

STATE OF NEW MEXICO)
) ss.
COUNTY OF GRANT)

The Board of County Commissioners (the "Board") of Grant County (the "County"), in the State of New Mexico, met in open regular session in full conformity with law and the ordinances and rules of the County, in the Commission Meeting Room at the Grant County Administration Center, located at 1400 Highway 180 East, Silver City, New Mexico, in the County, being the regular meeting place of the Board, at 9:00 a.m. on Thursday, July 14, 2022, at which time there were present and answering the roll call the following members:

Chairman:

Ponce

Commissioners:

Browne
Edwards
Salas

Absent:

Billings

Thereupon the following proceedings, among others, were had and taken, to wit:

There was officially filed with the County Clerk, the Chairman and each Commissioner, a copy of an ordinance in final form, which is as follows:

202202836 B: 284 P: 2836 Pgs: 49 Ordinance
This instrument was recorded on 07/21/2022 03:59:26 PM
Marisa Castrillo, County Clerk, Grant County NM
Deputy - rzamarripa



GRANT COUNTY, NEW MEXICO
BOARD OF COUNTY COMMISSIONERS
ORDINANCE NO. O-22-04

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF GRANT COUNTY, NEW MEXICO GROSS RECEIPTS TAX REVENUE REFUNDING BONDS, SERIES 2022, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,500,000 (THE "BONDS") FOR THE PURPOSE OF REFUNDING THE COUNTY'S GROSS RECEIPTS TAX REVENUE BONDS, SERIES 2014, SUBJECT TO THE APPROVAL OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM AND SECURED BY A PLEDGE OF THE GROSS RECEIPTS TAX AUTHORIZED BY NMSA 1978, 7-20E-9 (2020) AND FORMER SECTION 7-20E-28 (2013, AS AFFECTED AND MODIFIED BY 2019 N.M. LAWS, CH. 274, § 16 AND 2020 N.M. LAWS, CH. 80, § 13) DISTRIBUTED TO THE COUNTY PURSUANT TO NMSA 1978, SECTIONS 7-1-6.1 (2007) AND 7-1-6.13 (2021); PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM SAID TAX PROCEEDS; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE SALE OF THE BONDS PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, AND THE METHOD OF, AND SECURITY FOR, PAYMENT; PROVIDING THAT THE PRINCIPAL OF, INTEREST ON AND REDEMPTION PRICE, IF ANY, OF THE BONDS WILL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR LAWS OF THE STATE OF NEW MEXICO; PROVIDING THAT THE BONDS WILL NEVER CONSTITUTE NOR GIVE RISE TO PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS; PROVIDING FOR THE PAYMENT OF COSTS OF ISSUANCE FOR THE BONDS; PROVIDING FOR THE APPROVAL OF DISCLOSURE AND OTHER DOCUMENTS RELATING TO THE BONDS AT A SUBSEQUENT MEETING OF THE BOARD; RATIFYING ALL ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS AND TAX PROCEEDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH.

Capitalized terms in the following preambles not otherwise defined herein have the same definitions as set forth in Section 1, unless the content provides otherwise.

(1) WHEREAS, the County of Grant (the "County"), New Mexico is a legally and regularly created, established, organized and existing political subdivision of the State of New Mexico (the "State") created pursuant to NMSA 1978, Sections 4-9-1 to-2 (1867, as amended through 1917); and

(2) WHEREAS, pursuant to the previous provisions of NMSA 1978, Section 7-20E-28 (2013), a portion of the former County Local Option Gross Receipts Taxes Act, the County adopted County Ordinance No. O-14-05 on July 10, 2014, imposing a three-eighths of one percent County Hold Harmless Gross Receipts Tax; and

(3) WHEREAS, the legislature of the State enacted, and the Governor of the State signed into law, Chapter 274, Section 16 of New Mexico Laws of 2019 (the "2019 Legislation") which affected Section 7-20E-28 effective July 1, 2019 but did not specify whether ordinances imposing a County Hold Harmless Gross Receipts Tax remained in effect as of that date; and

(4) WHEREAS, pursuant to NMSA 1978, Section 7-20E-9 (2020), as amended and supplemented, the County is authorized to impose a County Gross Receipts Tax, which is an excise tax on the gross receipts of a person engaging in business in the county or the county area; and

(5) WHEREAS, Chapter 80, Section 13 of New Mexico Laws of 2020 (effective July 1, 2020) (the "2020 Legislation") provides that an ordinance imposing a local option gross receipts tax authorized by those sections of law that were affected by the 2019 Legislation and whereby such local option gross receipts taxes were consolidated with the municipal gross receipts tax or the county gross receipts tax by the 2019 Legislation is deemed to be imposing an equal rate of the municipal gross receipts tax or county gross receipts tax, as appropriate, as was imposed by the ordinance when the ordinance was enacted; provided that the ordinance was in effect on the effective date of the 2019 Legislation and the ordinance has not been repealed by the governing body. Any dedication of revenue pursuant to the ordinance remains in effect until changed by the governing body; provided that, if the dedication were approved by the electorate, any change to the dedication must also be approved by the electorate; and

(6) WHEREAS, County Ordinance No. O-14-05, approved by the Board as the governing body of the County on July 10, 2014, is an ordinance imposing a local option gross receipts tax authorized by Section 7-20E-28 (a section of law that was affected and consolidated with the County Gross Receipts Tax by the 2019 Legislation), was in effect on the date of such repeal, has not been repealed by the governing body, and there has been no change of any dedication of revenue under the ordinance to date; and

(7) WHEREAS, County Ordinance No. O-14-05 is an ordinance described in the 2020 Legislation and is therefore deemed to be an ordinance imposing a three-eighths of one percent County Gross Receipts Tax, as described in Section 7-20E-9; and

(8) WHEREAS, the County Gross Receipts Tax is collected by the New Mexico Taxation and Revenue Department, and is remitted to the County after minor deductions for administrative costs pursuant to NMSA 1978, Sections 7-1-6.13 (2021) and 7-20E-7 (2019); and

(9) WHEREAS, pursuant to NMSA 1978, Section 4-62-7 (1998), the County is permitted to pledge to the payment of county gross receipts tax refunding bonds the amount of money from the three-eighths of one percent of County Gross Receipts Tax distributed to it pursuant to Sections 7-20E-9 and 7-1-6.13, and to pledge irrevocably for the payment of interest

and principal on refunding bonds the appropriate pledged revenues that may be pledged to an original issue of bonds as provided in NMSA 1978, Section 4-62-1 (2019); and

(10) WHEREAS, the County intends to pledge revenues received from the imposition of the three-eighths of one percent County Gross Receipts Tax imposed pursuant to Section 7-20E-9, its predecessor Section 7-20E-28, and County Ordinance No. O-14-05, as security for the payment of the Series 2022 Bonds (as defined herein) herein authorized; and

(11) WHEREAS, the County has previously issued the Prior Bonds (as herein defined) in the original principal amount of \$6,200,000, which are obligations of the County and currently outstanding in the amount of \$5,090,000, to which the three-eighths of one percent County Gross Receipts Tax, has been pledged; and

(12) WHEREAS, other than the Prior Bonds (as herein defined), there are no obligations of the County which are now outstanding to which any of the Pledged Gross Receipts Tax Revenues (as herein defined) have been pledged; and

(13) WHEREAS, the Board hereby determines that there is a need for the Project (as herein defined), which includes (a) the current refunding and refinancing of the Prior Bonds (as herein defined) and (b) paying the costs of issuance for the Series 2022 Bonds (as herein defined); and

(14) WHEREAS, the Series 2022 Bonds (as herein defined) shall be issued for the Project (as herein defined), and consequently also will provide for the public health, peace and safety of the County and its citizens; and

(15) WHEREAS, the Series 2022 Bonds (as defined herein) herein authorized shall be issued pursuant to NMSA 1978, Sections 4-62-1 to -10 (1979, as amended through 2019), and NMSA 1978, Sections 7-20E-1 to -29 (1983, as amended through 2020), and with a lien on the Pledged Gross Receipts Tax Revenues (as herein defined); and

(16) WHEREAS, other than the Pledged Gross Receipts Tax Revenues, as defined herein, no tax revenues collected by the County will be pledged to the Series 2022 Bonds (as herein defined); and

(17) WHEREAS, after consultation with its financial and legal advisors and any pertinent negotiations, the Board has determined that it is in the best interests of the County and its citizens to sell the Series 2022 Bonds (as defined herein) at negotiated sale to a Purchaser (as defined herein) at the purchase price to be set forth in a Bond Purchase Agreement to be dated the date of the Final Terms Certificate (as defined herein), between the Purchaser (as defined herein) and the County (the "Bond Purchase Agreement"); and

(18) WHEREAS, NMSA 1978, Section 4-62-6(C) (1995), provides as follows:

Any law that authorized the pledge of any or all of the pledged revenues to the payment of any revenue bonds issued pursuant

to Chapter 4, Article 62 NMSA 1978 or that affects the pledged revenues, or any law supplemental thereto or otherwise appertaining thereto, shall not be repealed or amended or otherwise modified in such a manner as to impair any outstanding revenue bonds, unless such outstanding revenue bonds have been discharged in full or provision has been fully made therefor

and;

(19) WHEREAS, the Board hereby determines that proceeds of the sale of the Series 2022 Bonds (as defined herein) shall be deposited into funds and accounts and used in accordance with this Ordinance and any ordinance or resolution amending or supplementing this Ordinance; and

(20) WHEREAS, there will be presented to the Board and placed on file with the County Clerk forms of (a) the Bond Purchase Agreement, (b) a draft of the Preliminary Official Statement (the "Preliminary Official Statement") (if required), and (c) the Continuing Disclosure Agreement (if required), at a subsequent meeting of the Board, and

(21) WHEREAS, the Board hereby determines that the Project (as herein defined) is for a governmental purpose and is not a project which would cause the Series 2022 Bonds (as defined herein) to be "private activity bonds" as defined by the Internal Revenue Code of 1986, as amended to the date of delivery of the Series 2022 Bonds (as defined herein); and

(22) WHEREAS, pursuant to NMSA 1978, Section 6-14-10.2 (2017) of the Supplemental Public Securities Act, the Board is authorized to adopt an ordinance delegating to one or more of its members, officers, or employees the authority to sign a contract for the purchase or sale of public securities or to accept a binding bid for public securities and to determine the final terms for public securities to be issued so long as such final terms are within the parameters established by an authorizing ordinance adopted in conformity with the Supplemental Public Securities Act; and

(23) WHEREAS, the County intends to market and sell the Series 2022 Bonds (as defined herein) through a negotiated sale, and the entity or entities to whom the Series 2022 Bonds (as defined herein) will be originally sold, the purchase price and other details of the Series 2022 Bonds (as defined herein) will be established in the Final Terms Certificate (as defined herein) pursuant to this Ordinance; and

