Municipality, as the Warrantholder may from time to time reasonably request.

(b) Insurance.

(i) The Municipality shall maintain insurance, to the extent commercially available at reasonable rates, on its property and with respect to itself, which insurance shall be provided by an insurer with a credit rating acceptable to the Warrantholder and be of such type and in such amounts or in excess of such amounts as are customarily carried by and

insures against such risks as are customarily insured against by municipalities of like size and character to the Municipality and as shall be satisfactory to the Warrantholder.

(ii) The Municipality shall furnish upon request to the Warrantholder certificates of the respective insurers originally executed by the authorized agent(s) attesting the fact that the insurance required by this Section is in full force and effect and reflecting all coverages, amounts and deductibles. At least fifteen (15) days prior to the expiration of any such policy, the Municipality shall furnish the Warrantholder evidence that the policy has been renewed or replaced or is no longer required by this Ordinance.

(c) Visitation. The Municipality shall permit (after having received reasonable advance written notice from the Warrantholder), any employees, agents or other representatives of the Warrantholder and any attorneys, accountants or other agents or representatives designated by the Warrantholder to (a) have access to and visit and inspect any of the accounting systems, books of account, financial records and Property, thereof, (b) examine and make abstracts from any such accounting systems, books and records, and (c) discuss the affairs, finances and accounts thereof with the officers, employees or agents, all at such reasonable business times as the Warrantholder deems necessary or advisable to protect its interests; provided, however, that the foregoing shall not require the Municipality to divulge confidential information respecting clients, customers or patients of the Municipality.

(d) Compliance with Applicable Law. The Municipality shall comply with all Applicable Law, including without limitation Environmental Laws and ERISA (to the extent applicable to the Municipality), except for matters being contested in good faith by appropriate proceedings diligently pursued.

Section 10. Events of Default

The occurrence of any one or more of the following shall constitute an event of default (an "Event of Default") under this Ordinance (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any governmental authority:

(a) failure of the Municipality to pay any amount of the principal of or interest on the Warrant, as and when the same shall become due and payable; or

(b) failure of the Municipality to observe or perform any of the covenants, conditions or provisions of Sections 9(c); or

(c) any warranty, representation, financial statement (specifically not including projections or estimates of financial performance or results), report, schedule, certificate, statement or other document heretofore, now, or hereafter, made or furnished to the Warrantholder by or on behalf of the Municipality in compliance with, or in reference to, this Ordinance, shall prove to be false or misleading in any material respect as of the date on which it was made, and action which eliminates or corrects such falsity or misleading character is not completed for a period of 30 days after the Warrantholder or the applicable party becomes aware thereof; or

(d) the occurrence of a default or an event of default as defined in any other agreement or

contract under which the Municipality is now or hereafter obligated to the Warrantholder, or an affiliate thereof, that is not cured within the applicable cure period provided therein; or

(e) (1) the Municipality (i) fails to make any payment in respect of any Material Debt when due (whether at scheduled maturity, by required prepayment, acceleration, demand, or otherwise) and such failure continues after the applicable grace or notice period, if any, specified in the document relating thereto on the date of such failure, provided such failure results in a Material Adverse Effect; or (ii) shall default in the due performance or observance by it of any term, covenant or agreement contained in, or any other event shall occur or condition exist under, any agreement or instrument relating to any Material Debt, the effect of such default, event or condition is to cause, or to permit the holder or holders of such Material Debt or beneficiary or beneficiaries of such Material Debt (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, such Material Debt to be declared to be due and payable prior to its stated maturity, or to become payable or cash collateral in respect thereof to be demanded, provided such failure results in a Material Adverse Effect; or

(2) any Material Debt of the Municipality shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or at the option of the Municipality, prior to the stated maturity thereof, provided such failure results in a Material Adverse Effect; or

(f) an Act of Insolvency occurs.

Section 11. Availability of Remedies

(a) The Municipality agrees (i) the registered owners of the Warrant shall have all rights and remedies for the enforcement of the Warrant and this Ordinance as may be provided by the laws of the State of Alabama, and (ii) the Treasurer of the Municipality is subject to mandamus in the event such officer has money available for payment of principal of and interest on the Warrant and does not, as required by this Ordinance, deposit such money in the Warrant Fund, when and as required by Section 3(e) of this Ordinance in each Fiscal Year, and apply such proceeds (and investment earnings thereon) to the payment of the principal of and interest on the Warrant when and as the same become due and payable in each Fiscal Year in amounts sufficient for such purposes.

(b) No remedy herein conferred upon or reserved to the Municipality or the Warrantholder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall, to the extent permitted by law, be cumulative and in addition to every other remedy given under this Ordinance or now or hereafter existing at law or in equity or otherwise. No delay or omission by the Municipality or the Warrantholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) All rights, remedies and powers provided by this Section may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Section are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Ordinance invalid or unenforceable.

Section 12. Severability.

The provisions of this ordinance are severable. In the event that any one or more of such provisions or the provisions of the Warrant shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect the other provisions of this ordinance or of the Warrant, and this ordinance and the Warrant shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

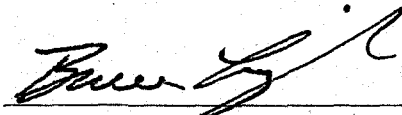
Section 13. Repeal of Conflicting Provisions.

All ordinances, resolutions and orders or parts thereof in conflict or inconsistent with this ordinance are, to the extent of such conflict or inconsistency, hereby repealed.

Section 14. Provisions of Ordinance a Contract.

The terms, provisions and conditions set forth in this ordinance constitute a contract between the Municipality and the registered owner of the Warrant and shall remain in effect until the principal of and interest on the Warrant shall have been paid in full.

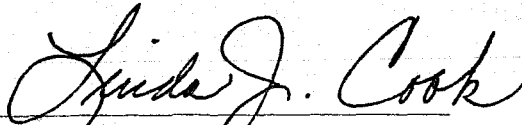
Duly passed and adopted this 9th day of February, 2015.



Council President

SEAL

Attest:



City Clerk

Transmitted to, and approved by, the Mayor of the City of Homewood, Alabama, on this
9th day of February, 2015.



Mayor

It was moved by Councilmember Wright that all rules and regulations which, unless suspended, would prevent the immediate consideration and adoption of said ordinance be suspended, and that unanimous consent to the immediate consideration of said ordinance be given. The motion was seconded by Councilmember Hallman and was unanimously carried, those voting aye being:

Ayes: Bruce Limbaugh
 Michael S. Hallman
 Britt Thames
 Walter Jones
 Heather Reid
 Rich Laws
 Peter Wright

Nays: None

The Council President declared the motion carried.

After said ordinance had been discussed and considered in full by the Council, it was moved by Councilmember Hallman that said ordinance be now placed upon its final passage and adopted. The motion was seconded by Councilmember Wright. The question being put as to the adoption of said motion and the final passage and adoption of said ordinance, the roll was called with the following results:

Ayes: Bruce Limbaugh
 Michael S. Hallman
 Britt Thames
 Walter Jones
 Heather Reid
 Rich Laws
 Peter Wright


Nays: None

The Council President thereupon declared said motion carried and the ordinance passed and adopted as introduced and read.


* * * *

There being no further business to come before the meeting, it was moved and seconded that the meeting be adjourned. Motion carried.

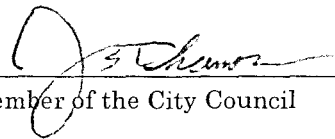
Minutes approved:



Council President



Member of the City Council

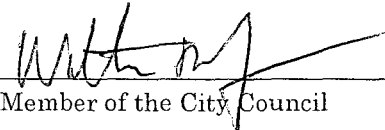


Member of the City Council

Member of the City Council

Member of the City Council

Member of the City Council



Member of the City Council


Member of the City Council



Member of the City Council



Member of the City Council

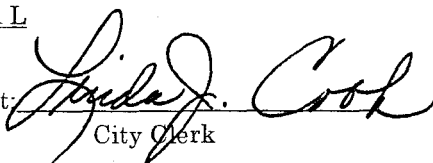


Member of the City Council

Member of the City Council

SEAL

Attest:



City Clerk

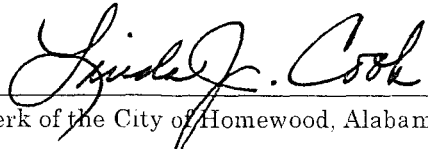
STATE OF ALABAMA)

JEFFERSON COUNTY)

CERTIFICATE OF CITY CLERK

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Clerk of the City of Homewood, Alabama (the "Municipality"). I do further certify that as Clerk of the Municipality I have access to all original records of the Municipality and I am duly authorized to make certified copies of its records on its behalf; the above and foregoing pages constitute a complete, verbatim and compared copy of excerpts from the minutes of a regular meeting of the City Council of the Municipality duly held on the 9th day of February, 2015, the original of which is on file and of record in the minute book of the City Council in my custody; the ordinance set forth in such excerpt is a complete, verbatim and compared copy of said ordinance as introduced and adopted by the City Council on such date; said ordinance is in full force and effect and has not been repealed, amended or changed.