(24) WHEREAS, in order to, among other things, allow the Board flexibility in setting the pricing date of the Series 2022 Bonds (as defined herein) and to optimize debt service costs to the County, the Board desires to grant to the Designated Officer (as defined herein) the authority to (a) determine any or all of the following terms of the Series 2022 Bonds (as defined herein): (i) the interest and principal dates; (ii) the principal amounts; (iii) the sale prices; (iv) the interest rates; (v) the interest payment periods; (vi) the redemption and tender provisions; (vii) the procurement of municipal bond insurance and any related covenants or agreements; (viii) the creation of any capitalized interest or debt service reserve funds, including the size and funding

of the funds; (ix) the amount of underwriting discount, if any; and (x) the final terms of agreements, if any, with one or more trustee, paying agent, registrar, dissemination agent or any other agent or service provider required for the purchase, sale, issuance, and delivery of the Series 2022 Bonds (as defined herein); and (b) to make any changes with respect thereto from those terms which were before the Board at the time of adoption of this Ordinance, provided such terms do not exceed the parameters set forth for such terms in Sections 3, 4, and 14 of this Ordinance (the "Parameters"), as further described herein; and

(25) WHEREAS, pursuant to NMSA 1978, Section 6-14-6 (1975), after the passage of thirty (30) days from the publication of the notice of adoption of this Ordinance, as directed in Section 38 of this Ordinance (the "Notice of Adoption"), any action attacking the validity of the proceedings had or taken by the Board preliminary to and in the authorization and issuance of the Series 2022 Bonds (as defined herein) described in the Notice of Adoption is perpetually barred; and

(26) WHEREAS, no action or suit has been commenced by any person or corporation contesting the validity of any of the proceedings directed toward the issuance and sale of the Series 2022 Bonds (as defined herein) heretofore taken by the Board and the officers of the County; and

(27) WHEREAS, there has been published in the *Silver City Daily Press and Independent*, a newspaper of general circulation in the County, public notice of the Commission's intention to adopt this Ordinance, which notice contained the title and general summary of the subject matter of this Ordinance and the date and time of the meeting of the Board at which this Ordinance is proposed for final passage, which notice was published at least fourteen (14) days prior to final action upon this Ordinance; and

(28) WHEREAS, NMSA 1978, Section 4-68-8(E) (1995) provides that "[t]he county shall receive from the department of finance and administration written approval of any non-utility gross receipts tax refunding revenue bonds, gasoline tax refunding revenue bonds, fire protection refunding revenue bonds, environmental refunding revenue bonds or non-utility project refunding revenue bonds issued pursuant to the provisions of Sections 4-62-7 through 4-62-10 NMSA 1978."

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF GRANT COUNTY, NEW MEXICO:

Section 1. Definitions. In addition to terms defined elsewhere in this Ordinance, the terms in this section defined for all purposes of this Ordinance and of any ordinance or resolution amendatory hereof or supplemental hereto, or relating hereto, and of any instrument or document appertaining hereto, except where the context by clear implication herein otherwise requires, shall have meanings herein specified:

"Authorized Officer" means the County Manager, the County Treasurer, or the County Finance Director.

"Board" means the Board of County Commissioners of the County.

"Bonds" or "Series 2022 Bonds" means the Grant County, New Mexico Gross Receipts Tax Revenue Refunding Bonds, Series 2022, which are herein authorized.

"Bond Accounts" or "2022 Bond Accounts" means the Grant County Gross Receipts Tax Revenue Refunding Bonds, Series 2022 Interest and Bond Retirement Accounts, established in Section 18(A) hereof which are accounts within the Income Fund.

"Bond Ordinance" or "Ordinance" means this Grant County, New Mexico Ordinance No. O-22-04.

"Continuing Disclosure Agreement" means the agreement of the County to provide certain annual financial information for the benefit of the owners of the Bonds and to be dated the date of issuance and delivery of the Bonds, if such annual financial information is required to be provided as a result of the sale of the Series 2022 Bonds to the Purchaser.

"County" means the county and body corporate and politic known as Grant County, New Mexico.

"County Gross Receipts Tax" means up to 3/8th of 1% of the county gross receipts tax on gross receipts, which the County is authorized to impose of persons engaging in business within the County (with certain specified exceptions).

"County Gross Receipts Tax Parity Bonds" or "County Gross Receipts Tax Parity Obligations" means the Bonds and any other obligations hereafter issued or incurred payable from and constituting a lien on Pledged Gross Receipts Tax Revenues on a parity with the lien thereon on the Bonds.

"Designated Officer" means the County Manager, the Acting County Manager, or the County Finance Director (and includes any of such officers, acting alone).

"Final Terms Certificate" means one or more certificates executed by the Designated Officer dated on or before the date of delivery of the Bonds, setting forth the following final terms of the Bonds: (i) the interest and principal payment dates; (ii) the principal amounts, denominations and maturity amortization; (iii) the sale prices; (iv) the interest rate or rates; (v) the interest payment periods; (vi) the redemption and tender provisions; (vii) the creation of any capitalized interest fund, including the size and funding of such fund(s); (viii) the amount of underwriting discount, if any; and (ix) the final terms of agreements, if any, with agents or service providers required for the purchase, sale, issuance and delivery of the Bonds, all subject to the Parameters and conditions contained in this Ordinance.

"Fiscal Year" for the purposes of this Ordinance means the twelve months commencing on the first day of July of any calendar year and ending on the last day of June of the next calendar year; but it may mean any other 12 month period which any appropriate authority hereafter may establish.

"Income Fund" means the fund known as the "Grant County Gross Receipts Tax Revenue Account" created by the County pursuant to Section 17 of this Ordinance.

"Independent Accountant" means any registered or certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and paid by the County, who (1) is, in fact, independent and not under the domination of the County, (2) does not have any substantial interest, direct or indirect with the County, and (3) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or similar audits of the books or records of the County.

"Insured Bank" means a bank which is a member of the Federal Deposit Insurance Corporation.

"Parity Bonds" or "Parity Obligations" means the Bonds and any other bonds or obligations now or hereafter issued or incurred payable from the Pledged Revenues and issued or incurred with a lien on the Pledged Revenues on a parity with the Bonds.

"Paying Agent" means the County Treasurer (or successor in function) of Grant County in Silver City, New Mexico, as agent for the County for the payment of the Bonds, including the interest thereon.

"Permitted Investments" shall mean the following, but only if authorized by New Mexico law:

1. Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (a) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (c) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

2. Federal Housing Administration debentures.

3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- (i) Federal Home Loan Mortgage Corporation (FHLMC): Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts); Senior Debt obligations;

- (ii) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives): Consolidated system-wide bonds and notes;

(iii) Federal Home Loan Banks (FHL Banks): Consolidated debt obligations;

(iv) Federal National Mortgage Association (FNMA): Senior debt obligations. Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts);

(v) Student Loan Marketing Association (SLMA): Senior debt obligations; (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date);

(vi) Financing Corporation (FICO): Debt obligations; and

(vii) Resolution Funding Corporation (REFCORP): Debt obligations.

4. Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated 'A-I' or better by S&P.

5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million.

6. Commercial paper (having original maturities of not more than 270 days) rated 'A-1+' by S&P and 'Prime-1' by Moody's.

7. Money market funds rated 'AAm' or 'AAm-G' by S&P, or better.

8. "State Obligations", which means:

(i) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated 'A3' by Moody's and 'A' by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(ii) Direct general short-term obligations of any state agency or subdivision or agency thereof described in 8(i) above and rated 'A-1+' by S&P and 'MIG-1' by Moody's.

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in 8(i) above and rated 'AA' or better by S&P and 'Aa' or better by Moody's.

9. Pre-refunded municipal obligations rated "AAA" by S & P and "Aaa" by Moody's meeting the following requirements:

(i) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(ii) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

(iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(v) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(vi) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

10. Repurchase agreements: With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's, provided that:

(i) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);

(ii) The trustee or a third party acting solely as agent therefor or for the Issuer (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(iii) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(iv) All other requirements of S&P in respect of repurchase agreements shall be met; and

(v) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Issuer or the trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the County or trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in 10(i) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's; provided that, by the terms of the investment agreement:

(i) interest payments are to be made to the trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;

(ii) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Issuer and the trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(iii) the investment agreement shall state that it is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks *pari passu* with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(iv) the County or the trustee receives the opinion of domestic counsel (which opinion shall be addressed to the County) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the County or the trustee;

(v) the investment agreement shall provide that if during its term

(a) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of

publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the County, the trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(b) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the County or the trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Issuer or trustee, and

(vi) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(vii) the investment agreement must provide that if during its term

(a) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the County or the trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the County or trustee, as appropriate, and

(b) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the County or trustee, as appropriate;

(viii) the State Treasurer's "Local Government Pool" created pursuant to Section 6-10-10.1 NMSA 1978, and operated, maintained and invested by the State Treasurer.

"Pledged Gross Receipts Tax Revenues" or "Pledged Revenues" means the amounts of money derived from all of the revenue attributable to the three-eighths of one percent of the County Gross Receipts Tax transferred, on and after the effective date hereof, to the County pursuant to Section 7-1-6.13, NMSA 1978 and any distribution, on and after the effective date thereof, related to such three-eighths of one percent made pursuant to NMSA 1978, Section 7-1-6.16 (2004), which County Gross Receipts Tax is imposed on all persons engaging in business in the County for the privilege of engaging in business in the County pursuant to Ordinance No. O-14-05 adopted and approved on July 10, 2014, as authorized by Sections 7-

20E-9 (2020) and 7-20E-28 (2013, as affected by Chapter 274, Section 16 of New Mexico Laws of 2019 and modified by Chapter 80, Section 13 of New Mexico Laws of 2020), (i) which tax equals three-eighths of one percent of the gross receipts tax of all persons engaging in business in the County for the privilege of engaging in business in the entire County, and (ii) which amounts are collected and, after any deductions for administrative costs, any additional administrative fee and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to NMSA 1978, Section 7-1-6.15 (2021), are distributed monthly (together with the balance of the County's Gross Receipts Tax) by the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Sections 7-1-6.13 and 7-1-6.16, (provided that the Pledged Gross Receipts Tax Revenues does not include and the County is not pledging to the Bonds any of such other County gross receipts tax revenues received pursuant to such Sections 7-1-6.13 and 7-1-6.16, which exceeds the aforesaid, and does not include any gross receipts or excise tax revenues received pursuant to any other statute).

"Prior Bonds" means the Series 2014 Bonds.

"Project" means the Refunding Project.

"Purchaser" means the investment banker, underwriter, or other financial institution to be named in a subsequent ordinance or resolution amending or supplementing this Ordinance or the Final Terms Certificate.