IN WITNESS WHEREOF, I have hereunto set my hand as City Clerk of the Municipality and have affixed the official seal of the Municipality, this 9th day of February, 2015.


Clerk of the City of Homewood, Alabama

SEAL

RESOLUTION NO. 14-140

BE IT RESOLVED AND ORDERED by the City Council (herein called the "Council") of the **City of Homewood, Alabama** (herein called the "City") as follows:

Section 1. Findings and Determinations.

(a) The City has been and will be making certain capital expenditures for the purpose of acquiring certain capital items, including without limitation certain vehicles and other equipment (the "Authorized Purpose"), and reasonably expects that additional capital expenditures for the Authorized Purpose will be necessary.

(b) The Council reasonably expects to be reimbursed for capital expenditures made for the Authorized Purpose in an approximate amount of \$1,440,000 from the proceeds of a tax-exempt note to be issued in 2015 (the "Note") to be subsequently issued by the City, which Note, when issued, shall be a general obligation of the City.

(c) The Council anticipates that there will be no funds from sources other than proceeds of the Note nor will any such funds be reserved, allocated on a long-term basis or otherwise set aside by the City to finance such capital expenditures for the Authorized Purpose, other than moneys needed in addition to the proceeds of the Note.

Section 2. The Council is making this declaration of official intent pursuant to Section 1.103-8(a) (5) and Section 1.150-2 of the United States Treasury Regulations (collectively, the "Reimbursement Regulations").

Section 3. The Council hereby declares its intent to issue the Note and use the proceeds from the sale of the Note for the Authorized Purpose.

Section 4. Capital expenditures for the Authorized Purpose made by the City before the issuance of the Note from any legally available source of funds of the City shall be reimbursed from the proceeds of the Note to the extent permitted by the Reimbursement Regulations.

Section 5. All resolutions in conflict with this resolution are hereby rescinded and repealed, but only to the extent of any such conflict. This resolution shall be effective immediately upon its adoption.

ADOPTED this 3rd day of November, 2014.


President of Council Pro-Temore

APPROVED:


Mayor

ATTEST:


City Clerk

**CERTIFICATE OF FINANCE DIRECTOR OF THE CITY OF HOMEWOOD
(Outstanding Indebtedness)**

I, Melody Salter, do hereby certify that I am the duly elected, qualified and acting Finance Director of the City of Homewood, Alabama, a municipal corporation organized under the laws of the State of Alabama (the "City"), and that I am duly authorized to certify matters concerning the financial affairs of the City. This Certificate is delivered in connection with the execution and delivery by the City of its General Obligation Warrant, Series 2015, of even date herewith.

I do further certify that the following statement reflects the City's estimated legal debt margin following the issuance of the above-referenced warrant:

Net assessed value of real and personal property (as of September 30, 2014) after exemptions and including motor vehicles ^[1]	\$554,356,360
General Debt limit (20% of assessed value)	\$110,871,272
Aggregate outstanding indebtedness ^[2]	\$80,972,456
Less:	
Estimated outstanding indebtedness not chargeable against the debt limit	\$0
Aggregate indebtedness chargeable against debt limit	<u>\$80,972,456</u>
Legal debt margin	<u>\$29,898,816</u>

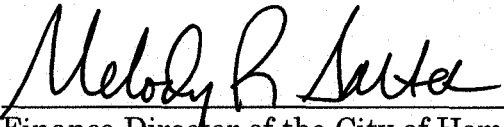
^[1] As reported by the Jefferson County Tax Assessor and the Director of Revenue of Jefferson County.

^[2] Includes the following outstanding indebtedness:

<u>Obligation</u>	<u>Outstanding Amount</u>
General Obligation Warrant, Series 2015	\$1,450,000
General Obligation Warrants, Series 2012	15,330,000
General Obligation Warrants, Series 2007	60,950,000
Capital Leases	946,694
Accrued Compensated Absences as of 9/30/2014 (unaudited)	<u>2,295,762</u>
TOTAL	\$80,972,456

IN WITNESS WHEREOF, this certificate has been executed on behalf of the City
by the undersigned officer.

Dated: 2.13.2015



Finance Director of the City of Homewood

EXHIBIT A

**Certificate of Jefferson County Tax Assessor
and
Certificate of the Director of Revenue of Jefferson County**


CERTIFICATE OF JEFFERSON COUNTY TAX ASSESSOR
(Assessed Values Other Than Motor Vehicles)

I, the undersigned, do hereby certify that I am the duly elected, acting, and qualified Tax Assessor of Jefferson County, Alabama, and by virtue thereof, also Tax Assessor for the City of Homewood in said County, and that the total net assessed value of all property (real, personal and mixed), but excluding motor vehicles and exempt property, located in the jurisdiction of the City of Homewood and subject to taxation by it, as assessed for the year ended September 30, 2014, was not less than \$514,282,400.

IN WITNESS WHEREOF, this certificate has been executed by the undersigned.

Dated: 2/12/2015

A CERTIFIED TRUE COPY
OF THE RECORD OF THE
TAX ASSESSOR, JEFFERSON
COUNTY, ALABAMA



Jefferson County Tax Assessor
GAYNELL HENDRICKS
TAX ASSESSOR

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON - PRESIDENT
GEORGE F. BOWMAN
SANDRA LITTLE BROWN - PRESIDENT PRO TEMPORE
T. JOE KNIGHT
JAMES A. "JIMMIE" STEPHENS

TONY PETELOS
Chief Executive Officer

TRAVIS A. HULSEY, Director
Department of Revenue

Suite A-100 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, AL 35203

CERTIFICATE OF DIRECTOR OF REVENUE AS TO ASSESSED VALUE OF ALL MOTOR VEHICLES IN JEFFERSON COUNTY SUBJECT TO TAXATION BY THE CITY OF HOMEWOOD, ALABAMA

I, the undersigned Director of Revenue of Jefferson County, Alabama, and by virtue of that Office being the official charged with the duty of assessing for municipal taxation all motor vehicles in the City of Homewood, Alabama (the "City"), hereby certify that the total assessed value of all motor vehicles located in the City and subject to taxation by the City, as assessed for municipal taxation for the tax year which ended September 30, 2014, was **\$40,073,960.**

WITNESS my signature as Director of Revenue this 9th day of February 2015.



Director of Revenue of
Jefferson County, Alabama

February 13, 2015

City of Homewood
Homewood, Alabama

Maynard, Cooper & Gale, PC
Birmingham, Alabama

**Re: \$1,450,000 General Obligation Warrant, Series 2015, No. R-1, of the City of
 Homewood, Alabama**

Ladies and Gentlemen:

We have made a loan to the City of Homewood, a municipal corporation under the laws of the State of Alabama (the "Municipality"), in the amount of \$1,450,000 pursuant to and as evidenced by the above referenced warrant (the "Warrant"). We hereby acknowledge purchase and receipt of the Warrant on the date hereof.

We have been provided with and have reviewed and evaluated Ordinance No. 2546 duly adopted by the governing body of the Municipality on February 9, 2015 which authorizes the issuance of the Warrant and describes the security therefor (the "Warrant Ordinance"). We understand that, under the Warrant Ordinance, the Warrant is a general obligation of the Municipality.

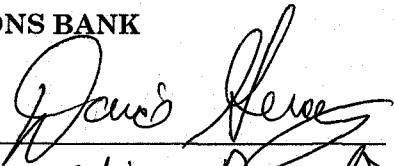
We have had full and free access to all books, records and audits of the Municipality and have been provided with and have evaluated such financial, corporate and general information respecting the Municipality and the Warrant as we deem necessary to enable us to make an informed investment judgment with respect to the purchase of the Warrant.

The engagement of Maynard, Cooper & Gale, PC, as bond counsel, did not include services related to the compilation, verification or furnishing to us of information regarding the merits and risks of investment in the Warrant. We have regularly bought and sold securities similar to the Warrant for our account and have knowledge and experience in financial and business matters sufficient to enable us to evaluate such merits and risks.