"Rebate Account" or **"Rebate Fund"** means the Grant County Refunding Gross Receipts Tax Revenue Bonds, Series 2022 Rebate Account created in Section 24(J) of this Ordinance.

"Redemption Fund" means the Grant County, New Mexico Gross Receipts Tax Revenue Bonds, Series 2014, Redemption Fund created in Section 16(B)(2) of this Ordinance.

"Refunding Project" means (1) refunding, refinancing, discharging and prepaying the Series 2014 Bonds on the date stated in a subsequent ordinance or resolution amending or supplementing this Ordinance or the Final Terms Certificate, and (2) paying expenses related to the issuance of the Bonds and the prepayment and discharge of the Series 2014 Bonds.

"Registrar" means the County Treasurer (or successor in function) of Grant County, in Silver City, New Mexico, as registrar and transfer agent for the Bonds.

"Regular Record Date" means the 15th day of the calendar month (whether or not a business day) next preceding each regularly scheduled interest payment date on the Bonds.

"Series Date" means the date of the Bonds, i.e., the date of delivery of the Bonds to the Purchaser.

"Series 2014 Bonds" means the Grant County, New Mexico Gross Receipts Tax Revenue Bonds, Series 2014 originally issued in the aggregate principal amount of \$6,200,000 and currently outstanding in the amount of \$5,090,000.

"Series 2022 Bonds" or "Bonds" means the Grant County, New Mexico Gross Receipts Tax Revenue Refunding Bonds, Series 2022, authorized to be issued pursuant to the Ordinance.

"Special Record Date" means a special date fixed to determine the names and addresses of registered owners of the Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest thereon, all as further provided in Section 5(B) hereof.

Section 2. Ratification. All action heretofore taken (not inconsistent with the express provisions of this Ordinance) by the Board and officers of the County directed toward the Refunding Project, the enactment of Ordinance No. O-14-05 and this Ordinance, and toward the authorization, sale and issuance of the Bonds to the Purchaser herein authorized be, and the same hereby is ratified, approved and confirmed.

Section 3. Authorization of Projects. The Refunding Project is hereby authorized at a total cost not to exceed \$5,500,000 and the necessity thereof is hereby so declared, excluding any such cost defrayed or to be defrayed by any source other than the Bonds, subject to the County's receipt of the New Mexico Department of Finance and Administration's (the "DFA") approval of the Refunding Project, as required by Section 4-62-8(E), and the negotiation of an acceptable sale that will not result in debt service payments greater than the County's current debt service payments on the Prior Bonds.

Section 4. Authorization of Bonds. For the purpose of protecting the public health, conserving the property and advancing the general welfare of the citizens of the County, and for the purpose of defraying the cost of the Project, it is hereby declared that the interest or necessity of the County and the inhabitants thereof demand the issuance by said County of its fully registered (i.e., registered as to payment of both principal and interest) revenue bonds without coupons to be designated "Grant County Gross Receipts Tax Revenue Refunding Bonds, Series 2022" in the aggregate maximum principal amount of up to \$5,500,000 to be payable and collectible, both as to principal and interest, from the Pledged Revenues. The issuance of the Bonds is subject to the DFA's prior approval pursuant to Section 4-62-8(E) and to the requirement that the negotiated sale will not result in debt service payments greater than the County's current debt service payments on the Prior Bonds.

Section 5. Bond Details.

A. Basic Details. The Bonds shall be dated the date of delivery (the "Series Date"), are issuable in the denomination of \$5,000 each or any integral multiple thereof ("Authorized Denomination" or "Authorized Denominations") (provided, that no Bond may be in a denomination which exceeds the principal coming due on any maturity date and no individual Bond will be issued for more than one maturity), numbered consecutively from 1 upwards, shall bear interest from the Series Date until maturity at the rates designated in the Final Terms Certificate payable semiannually on January 1 and July 1 (or as otherwise provided in the Final Terms Certificate) in each year until maturity, commencing January 1, 2023 (or as otherwise provided in the Final Terms Certificate), and shall mature on July 1 (or as otherwise

provided in the Final Terms Certificate) in each of the years and the amounts as set forth in the Final Terms Certificate.

B. Payment-Regular Record Date. The principal of any Bond shall be payable to the registered owner thereof as shown on the registration books kept by Registrar which is hereby appointed as registrar (and transfer agent) for the Bonds, upon maturity or prior redemption thereof and upon presentation and surrender to the Paying Agent which also is hereby appointed as the paying agent for the Bonds. If any Bond shall not be paid upon such presentation and surrender at or after maturity or on a designated prior redemption date on which the County may have exercised its right to prior redeem any Bond pursuant to Section 6 hereof, it shall continue to draw interest at the rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the registered owner thereof as of the Regular Record Date (as herein defined) by check or draft mailed by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the registered owner thereof on the Regular Record Date at his address as it last appears on the registration books kept by the Registrar on the Regular Record Date (or by such other arrangement as may be mutually agreed to by the Paying Agent and any registered owner on such Regular Record Date). All such payments shall be made in lawful money of the United States of America. The person in whose name any Bond is registered at the close of business on any Regular Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such Regular Record Date and prior to such interest payment date; but any such interest not so timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name any Bond is registered at the close of business on a Special Record Date fixed by the Registrar for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for defaulted interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first class mail, to the registered owners of the Bonds as of a date selected by the Registrar, stating the Special Record Date and the date fixed for the payment of such defaulted interest.

Section 6. Prior Redemption. All or any portion of the Bonds may be subject to optional redemption or mandatory redemption prior to their stated maturities at a redemption price and on the dates established therefore in the Final Terms Certificate.

A. Notice by County. Unless waived by the Registrar, at least 45 days prior to any date selected by the County for prior redemption (if prior redemption is authorized by the Final Terms Certificate) of any of the Bonds the County shall give written instructions to the Registrar with respect to such prior redemption (provided that no notice need be given by the County to the Registrar for the mandatory sinking fund redemption of the Bonds). Additionally, notice of redemption shall be given by sending a copy of such notice by registered or certified first class, postage prepaid mail, not less than 30 days prior to the redemption date to the Registrar and, if the Registrar is not the Paying Agent, to the Paying Agent.

B. Notice by Registrar. Additionally, if prior redemption is authorized in the Final Terms Certificate, notice of redemption shall be given by the Registrar by sending a copy of such notice by first class, postage prepaid mail, at least thirty (30) days prior to the redemption

date to each registered owner as shown on the registration books kept by the Registrar as of the date of selection of units of principal for redemption. The Registrar shall not be required to give notice of any prior redemption unless it has received written instructions from the County in regard thereof, at least 45 days prior to such redemption date or unless waived by the Registrar. Failure to give such notice by mailing to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any of the Bonds.

C. Conditional Redemption. If money or securities sufficient to pay the optional redemption price of the Series 2022 Bonds to be called for optional redemption (if prior redemption is authorized) are not on deposit with the Paying Agent prior to the giving of notice of optional redemption pursuant to paragraph B of this Section, such notice shall state such Series 2022 Bonds will be redeemed in whole or in part on the optional redemption date in a principal amount equal to that part of the optional redemption price received by the Paying Agent by 2:00 p.m. on the applicable optional redemption date. If the full amount of the optional redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Series 2022 Bonds for which the optional redemption price is on deposit with the Paying Agent. If all Series 2022 Bonds called for optional redemption cannot be redeemed, the Series 2022 Bonds to be redeemed shall be selected in a manner deemed reasonable and fair by the County and the Paying Agent shall give notice, in the manner in which the original notice of optional redemption was given, that such money was not received. In that event, the Paying Agent shall promptly return to the Owners thereof the Series 2022 Bonds or certificates which it has received evidencing the part thereof which have not been redeemed.

D. Other Redemption Details. The notice required by paragraph B of this Section shall specify the number or numbers of the Series 2022 Bond or Bonds or portions thereof to be so redeemed (if less than all are to be redeemed); and all notices required by this Section shall specify the date fixed for redemption, and shall either state that on such redemption date there will become and be due and payable upon each \$5,000 unit of principal so to be redeemed by the Paying Agent the principal thereof that from and after such date interest will cease to accrue. Accrued interest to the redemption date will be paid by check or draft mailed to the registered owner (or by alternative means if so agreed to by the Paying Agent and the registered owner). Notice having been given in the manner hereinbefore provided, the Series 2022 Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated; and upon presentation thereof to the Paying Agent, the County will pay the Series 2022 Bond or Bonds so called for redemption. In the event that only a portion of the principal amount of a Bond is so redeemed, a new Bond representing the unredeemed principal shall be duly completed, authenticated and delivered by the Registrar to the registered owner pursuant to Section 9 of this Ordinance and without charge to the registered owner thereof, but subject to the optional provisions of Section 10(E) hereof.

E. Mandatory Sinking Fund Redemption. Some or all of the Bonds may be subject to sinking fund redemption, as provided in the Final Terms Certificate.

F. Credit for Mandatory Sinking Fund Redemptions. The County may irrevocably elect (a) to satisfy a mandatory sinking fund redemption obligation by delivery to the Paying Agent for cancellation Bonds of the same interest terms and maturity in any aggregate principal amount and/or (b) receive a credit in respect to its sinking fund redemption obligation

for any Bonds of the same interest terms and maturity which, prior to the redemption date, have been redeemed (other than through the operation of the sinking fund) and cancelled by the Paying Agent and not theretofore applied as a credit against any mandatory sinking fund redemption obligation.

Section 7. Negotiability. Subject to the registration provisions herein provided and the provisions specifically made or necessarily implied herein, the Series 2022 Bonds shall be fully negotiable, and shall have all the qualities of negotiable paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code.

Section 8. Execution.

A. Filing Manual Signatures. Prior to the execution and authentication of any Bond by facsimile signatures pursuant to NMSA 1978, Sections 6-9-1 to -6 (1959, as amended through 1983), the Chairman or Vice-Chairman and County Clerk or a deputy county clerk shall each forthwith file with the Secretary of State of New Mexico, his or her manual signature certified by him or her under oath; provided, that such filing shall not be necessary for any officer where any previous such filing may have legal application to the Bonds.

B. Method of Execution. Each Bond of said issue shall be signed and executed by the manual or facsimile signature of the Chairman or Vice-Chairman and executed and attested with the manual or facsimile signature of the County Clerk or a deputy County Clerk; the official seal of the County or a printed, stamped, engraved or an otherwise reproduced facsimile thereof, shall be affixed to each Bond; and each Bond shall be authenticated by the manual signature by an authorized officer of the Registrar as hereafter provided. The Bonds bearing the manual or facsimile signatures of the officers in office at the time of the authorization thereof shall be the valid and binding obligations of the County (subject to the requirement of authentication by the Registrar as hereinafter provided) notwithstanding that before the delivery thereof and payment therefor, or before the issuance thereof upon transfer or exchange, any or all of the persons whose manual or facsimile signatures appear thereon shall have ceased to fill their respective offices. If facsimile signatures are used, the Chairman or Vice-Chairman and County Clerk or a deputy county clerk shall, by the execution of a signature certificate pertaining to the Bonds, adopt as and for their respective signatures the manual or facsimile signature thereof appearing on the Bonds; and, at the time of the execution of said signature certificate, said Chairman or Vice-Chairman and County Clerk or deputy county clerk may each adopt as and for his or her facsimile signature the manual or facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Bonds.