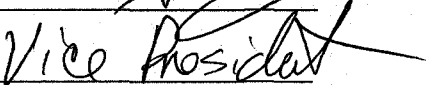
We are purchasing the Warrant for our own account and not for resale and we have no present intention of reselling or otherwise distributing the Warrant or any interest therein. In the event that in the future we decide to sell the Warrant or any interest therein, we are aware that the Warrant is a security and that the seller is obligated under Federal and state securities laws, among other things, fully and accurately to disclose to all persons to whom the seller offers to sell securities all facts material to their decision to purchase such securities. Prior to making any sale of the Warrant or any interest therein, we intend to consult with counsel knowledgeable in the requirements of such securities laws and to be guided by the advice of such counsel. We hereby represent that we will not sell, transfer, or otherwise distribute the Warrant or any interest in any thereof in violation of any applicable Federal or state securities laws.

REGIONS BANK

By

A handwritten signature in black ink, appearing to read "David H. Jones", written over a horizontal line.

Its

A handwritten title in black ink, appearing to read "Vice President", written over a horizontal line.

CLOSING STATEMENT

for

\$1,450,000

GENERAL OBLIGATION WARRANT, SERIES 2015

issued by

CITY OF HOMEWOOD, ALABAMA

Closing Date: February 13, 2015

CLOSING STATEMENT
(General Obligation Warrant, Series 2015)

Closing Date: February 13, 2015

A. Purpose and Defined Terms

This closing statement is being delivered in connection with the issuance and delivery of \$1,450,000 aggregate principal amount of General Obligation Warrant, Series 2015 (the "Series 2015 Warrant") issued by City of Homewood (the "Issuer") pursuant to Ordinance No. 2546 duly adopted by the governing body of the Issuer on February 9, 2015 (the "Warrant Ordinance"). Capitalized terms not otherwise defined herein shall have the meaning assigned in the Warrant Ordinance.

B. Parties

City of Homewood (the "Issuer")

Regions Bank (the "Warrantholder")

C. Transfers, Payments and Deposits at Closing

1. **Purchase Price for Series 2015 Warrant.** The Series 2015 Warrant was sold to the Warrantholder for a purchase price of \$1,450,000.

2. **Distribution of Warrant Proceeds at Closing.** The proceeds from the sale of the Series 2015 Warrant have been disbursed by the Warrantholder at the direction of the Issuer and pursuant to the instructions attached hereto as Schedule I, as follows:

Transfer to Bryant Bank for Project	\$1,446,500.00
Transfer to Maynard, Cooper & Gale, PC, as Bond Counsel	\$3,500.00

D. Payment of Costs of Issuance

All costs of issuance shall be paid from the proceeds of the Series 2015 Warrant within 10 days of closing.

E. Payment of Project Costs

The Warrantholder paid \$1,446,500 to the Issuer for Project Costs at the Closing.

F. Delivery and Receipt for Series 2015 Warrant

1. **Execution and Delivery of Series 2015 Warrant by Issuer.** The Issuer has duly executed the Series 2015 Warrant and has delivered the executed Series 2015 Warrant to the Warrantholder.

2. **Receipt for Series 2015 Warrant by Warrantholder.** The Warrantholder does hereby acknowledge receipt of \$1,450,000 principal amount of Series 2015 Warrant issued by the Issuer.

[Signature page follows.]

IN WITNESS WHEREOF, the Warrantholder and the Issuer do hereby certify that this closing statement describes correctly actions taken by them in connection with the issuance of the Series 2015 Warrant and that they have caused this closing statement to be executed on their behalf by their duly authorized officers or agents.

Dated as of the Closing Date.

REGIONS BANK
as Warrantholder

By: 

Title: Vice President

CITY OF HOMEWOOD, ALABAMA

By: 

Title: Mayor

SCHEDULE I

Wiring Instructions

- A. Maynard, Cooper & Gale's fee (\$3,500) shall be wired pursuant to the following instructions:

Amount: \$3,500
Account Name: Maynard, Cooper & Gale, P.C. Operating Account
Account No: 0001323776
Bank Name: Regions Bank
1900 5th Avenue North
Birmingham, AL 35203
Bank Routing No: 062005690
Reference: Regions Bank/City of Homewood

- B. The balance of the proceeds of the Series 2015 Warrant (\$1,446,500) shall be wired to Bryant Bank pursuant to the following instructions:

Amount: \$1,446,500
Account Name: City of Homewood – Project Fund
Account No: 1000284077
Bank Name: Bryant Bank
Bank Routing No: 062206512
Reference: City of Homewood/Equipment Loan