C. Certificate of Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 9. Provisions Relating to Registration, Transfer, Exchange, Replacement and Cancellation of and Registration Records for the Bonds.

A. **Registration Books – Transfer and Exchange Authentication.** Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer of any Bonds at the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations. The Registrar shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

B. **Times When Transfer or Exchange Not Required.** The Registrar shall not be required (1) to transfer or exchange all or a portion of any Bond subject to prior redemption during the period of fifteen days next preceding the mailing of notice to the registered owners calling any Bonds for prior redemption pursuant to Section 6(B) hereof or (2) to transfer or exchange all or a portion of a Bond after the mailing to registered owners of notice calling such Bond or portion thereof for prior redemption.

C. **Payment - Registered Owners.** The Person in whose name any Bond shall be registered, on the registration books kept by the Registrar, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment hereof and for all other purposes except as may otherwise be provided with respect to payment of interest as is provided in Section 5(B) thereof, and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. **Replacement Bonds.** If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it may reasonably require, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

E. **Delivery of Bond Certificates to Registrar.** The officers of the County are authorized to deliver to the Registrar fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in custody by the Registrar pending use as herein provided.

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

Section 10. Depository for the Bonds.

A. Procedures Relating to Registration and Depository. Notwithstanding the foregoing provisions of Sections 5 through 9 hereof, if the Bonds are sold via a public, competitive sale or it is otherwise necessary to do so, the Bonds shall initially be evidenced by one Bond for each stated maturity in a denomination equal to the aggregate principal amount of such maturity for the Bonds. Such initially delivered Bond or Bonds shall be registered in the name of "Cede & Co.," as nominee for The Depository Trust Company, New York, New York, the depository for the Bonds, if the manner of selling the Bonds requires the use of a depository. The Bonds may not thereafter be transferred or exchanged except:

1. To any successor of The Depository Trust Company, or any nominee of such successor, upon the merger, consolidation, sale of substantially all of the assets or other reorganization of The Depository Trust Company, or its successor, which successor of The Depository Trust Company must be both a "clearing corporation" as defined in NMSA 1978, Section 55-8-102(a)(5) (2005), and a qualified and registered "clearing agency" under Section 17(A) of the Securities Exchange Act of 1934, as amended;

2. To any new depository (a) upon the resignation of (i) The Depository Trust Company or a successor or new depository pursuant to clause 1 hereof or (ii) any new depository under this clause 2 or (b) upon a determination by the County that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions and the designation by the County of another depository institution acceptable to the depository then holding the Bond or Bonds which new depository institution must be both a "clearing corporation" as defined in Section 55-8-102(a)(5) NMSA 1978, and qualified and registered "clearing agency" under Section 17(A) of the Securities Exchange Act of 1934, as amended, to carry out the functions of The Depository Trust Company or such successor or new depository; or

3. To any registered owner as specified in the transfer instructions in Subsection B hereof (a)(i) upon the resignation of The Depository Trust Company or any successor depository under clause 1 hereof or of any new depository under clause 2 hereof or (ii) upon a determination by the County that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions or (iii) upon a determination of the County that continuation of the book entry only transfers through The Depository Trust Company or such successor or new depository is not in the best interests of the beneficial owners of the Bonds or the County and (b) upon the failure by the County, after reasonable investigation, to locate another qualified depository institution under clause 2 to carry out the functions of The Depository Trust Company or such successor or new depository.

B. Procedures Relating to New Bonds. In the case of a transfer to a successor of The Depository Trust Company or its nominee as referred to in clause 1 of Subsection A hereof or, in the case of the designation of a new depository pursuant to clause 2 of Subsection A hereof, upon receipt of the outstanding Bond or Bonds by the Registrar together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity shall be issued to such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a resignation or determination under clause 3 of Subsection A hereof and the failure after reasonable investigation to locate another qualified depository institution for the Bonds as provided in clause 3 of Subsection A hereof, and upon receipt of the outstanding Bonds by the Registrar together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in the denominations of \$5,000 or any integral multiple thereof, as provided in and subject to the limitations of Section 5 hereof, registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 30 days from the date of receipt of such written transfer instructions.

C. Responsibilities of the County and Registrar. The County and the Registrar shall be entitled to treat the registered owner of any Bond as the absolute owner thereof for any purposes hereof and any applicable laws, notwithstanding any notice to the contrary received by any or all of them, and the County and the Registrar shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by The Depository Trust Company or any successor or new depository named pursuant to Subsection A hereof.

D. Cooperation of the County and Registrar. The County and the Registrar shall endeavor to cooperate with The Depository Trust Company or any successor or new depository named pursuant to clause 1 or 2 of Subsection A hereof in effectuating payment of principal of and interest on the Bonds by arranging for payment in such a manner that funds representing such payments are available to the depository on the date they are due.

E. Partial Redemption. Upon any partial redemption of any maturity of the Bonds, Cede & Co. (or its successor), in its discretion, may request the County to issue and authenticate a new Bond or shall make an appropriate notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Registrar prior to payment.

Section 11. Successor Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign or is prohibited by law from continuing as Registrar or Paying Agent, or if the County shall reasonably determine that said Registrar or Paying Agent has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to each registered owner of bonds at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders equity capital stock, surplus and undivided profits), however denominated, not less than \$10,000,000. It shall not be required that the same institution serves as both Registrar and Paying Agent hereunder, but the County shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

Section 12. Special Limited Obligations. All of the Series 2022 Bonds, together with the interest accruing thereon, shall be payable and collectible out of the Pledged Revenues, which are irrevocably so pledged; the registered owner or owners thereof may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor; and the Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation; nor shall they be considered or held to be general obligations of the County; and each of the Bonds herein authorized to be issued shall recite on its face that it is payable and collectible from the Pledged Revenues, the income from which is so pledged, and that the registered owner thereof may not look to any general or other fund for the payment of principal and interest on the Bonds.

Section 13. Forms of Bonds, Certificate of Authentication and Assignment. The Series 2022 Bonds, Registrar's Certificate of Authentication and Form of Assignment shall be in substantially the following forms:

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF NEW MEXICO
COUNTY OF GRANT

No. _____

\$ _____

GROSS RECEIPTS TAX
REVENUE REFUNDING BONDS
SERIES 2022

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>SERIES DATE</u>	<u>CUSIP</u>
____ % per annum	[July] 1, _____	_____, 2022	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The County of Grant (the "County"), in the State of New Mexico, for value received, hereby promises to pay upon presentation and surrender of this bond, solely from the special funds provided therefor as hereinafter set forth, to the registered owner named above, or registered assigns, on the Maturity Date specified above (unless this bond, if subject to prior redemption, shall have been called for prior redemption in which case on such redemption date), upon the presentation and surrender hereof at the Office of the County Treasurer (or successor in function) of Grant County, in Silver City, New Mexico, or successor (herein the "Paying Agent"), the Principal Amount stated above, in lawful money of the United States of America, and to pay to the registered owner hereof as of the Regular Record Date (being the 15th day of the calendar month (whether or not a business day) next preceding each regularly scheduled interest payment date, as defined in Ordinance No. O-22-04, adopted and approved by the County on July 14, 2022 and the Final Terms Certificate executed on _____, 2022, which

together authorize this bond, and are together referred to herein as the "Bond Ordinance"), by check or draft mailed to such registered owner, on or before each interest payment date as hereinafter provided (or, if such interest payment date is not a business day, on or before the next succeeding business day), at his address as it last appears on the Regular Record Date on the registration books kept for that purpose by the County Treasurer (or successor in function) of Grant County, in Silver City, New Mexico, as registrar (i.e., transfer agent) for the bonds, or successor (herein the "Registrar") or by such other arrangement as may be agreed to by the Paying Agent and the registered owner hereof, interest on said sum in lawful money of the United States of America from the Series Date specified above or the most recent interest payment date to which interest has been fully paid or duly provided for in full (as more fully provided in the Bond Ordinance) until maturity at the per annum Interest Rate specified above, payable on [January 1, 2023] and semiannually thereafter on [July 1 and January 1] in each year. Any such interest not so timely paid or duly provided for shall cease to be payable to the registered owner as of the Regular Record Date and shall be payable to the registered owner as of a Special Record Date (as defined in the Bond Ordinance), as further provided in the Bond Ordinance. If upon presentation and surrender to the Paying Agent at or after maturity or on a designated prior redemption date on which the County may have exercised its right to prior redeem this bond pursuant to the Bond Ordinance, payment of this bond is not made as herein provided, interest hereon shall continue at the rate herein designated until the principal hereof is paid in full.

The bonds of the series of which this bond is a part maturing on and after [July] 1, ____, are [not] subject to prior redemption [at the County's option in one or more units of principal of \$5,000 on and after [July] 1, ____ in whole or in part at any time thereafter, in such order of maturities as the County may determine (and by lot if less than all of the bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner as he shall consider appropriate and fair), for the principal amount of each \$5,000 unit of principal so redeemed and accrued interest to the redemption date. Redemption shall be made upon prior mailed notice to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.]

The bonds of the series of which this is one are fully registered (i.e., registered as to payment of both principal and interest), and are issuable in the denomination of \$5,000 or any denomination which is an integral multiple of \$5,000 (provided that no bond may be in a denomination which exceeds the principal coming due on any maturity date and no individual bond will be issued for more than one maturity). The bonds of the series of which this is one are not transferable or exchangeable, except as set forth in the Bond Ordinance.

[Upon any partial prior redemption of this bond, Cede & Co., in its discretion, may request the Registrar to authenticate a new bond or shall make an appropriate notation on this bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this bond must be presented to the Paying Agent prior to payment.]

This bond is one of a series of bonds designated "Grant County, New Mexico Gross Receipts Tax Revenue Refunding Bonds, Series 2022," (the "Series 2022 Bonds") of like tenor and date, except as to interest rate, number and maturity, authorized for the purposes of: 1) refunding, refinancing, discharging and prepaying the County's Gross Receipts Tax Revenue

Bonds, Series 2014 (the "Series 2014 Bonds"), and (2) paying expenses related to the issuance of the Series 2022 Bonds and the prepayment and discharge of the Series 2014 Bonds

This bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of New Mexico.

This bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the County, and is payable and collectible from the "Pledged Revenues" which constitute

(a) the amounts of money derived from all of the revenue attributable to the three-eighths of one percent of the County Gross Receipts Tax transferred, on and after the effective date hereof, to the County pursuant to Section 7-1-6.13, NMSA 1978 and any distribution, on and after the effective date thereof, related to such three-eighths of one percent made pursuant to NMSA 1978, Section 7-1-6.16 (2004), which County Gross Receipts Tax is imposed on all persons engaging in business in the County for the privilege of engaging in business in the County pursuant to Ordinance No. O-14-05 adopted and approved on July 10, 2014, as authorized by Sections 7-20E-9 (2020) and 7-20E-28 (2013, as affected by Chapter 274, Section 16 of New Mexico Laws of 2019 and modified by Chapter 80, Section 13 of New Mexico Laws of 2020), (i) which tax equals three-eighths of one percent of the gross receipts tax of all persons engaging in business in the County for the privilege of engaging in business in the entire County, and (ii) which amounts are collected and, after any deductions for administrative costs, any additional administrative fee and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to NMSA 1978, Section 7-1-6.15 (2021), are distributed monthly (together with the balance of the County's Gross Receipts Tax) by the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Sections 7-1-6.13 and 7-1-6.16, (provided that the Pledged Gross Receipts Tax Revenues does not include and the County is not pledging to the Bonds any of such other County gross receipts tax revenues received pursuant to such Sections 7-1-6.13 and 7-1-6.16, which exceeds the aforesaid, and does not include any gross receipts or excise tax revenues received pursuant to any other statute); and the registered owner may not look to any general or other fund for the payment of the principal of, interest on, and any prior redemption premium in connection with this obligation except the special funds (i.e., the Pledged Revenues) pledged therefor. Payment of this bond, and the interest thereon shall be made from, and as security for such payment there are pledged, pursuant to the Bond Ordinance, two special accounts identified as the "Grant County Gross Receipts Tax Revenue Refunding Bonds, Series 2022, Interest and Bond Retirement Accounts" into which accounts the County covenants to pay from the Pledged Revenues, sums sufficient to pay when due the principal of and the interest on the bonds. Reference is made to the Bond Ordinance for a description of said fund and accounts and the nature and extent of the security afforded thereby for the payment of the principal of, any prior redemption premium in connection with, and the interest on the bonds. The bonds are equitably and ratably secured by a lien on the Pledged Revenues.

Additional obligations may be issued and made payable from the Pledged Revenues and having a lien thereon inferior and junior to the lien, or, subject to designated conditions, having a lien thereon on a parity with the lien of the bonds of the series of which this

bond is a part, in accordance with the provisions of the Bond Ordinance. No obligations may be issued with a lien on Pledged Revenues prior and superior to the lien thereon of the bonds of the series of which this bond is a part.

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

This bond is subject to the conditions, and every registered owner hereof by accepting the same agrees with the obligor and every subsequent registered owner hereof that the principal of and the interest on this bond shall be paid, and this bond is transferable, free from, and without regard to any equities between the obligor and the original or any intermediate registered owner hereof for any setoffs or cross claims.

It is further certified, recited and warranted that all the requirements of law have been fully complied with by the Board of County Commissioners and officers of the County in the issue of this bond; and that it is issued pursuant to and in strict conformity with the Constitution and laws of the State of New Mexico, and particularly the terms and provisions of [Sections 4-62-1 through 4-62-10], and [Sections 7-20 E-1 through 7-20E-28, NMSA 1978, as amended], and all laws thereunto enabling and supplemental thereto.

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

IN WITNESS WHEREOF, Grant County has caused this bond to be signed, subscribed, and executed, and attested with the manual or facsimile signatures of the [Chairman/Vice-Chairman] of the Board of County Commissioners and its [County Clerk/Deputy County Clerk] and has caused its corporate seal to be affixed hereon either manually or by facsimile all as of the Series Date.

(Manual or Facsimile Signature)
[Chairman/Vice-Chairman]

(MANUAL OR FACSIMILE SEAL)

Attest: (Manual or Facsimile Signature)
[County Clerk/Deputy County Clerk]

(End of Form of Bond)

[Remainder of page left blank intentionally.]

(Form of Registrar's Certificate of Authentication)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This is one of the bonds described in the within-mentioned Bond Ordinance, and this bond has been duly registered on the registration books kept by the undersigned as Registrar for such Bonds.

COUNTY TREASURER
(OR SUCCESSOR IN FUNCTION)
OF GRANT COUNTY
Silver City, New Mexico
as Registrar

By: _____
Authorized Officer

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

[Remainder of page left blank intentionally.]

(Form of Assignment)

ASSIGNMENT

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

Signature Guaranteed:

Name and Address of Transferee

Dated: _____

Social Security Number or
other Tax Identification Number

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever. The signature must be guaranteed by an eligible guarantor institution as defined in 17 C.F.R. § 240.17 Ad-15(a)(2).

(End of Form of Assignment)

[Remainder of page left blank intentionally.]

Section 14. Delegated Powers; Bond Parameters; Approval of Documents.

A. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance and the Final Terms Certificate, including without limiting the generality of the foregoing, the publication of the summary of publication set out in Section 38 of this Ordinance (with such changes, additions and deletions as they may determine), the preparation and presentation at a subsequent meeting to the Board of the Preliminary Official Statement (if required), the official statement (the "Official Statement") (if required), material relating to the Bonds, the entering into of a paying agent agreement (if necessary), the entering of necessary agreements with DTC, the printing of the Bonds, obtaining one or more ratings for the Bonds, obtaining DFA approval of the issuance of the Bonds, the printing, execution and distribution of bond offering documents (to the extent they are required and following approval by the Board) and the continuing disclosure undertaking, if needed, and of such other documents and certificates (including a tax compliance certificate) as may be required by the Purchaser or bond counsel relating to the signing of the Bonds, the tenure and identity of County officials, the receipt of the purchase price of the Bonds from the Purchaser and the absence of litigation, pending or threatened, if in accordance with the facts, affecting the validity thereof and the absence and existence of factors affecting the excludability of interest on the Bonds from gross income for federal income tax purposes.

B. Pursuant to the Supplemental Public Securities Act, NMSA 1978, Sections 6-14-8 to -11 (1983, as amended through 2017), and upon the DFA's approval of the issuance of the Bonds and the negotiation of an acceptable sale that will not result in debt service payments greater than the County's current debt service payments on the Prior Bonds, the Designated Officer is hereby delegated authority to sign a contract for the sale of the Bonds, to execute the Final Terms Certificate and to determine any or all of the final terms of the Bonds, subject to the Parameters and conditions contained in this Ordinance. The Board hereby determines that the Bonds shall be sold via a negotiated sale. The Designated Officer shall present the Final Terms Certificate to the Board in a timely manner, before or after delivery of the Bonds, at a regularly scheduled public meeting of the Board.

C. The following Parameters with respect to the Bonds are hereby established:

(1) The maximum aggregate principal amount of the Bonds shall not exceed \$5,500,000;

(2) The Bonds may mature in serial or term maturities with the last such maturity no later than July 1, 2044 (i.e., no later than the final maturity date for the Series 2014 Bonds) ;

(3) The true interest cost on the Bonds shall not exceed five percent (5.000%) per annum and the maximum coupon shall not exceed a fixed interest rate of five percent (5.000%) per annum;

(4) The Bonds will be secured by the Pledged Revenues, as authorized and in accordance with Sections 7-20E-9, 4-62-1, and 4-62-7;

(5) The Bonds will be sold via a negotiated sale to the Purchaser within the Parameters established in this Ordinance;

(6) the net original discount, if any, shall not exceed five percent (5.000%) of the aggregate principal amount of the Bonds (on an aggregate basis);

(7) The underwriting discount shall not exceed one percent (1.000%) of the aggregate principal amount of the Bonds (on an aggregate basis);

(8) The form of the Bonds shall be in substantially the form given in Section 13 of this Ordinance;

(9) The County Treasurer is appointed Registrar and Paying Agent for the Bonds;

(10) The Bonds shall be dated as determined by the Designated Officer, as evidenced by the Final Terms Certificate (the "Series Date");

(11) The Bonds shall be issued only as fully registered bonds in Authorized Denominations, subject to the book-entry system;

(12) The Bonds will be issued in one series and shall consist of bonds numbered consecutively from R-1 upward (provided that no individual bond will be issued for more than one maturity) or as otherwise requested by the Purchaser;

(13) The Bonds may be subject to optional prior redemption and/or mandatory sinking fund redemption prior to their stated maturities upon the terms and conditions determined by the Designated Officer and set forth in the Final Terms Certificate;

(14) The sale of the Bonds to the Purchaser shall not result in debt service payments greater than the County's current debt service payments on the Prior Bonds

Section 15. Sale and Delivery of Bonds; Approval of Documents. The County will agree to sell the Bonds to the Purchaser in accordance with the terms to be set forth in the Final Terms Certificate and the Bond Purchase Agreement. The final form, terms and provisions of the Bond Purchase Agreement, the Official Statement (if required), the Continuing Disclosure Agreement (if required), and any other agreements as may be required will be set forth in a subsequent ordinance or resolution of the Board amending or supplementing this Ordinance. The information in the Preliminary Official Statement (if required) will be "deemed final" by the County as of its date for purposes within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934 except for omission of information described in paragraph (b)(1) of such rule 15c2-12. The Chairman or Vice-Chairman of the Board is authorized and directed to execute, and the County Clerk or a deputy county clerk is authorized and directed to affix the

seal of the County to and attest, the Bond Purchase Agreement, the Continuing Disclosure Agreement (if required), any certificate or agreement required and not inconsistent with the Preliminary Official Statement (if required), and the final Official Statement (if required) in substantially the same form as the Preliminary Official Statement (if required), with such changes in such documents as are not inconsistent with this Ordinance and as shall be approved by the Chairman or Vice-Chairman of the Board, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions thereof from the form now before this meeting. From and after the execution and delivery of the Bond Purchase Agreement, and the Continuing Disclosure Agreement (if required), the officers, agents and employees of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement, and the Continuing Disclosure Agreement (if required) as executed. To the extent they are necessary, the use and distribution of the Preliminary Official Statement and the Official Statement in connection with the sale of the Bonds to the public shall be authorized and acknowledged in a subsequent ordinance or resolution of the Board amending or supplementing this Ordinance.

Section 16. Delivery of Bonds; Initial Registration; Disposition of Proceeds and Use of Other Legally Available Funds.

A. **Delivery to Purchaser; Registration.** When the Bonds have been duly executed, authenticated, registered and sold, and to the extent delivery of bonds is required, the County Treasurer shall deliver them to The Depository Trust Company on behalf of the Purchaser on receipt of the agreed purchase price unless otherwise provided in writing by the Purchaser. If necessary, the Registrar shall initially register the Bonds in the name of "Cede & Co."

B. **Disposition of Proceeds.** The County may establish such accounts or subaccounts consistent with this section and as set forth in this Ordinance and any subsequent ordinance or resolution of the Board amending or supplementing this Ordinance as are necessary to segregate the proceeds of the Series 2022 Bonds. The proceeds of the Bonds (net of underwriting discount), promptly upon receipt thereof, will be deposited and applied by the County in the following manner and priority:

1. **Costs of Issuance.** First, the amount identified in a closing memorandum provided by the County's financial advisor as the costs and expenses relating to the issuance of the Series 2022 Bonds, including financial advisor fees, rating agency fees and expenses, printing expenses, accounting fees, legal fees and expenses, premiums and costs payable, and other necessary expenses relating to the issuance of the Series 2022 Bonds, shall be paid.

2. **Redemption Fund.** After the payments set forth in paragraph 1 above, the remaining proceeds of the Series 2022 Bonds will be deposited in a separate account duly created and shall be known as the "Grant County, New Mexico Gross Receipts Tax Revenue Bonds, Series 2014, Redemption Fund" (the "Redemption Fund") to be maintained by the Paying Agent. The Redemption Fund shall be maintained on behalf of the county by the Paying Agent in an amount sufficient to immediately pay the interest and principal requirements

of the Series 2014 Bonds at the time of the deposit, both accrued and not accrued (the "Refunded Bond Requirements"), as the same become due. Moneys shall be withdrawn by the Paying Agent from the Redemption Fund in sufficient amounts at times to permit the payment without default of the Refunded Bond Requirements. Any moneys remaining in the Redemption Fund after provision shall have been made for payment in full of the Refunded Bond Requirements shall be deposited in the Bond Accounts. If for any reason the amount in the Redemption Fund shall be insufficient for the purpose set forth above, the County shall forthwith deposit in the Redemption Fund from the first legally available Pledged Revenues such additional moneys as shall be necessary to permit the payment in full of the Refunded Bond Requirements.

C. Use of Proceeds. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds shall be used and paid solely for the purpose of the Refunding Project.

D. Purchaser Not Responsible. The validity of the Bonds is not dependent on or affected by the validity or regularity of any proceedings related to the completion of the Project as hereafter defined. The Purchaser of the Bonds, and any subsequent owner of any Bonds, shall in no manner be responsible for the application or disposal by the County or by any officer or any employee or other agent of the County of the moneys derived from the sale of the Bonds or of any other moneys herein designated.

Section 17. Income Fund. So long as any of the Series 2022 Bonds shall be outstanding, either as to principal or interest, or both, the Pledged Revenues shall be set aside and deposited monthly into a separate fund created by the County and known as the "Grant County Gross Receipts Tax Revenue Account" which constitutes a special bond fund as required by NMSA 1978, Section 4-62-1(B) (2019).

Section 18. Administration of Income Fund. So long as any of the Series 2022 Bonds shall be outstanding, either as to principal or interest or both, the following payments shall be made from the Income Fund:

A. Bond Accounts Payments. First, as a charge on the Income Fund, there shall be credited to separate accounts hereby created and to be known as the Grant County Gross Receipts Tax Revenue Refunding Bonds, Series 2022, Interest and Bond Retirement Accounts the following:

1. Monthly, commencing on the 15th day of the first month following the delivery of the Bonds, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the next maturing installment of interest on the Bonds then outstanding and monthly thereafter on the 15th day of each month commencing on said interest payment date, one-sixth ($1/6^{\text{th}}$) of the amount necessary to pay the next maturing installment of interest on the outstanding Bonds; and

2. Monthly, commencing on the 15th day of the first month following the delivery of the Bonds, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the next maturing installment of principal of the outstanding Bonds and monthly thereafter on the 15th day of each month commencing on said

principal payment date, one-twelfth (1/12th) of the amount necessary to pay the next maturing installment of principal on the Bonds.

Nothing herein shall prevent the County, in its discretion, from making any of the foregoing deposits from other legally available funds. If, prior to any interest payment date or principal payment date, there has been accumulated in the Bond Accounts the entire amount necessary to pay the next maturing installment of interest or principal, or both, the payment required in subparagraph (1) or (2) (whichever is applicable) of this paragraph, may be appropriately reduced and the required monthly amounts again shall be so credited to such account commencing on such interest payment date or principal payment date (whichever is applicable).

B. Termination Upon Deposits to Maturity. No payment need be made into the Bond Accounts if the amounts in the Bond Accounts totals a sum at least equal to the entire amount of the Series 2022 Bonds then outstanding, both as to principal and interest to their respective maturities, and both accrued and not accrued, in which case, moneys in said funds in an amount at least equal to such principal and interest requirements shall be used solely to pay such as the same accrue and any moneys in excess thereof in said funds and any other moneys derived from the Pledged Revenues may be used in any lawful manner determined by the County.

C. Defraying Delinquencies in Bond Accounts. If, on any principal payment date or interest payment date, the County shall, for any reason, fail to pay into the Bond Accounts the full amount above stipulated from the Pledged Revenues, then an amount shall be paid into said Bond Accounts at the designated time from other moneys equal to the difference between the amount paid from said Pledged Revenues and the full amount so stipulated. The money so used shall be replaced from the available Pledged Revenues then on deposit in the Income Fund and from the first revenues thereafter received from the Pledged Revenues or required to be deposited in the Bond Accounts pursuant to paragraph A of this Section 18.

The moneys in the Bond Accounts shall be used solely and only for the purpose of paying the principal of and the interest on the Series 2022 Bonds issued hereunder subject to the provisions of Subsection A of this Section 18; provided, however, that any moneys in the Bond Accounts in excess of accrued and unaccrued principal and interest requirements to the respective maturities of the outstanding Series 2022 Bonds may be used as hereinabove provided in paragraph C of this Section.

In taking any action required by this section, the Board shall at all times observe the covenants contained in Section 24 of the Bond Ordinance.

D. Payment for Additional Obligations. Concurrently with the payments required by paragraphs A and B of this Section, any balance remaining in the Income Fund after making the payments hereinabove provided shall be used by the County for the payment of interest on and the principal of the Parity Bonds, if any, hereafter authorized to be issued and payable from the Pledged Gross Receipts Tax Revenues, as applicable, as the same accrue. Payments of interest on and principal of such Parity Bonds and any reserve fund therefor shall be made concurrently with the payments required by paragraphs A and B of this Section (provided

that such payments may be made at any intervals as may be provided in the ordinance or resolution authorizing such Parity Bonds). If funds on deposit in the Income Fund are not sufficient to pay when due the required payments of principal of, and interest on the Bonds and any other outstanding Parity Bonds, then the available funds in the Income Fund will be used, first, on a pro rata basis, from the appropriate income fund and based on the amount of principal and interest then due with respect to each series of outstanding Parity Bonds, for the payment of principal of and interest on all series of outstanding Parity Bonds and, second, to the extent of remaining available funds in the applicable Income Fund, on a pro rata basis, based on the amount of reserve fund deposits then required with respect to each series of outstanding Parity Bonds, for the required reserve fund deposits for all series of outstanding Parity Bonds, as applicable.

E. Use of Surplus Revenues. At the end of each Fiscal Year, all amounts remaining in the Income Fund after all monthly obligations of principal or interest on and expenses relating to the Series 2022 Bonds and additional bonds payable from the Pledged Revenues have been fully met and any necessary payments into the reserve account for any additional bonds payable from the Pledged Revenues shall be made pursuant to Paragraph B of this Section and after any other payments required by paragraphs C, D, and E of this Section, all remaining amounts shall be transferred to any other fund or account as may be required or permitted by Constitution and laws of the State of New Mexico, as the Board may direct.

Section 19. General Administration of Funds. The funds and accounts designated in Sections 16 through 18 of this Ordinance shall be administered as follows:

A. Investment of Money. Any moneys in any fund or account designated in Sections 16 through 18 may be invested in any Permitted Investment then permitted by New Mexico law except as provided in Section 25 hereof with respect to defeasance. The obligations so purchased as an investment of moneys in said fund or account shall be deemed at all times to be part of said fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to the fund or account, and any loss resulting from each investment shall be charged to the fund or account. The County Treasurer shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund or account.

B. Deposits of Funds. The moneys and investments comprising each of the funds and accounts hereinabove designated in Sections 16 through 18 of this Ordinance shall be maintained and kept separate from all other funds and accounts in an Insured Bank or Insured Banks. The amounts prescribed shall be paid to the appropriate funds or accounts as specified in Section 18. Each payment shall be made into the proper bank account and credited to the proper fund or account not later than the last day designated; provided that when the designated date is a Sunday or a legal holiday, then such payment shall be made on the next preceding business day. Nothing herein shall prevent the establishment of one such bank account or more (or consolidation with any existing bank account), for all of the funds and accounts in said Sections 16 through 18 of this Ordinance.

Section 20. Lien on Pledged Revenues. The Bonds constitute an irrevocable lien on the Pledged Revenues, which lien is not necessarily an exclusive lien on the Pledged Revenues, as provided in Sections 21, 21A, 22 and 22A of this Ordinance. No additional bonds with a lien on the Pledged Revenues senior to the Parity Bonds may be issued, although additional bonds with a lien on the Pledged Revenues on a parity with the lien of the Bonds may be issued as set forth below.

Section 21. Additional Bonds and Other Obligations - Pledge of Pledged Gross Receipts Tax Revenues.

A. Limitations Upon Issuance and Other Obligations. Nothing contained in this Ordinance shall be construed in such a manner as to prevent the issuance by the County of Parity Bonds payable from the Pledged Gross Receipts Tax Revenues and constituting a lien upon said revenues on a parity with, but not prior or superior to, the lien of the Series 2022 Bonds, nor to prevent the issuance of bonds or other obligations refunding all or a part of the Bonds herein authorized, provided, however, that before any such Parity Bonds are authorized or actually issued, including Parity Bonds issued which refund Parity Bonds, as permitted in paragraph B of Section 22A of this Ordinance;

1. The County is then current in all of the accumulations required to be made into the Bond Accounts pursuant to Section 18(A) and (B) of this Ordinance and into similar accounts pursuant to any ordinance or resolution authorizing the issuance of any Parity Bonds, and

2. The Pledged Gross Receipts Tax Revenues received by the County for the Fiscal Year or the twelve months immediately preceding the date of the issuance of such additional Parity Bonds shall have been sufficient to pay an amount representing at least 150% of the combined maximum annual principal and interest coming due in any subsequent Fiscal Year on the outstanding Bonds, all other than outstanding Parity Bonds payable from and constituting a lien on the Pledged Gross Receipts Tax Revenues on a parity with the lien thereon of the Bonds, and the Parity Bonds proposed to be issued (excluding accumulation of any reserves therefor).

For purposes of the tests set forth in clauses (1) and (2) above, if on the date of issuance of any such Parity Bonds, the full amount of a reserve fund requirement or minimum reserve for the Parity Bonds is immediately funded or capitalized from the proceeds of such Parity Bonds, the amount of such reserve fund requirement or minimum reserve so funded shall not be deducted from the principal and interest coming due in the final Fiscal Year for the proposed additional Parity Bonds.

B. Certificate or Opinion of Earnings. A written certification or opinion by the County Treasurer or an Independent Accountant that said annual Pledged Gross Receipts Tax Revenues for such preceding Fiscal Year or twelve-month period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the County to authorize, issue, sell and deliver said additional bonds or other obligations on a parity with the Bonds herein authorized.

C. Subordinate Obligations Permitted. Nothing contained in this Ordinance shall be construed in such a manner as to prevent the issuance by the County of additional bonds or other obligations payable from Pledged Gross Receipts Tax Revenues and constituting a lien upon said Pledged Gross Receipts Tax Revenues subordinate or junior to the lien of the Bonds herein authorized.

D. Superior Obligations Prohibited. Nothing herein contained shall be construed so as to permit the County to issue, and the County shall not issue, bonds payable from the Pledged Gross Receipts Tax Revenues having a lien thereon prior to the lien thereon of the Bonds.

E. Further Limitation Upon Issuance. Notwithstanding anything in this Bond Ordinance to the contrary, no issuance of additional bonds may occur if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance.

Section 22. Refunding Bonds - Pledge of Pledged Gross Receipts Tax Revenues. The provisions of Section 21A hereof are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time after the Bonds, or any part thereof, shall have been issued and remain outstanding, the County shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from the said Pledged Gross Receipts Tax Revenues, said bonds or other obligations, or any part thereof, may be refunded (but only with the consent of the registered owner or owners thereof, unless the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the County's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Gross Receipts Tax Revenues is changed (except as provided in paragraph D of Section 21A and in paragraphs B and C of this Section).

B. Limitations Upon Issuance of Parity Refunding Obligations. Subject to the provisions of Section 22(D) hereof, no refunding bonds or other refunding obligations payable from the Pledged Gross Receipts Tax Revenues shall be issued on a parity with the Bonds herein authorized, unless:

1. The lien on the Pledged Gross Receipts Tax Revenues of the outstanding obligations so refunded is on a parity with the lien thereon of the Bonds herein authorized; or

2. The refunding bonds or other refunding obligations are issued in compliance with paragraph A, including subparagraphs (1) and (2) thereof of Section 21 of this Ordinance.

C. Refunding Part of an Issue. The refunding bonds or other obligations so issued shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same issue which is not refunded, if any there be; and the registered owner or owners of such

refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the registered owner or owners of the bonds or other obligations of the same issue refunded thereby.

D. Limitations Upon Issuance of any Refunding Obligations. Any refunding bonds or other refunding obligations payable from the Pledged Gross Receipts Tax Revenues shall be issued with such details as the County may by ordinance provide, subject to the inclusion of any such rights and privileges designated in paragraph C of this Section, but without any impairment of any contractual obligations imposed upon the County by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including but not necessarily limited to the issue herein authorized). If only a part of the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Gross Receipts Tax Revenues is refunded, then such obligations may not be refunded without the consent of the registered owner or owners of the unrefunded portion of such obligations, unless:

1. The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest requirements evidenced by such refunded obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations, or

2. The refunding bonds or other refunding obligations are issued in compliance with paragraph A, including paragraphs 1 and 2 thereof, of Section 21A hereof, or

3. The lien on Pledged Gross Receipts Tax Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

Section 23. Equality of Bonds. The Bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of their issuance, it being the intention of the Board that there shall be no priority among the Bonds regardless of the fact that they may be actually issued and delivered at different times.

Section 24. Protective Covenants. The County hereby covenants and agrees with each and every registered owner of the Bonds that:

A. Payment of Bonds Herein Authorized. The County will promptly pay the principal of and the interest on every Bond issued hereunder and secured hereby at the place, on the dates and in the manner specified herein and in said Bonds according to the true intent and meaning hereof. Such principal and interest are payable solely from the Pledged Revenues.

B. Records. So long as any of the Bonds remain outstanding, proper books of record and account will be kept by the County, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

C. Audits. The County further agrees that it will, within 180 days following the close of each Fiscal Year, cause an audit of such books and accounts to be made by an Independent Accountant, showing the revenues and expenditures of the Pledged Revenues and shall provide such audits to the registered owners of the Bonds.

D. Extending Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to extension of time for the payment of any claim for interest on any of the Bonds and it will not directly or indirectly be a party to or approve any arrangement for any such extension or for the purpose of keeping alive any of said interest; and in case the time for payment of any such interest shall be extended, such installment or installments of interest after such extension or arrangement shall not be entitled in case of default hereunder to the benefit or security of this Ordinance except subject to the prior payment in full of the principal of all Bonds issued hereunder and then outstanding, and of matured interest on such Bonds the payment of which has not been extended.

E. Performing Duties. The County will faithfully and punctually perform all duties with respect to the Refunding Project and the Bonds required by the Constitution and laws of the State of New Mexico and the ordinances and resolutions of the County, including but not limited to the proper segregation of the Pledged Revenues and their application to the respective funds.

F. Other Liens. Other than the Series 2014 Bonds and as recited in this Ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Gross Receipts Tax Revenues.

G. County's Existence. The County will maintain its corporate identity and existence so long as any of the Bonds herein authorized remain outstanding unless another political subdivision by operation of law succeeds to the duties, privileges, powers, liabilities, disabilities, immunities and rights of the County and is obligated by law to receive and distribute the Pledged Gross Receipts Tax Revenues in place of the County, without affecting to any substantial degree the privileges and rights of any registered owner of any outstanding Bonds.

H. Duty With Respect to Pledged Gross Receipts Tax Revenues. If the statutes or any ordinance which materially affects the Pledged Gross Receipts Tax Revenues or any part of said ordinances, shall ever be held to be invalid or unenforceable, it shall be the duty of the County to immediately take any action permitted by law necessary to produce sufficient Pledged Revenues to comply with the contracted obligations of this Ordinance, except as is provided in paragraph I of this Section.

I. Impairment of Contract. The County agrees that any law or ordinance or resolution of the County in any manner affecting the Pledged Gross Receipts Tax Revenues or the Bonds, or otherwise appertaining thereto, shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor, or unless the consent of the required percentage of the registered owners of the then outstanding Bonds is obtained pursuant to Section 31 of this Ordinance.

J. Tax Covenant. The County covenants for the benefit of the owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its excludability from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended to the date of original delivery of the Bonds (the "Tax Code"), or (ii) would cause interest on the Bonds to lose its excludability from net income under present New Mexico income tax laws, i.e., the State Income Tax Act and the Corporate Income and Franchise Tax Act as amended to the date of delivery of the Bonds (together the "State Tax Acts").

The County further covenants that it will (iii) make timely rebate payments to the federal government, if required, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such excludability of interest on the Bonds under the Code. The Chairman, County Clerk, County Manager and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, if any, as may be required or appropriate to assure such excludability of interest on the Bonds.

In furtherance of the covenants set forth above, the County hereby establishes a fund separate from any other funds established and maintained hereunder designated as the Rebate Fund (the "Rebate Fund"). Money and investments in the Rebate Fund shall not be used for the payment of the Bonds and amounts credited to the Rebate fund shall be free and clear under any pledge under this Bond Ordinance. Money in the Rebate Fund shall be invested in a manner provided in Section 19 of this Ordinance for investment of money, and all amounts on deposit in the Rebate Fund shall be held by the County, or a designated trustee, in trust, to the extent required to pay rebatable arbitrage to the United States of America. The County shall unconditionally be entitled to accept and rely upon the recommendation, advice, calculation and opinion of an accounting firm or other person or firm with knowledge of or experience in advising with respect to the provisions of the Code relating to rebatable arbitrage. The County shall remit all rebate installments and the final rebate payment to the United States of America as required by the provisions of the Code. Any moneys remaining in the Rebate Fund after redemption and payment of all the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and remitted to the County.

The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the County in fulfilling the above covenants under the Tax Code and the State Tax Acts have been met.

Section 25. Defeasance. When all principal, any applicable prior redemption premium and interest in connection with the Bonds hereby authorized have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the meaning of this Ordinance. To accomplish defeasance, the County shall cause to be delivered to an escrow agent (the "Escrow Agent") at least five (5) business days prior to the funding of an escrow (i) a report of an independent firm of nationally

recognized certified public accountants or other accountant acceptable to the Escrow Agent (the "Accountant") verifying the sufficiency of the escrow established to pay the Bonds in full on the redemption date (the "Verification"), (ii) an escrow deposit agreement acceptable in form and substance to the Escrow Agent, (iii) an opinion of bond counsel to the effect that the Bonds are no longer outstanding and (iv) a certificate of discharge of the Paying Agent with respect to the Bonds. Each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the County, Paying Agent and Escrow Agent. There shall be deemed to be such due payment as to any Bond when the Board has placed in escrow and in trust with a commercial bank located within or without the State of New Mexico and exercising trust powers, an amount sufficient (including the known minimum yield from Defeasance Obligations in which such amount may initially be invested) to meet all requirements of principal, interest and any applicable prior redemption premium, if any, as the same become due to its maturity or designated redemption date as of which the County shall have exercised or obligated itself to exercise its option to call such Bond. The Defeasance Obligations shall become due at or prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Board and such bank at the time of the creation of the escrow or the Defeasance Obligations shall be subject to the redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. "Defeasance Obligations" within the meaning of this Section shall include only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and had the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the Bonds.

Notwithstanding anything herein to the contrary, the Series 2022 Bonds shall be deemed "outstanding" under the Bond Ordinance unless and until they are in fact paid and retired or above criteria.

Section 26. Delegated Powers. The officers of the County are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing, the printing and reprinting of said Bonds, the original and (if necessary) subsequent delivery to the Registrar of a number (as determined by the responsible officer) of fully or partially executed Bonds to be held by the Registrar for use as herein provided, the execution of the Bond Purchase Agreement and the execution of such certificates as may be required by the Purchaser or the Bond Purchase Agreement, the Continuing Disclosure Agreement (if required), and the Final Official Statement (if required) in substantially the form to be subsequently presented to and approved by the Board subject to such changes, corrections, deletions and additions as they may determine.

Section 27. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal. If payment of the principal of any of the Bonds herein authorized to be issued shall not be made when the same becomes due and payable, either at maturity, or by proceedings for prior redemption, or otherwise; or

B. Nonpayment of Interest. If payment of any installment of interest shall not be made when the same becomes due and payable or within 30 days thereafter; or

C. Incapable to Perform. If the County shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

D. Default of Any Provision. If the County shall default in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this Ordinance on its part to be performed, and if such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the County by the registered owners of 25% in principal amount of the Bonds then outstanding.

E. Bankruptcy. If (1) The County shall (a) apply for or consent to the appointment of or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the County or of all or a substantial part of its property, (b) commence a voluntary case under the federal Bankruptcy Code, or (c) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, or reorganization or (2) a proceeding or case shall be commenced, without application or consent of the County, in any court of competent jurisdiction seeking (a) the liquidation, reorganization, dissolution, winding-up or adjustment of debts of the County, (b) appointment of a trustee, receiver, custodian, liquidator or the like of the County or of all or a substantial part of its assets, or (c) similar relief in respect of the County under any law relating to bankruptcy, insolvency, reorganization, winding-up or adjustment of debts.

Section 28. Remedies Upon Default. Upon the occurrence and continuation of any of the events of default as provided in Section 27 of this Ordinance, then and in every case the registered owner or owners of not less than 25% in principal amount of the Bonds then outstanding, including but not limited to a trustee or trustees therefor, may proceed against the County, its Board, and its agents, officers and employees to protect and enforce the rights of any registered owner of Bonds under this Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for specific performance of any covenant or agreement contained herein or in an award or execution of any power herein granted for the enforcement of any power, legal or equitable remedy as such registered owner or owners may deem most effectual to protect and enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any registered owner, or to require the Board of the County to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all registered owners of the Bonds then outstanding. The failure of any such registered owner so to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of any such registered owner (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any registered owner shall not be deemed a waiver of any other right or privilege

thereof. Notwithstanding anything herein to the contrary, the Bonds may not be accelerated upon an Event of Default.

The Paying Agent shall send notice of any Event of Default to the registered owner or owners of the Bonds within five (5) business days after knowledge thereof. The registered owner or owners of the Bonds shall have the right to enforce by mandamus, suit or other proceeding at law or in equity the covenants and agreement of the County in this Ordinance.

Section 29. Duties Upon Default. Upon the occurrence of any of the events of default as provided in Section 27 of this Ordinance, the County, in addition, will do and perform all proper acts on behalf of and for the registered owners of the Bonds to protect and preserve the security created for the payment of the principal of and interest on said Bonds promptly as the same become due. Unless the registered owner or owners of the Bonds otherwise direct, upon the occurrence and continuance of an Event of Default, amounts on deposit in the Income Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Bonds. All proceeds derived from the Pledged Gross Receipts Tax Revenues, so long as any of the Bonds herein authorized, either as to principal or interest, are outstanding and unpaid, shall be paid into the Income Fund and used for the purposes therein provided. In the event the County fails or refuses to proceed as in this Section provided, the registered owner or registered owners of not less than 25% in principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the registered owners as hereinabove provided. Notwithstanding anything herein to the contrary, after payment of reasonable expenses of the Paying Agent, the application of funds realized upon default shall be applied to the payment of expenses of the County or rebate only after the payment of past due and current debt service on the Bonds.

Section 30. Enforcement. Any registered owner of any one or more of said Bonds, may, either by law or in equity, by suit, action, mandamus or other appropriate proceedings in any court of competent jurisdiction enforce the payment of, interest on, or any prior redemption premium due in connection with any Bond on or after the date on which such payment is due, and may by suit, action, mandamus or other appropriate proceeding or proceedings enforce and compel the performance of such payment in accordance with the provisions of this Ordinance.

Section 31. Amendment. Prior to the issuance of the Bonds, this Ordinance shall be amended or supplemented by ordinance or resolution (to the extent that amendment or supplementation by resolution is permitted by law) to be adopted by the Board in accordance with the laws of the State of New Mexico as follows, provided, however, that any ordinance or resolution amending or supplementing this Ordinance shall not be inconsistent with the provisions of this Ordinance:

A. Without Consent of the Registered Owners. The County, without the consent of or notice to the registered owners of the Bonds, may amend or supplement this Ordinance (which amendment or supplemental ordinance or resolution shall thereafter form a part hereof) for any one or more or all of the following purposes:

1. To add to the covenants and agreements in this Ordinance covenants and agreements thereafter to be observed for the protection or benefit of the registered owners of the Bonds;

2. To cure any ambiguity, to cure, correct or supplement any defect or inconsistent provision contained in this Ordinance, or to make any provision with respect to matters arising under this Ordinance or for any other purpose if such provisions are necessary or desirable and do not adversely affect the interests of the owners of the Bonds; or

3. To subject to this Ordinance additional revenues, properties or collateral.

B. With Consent of the Registered Owners. The County, without receipt by the County of any additional consideration but with the written consent of the registered owners of 75% of the Bonds authorized by this Ordinance and outstanding at the time of the adoption of such amendatory or supplemental ordinance or resolution also may amend this Ordinance in any other manner not permitted by paragraph A of this Section; provided, however, that no such ordinance or resolution shall have the effect of permitting:

1. An extension of the maturity of any Bond authorized by this Ordinance; or

2. A reduction in the principal amount or interest rate of any Bond; or

3. The creation of a lien upon or pledge of Pledged Gross Receipts Tax Revenues ranking prior to the lien or pledge created by this Ordinance; or

4. A reduction of the principal amount of Bonds required for consent to such amendatory or supplemental ordinance; or

5. The establishment of priorities as between Bonds issued and outstanding under the provisions of this Ordinance; or

6. The modification of the rights of the registered owners of less than all of the Bonds then outstanding.

Section 32. Continuing Disclosure. To the extent it is required, and for the benefit of the owners of the Bonds (including beneficial owners), the County will enter into and comply with all of the provisions of the Continuing Disclosure Agreement; provided, however, that the Continuing Disclosure Agreement may be amended from time to time in accordance with its terms and without action by the Board, the County approval of any such amendment to be evidenced by the signature of the Chairman of the Board. Notwithstanding any other provisions of this Ordinance, failure of the County to comply with the Continuing Disclosure Agreement (if required) shall not be considered an "event of default" under Section 27 of this Ordinance, and

holders and beneficial owners of Bonds shall be entitled to exercise only such rights with respect thereto as are provided in such Continuing Disclosure Agreement.

Section 33. Limitation on Issuance of Bonds. The County may not issue the Bonds pursuant to this Ordinance after the expiration of one hundred twenty (120) days from the date hereof, in accordance with NMSA 1978, Section 6-14-10.2(A) (2017).

Section 34. Severability. If any section, paragraph, clause or provision shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 35. Repealer Clause. All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance or part of any ordinance heretofore repealed.

Section 36. Ordinance Irrepealable. After any of the Bonds herein authorized are issued, this Ordinance shall be and remain irrepealable until the Bonds and interest thereon shall be fully paid, cancelled and discharged as therein provided, or there has been defeasance as provided in Section 25 hereof.

Section 37. Effective Date. This Ordinance shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chairman of the Board and County Clerk, and said ordinance shall be in full force and effect 30 days after this Ordinance has been recorded in the book kept by the County for that purpose.

Section 38. Publication of Notice. The following notice shall be published one time in the *Silver City Daily Press and Independent*, being a legal newspaper published and of general circulation in the County, as soon as is practicable following the adoption hereof.

GRANT COUNTY, NEW MEXICO
NOTICE OF ADOPTION OF ORDINANCE NO. O-22-04

NOTICE IS HEREBY GIVEN that on July 14, 2022, the Board of County Commissioners of Grant County duly adopted and approved its Ordinance No. O-22-04, relating to the Grant County, New Mexico Gross Receipts Tax Revenue Refunding Bonds, Series 2022. The title of Ordinance No. O-22-04 is:

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF GRANT COUNTY, NEW MEXICO GROSS RECEIPTS TAX REVENUE REFUNDING BONDS, SERIES 2022, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,500,000 (THE "BONDS") FOR THE PURPOSE OF REFUNDING THE COUNTY'S GROSS RECEIPTS TAX REVENUE BONDS, SERIES 2014, SUBJECT TO THE APPROVAL OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM AND SECURED BY A PLEDGE OF THE GROSS RECEIPTS TAX AUTHORIZED BY NMSA 1978, 7-20E-9 (2020) AND FORMER

SECTION 7-20E-28 (2013, AS AFFECTED AND MODIFIED BY 2019 N.M. LAWS, CH. 274, § 16 AND 2020 N.M. LAWS, CH. 80, § 13) DISTRIBUTED TO THE COUNTY PURSUANT TO NMSA 1978, SECTIONS 7-1-6.1 (2007) AND 7-1-6.13 (2021); PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM SAID TAX PROCEEDS; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE SALE OF THE BONDS PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, AND THE METHOD OF, AND SECURITY FOR, PAYMENT; PROVIDING THAT THE PRINCIPAL OF, INTEREST ON AND REDEMPTION PRICE, IF ANY, OF THE BONDS WILL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR LAWS OF THE STATE OF NEW MEXICO; PROVIDING THAT THE BONDS WILL NEVER CONSTITUTE NOR GIVE RISE TO PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS; PROVIDING FOR THE PAYMENT OF COSTS OF ISSUANCE FOR THE BONDS; PROVIDING FOR THE APPROVAL OF DISCLOSURE AND OTHER DOCUMENTS RELATING TO THE BONDS AT A SUBSEQUENT MEETING OF THE BOARD; RATIFYING ALL ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS AND TAX PROCEEDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH.

Complete copies of the ordinance are on file in the office of the county clerk at 1400 Highway 180 East, Silver City, New Mexico, and are available for inspection and/or purchase during regular office hours.

A general summary of the subject matter of this ordinance is contained in its title. This notice constitutes compliance with sections [6-14-4 through 6-14-7 NMSA 1978].

[End of Form of Summary for Publication]

Section 39. Governing Law. All rights and obligations of the parties with respect to the Bonds and this Ordinance shall be construed, enforced, and interpreted according to the laws of the State. Venue with regard to any action relating to the Bonds or this Ordinance shall be in federal or state district court in the State of New Mexico.

Section 40. Interested Parties. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the County, the Registrar, the Paying Agent, the Purchaser and the registered owners of the Bonds, any right, remedy, or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof.

Section 41. Payment Due on Other Than Business Days. In any case where the date of payment of principal, premium, if any, or interest on the Bonds or the date fixed for redemption of any Bonds, or the date for performing any act or exercising any right, shall be a day other than a business day, then payment of interest or principal and premium, if any, or the performance of such act or exercise of such right need not be made on such date but may be made on the next succeeding business day with the same force and effect as if it had been made on the date scheduled for such payment, performance, or exercise.

Section 42. Limitation on County's Liability. NOTWITHSTANDING ANY PROVISION OF THIS ORDINANCE TO THE CONTRARY, THE OBLIGATIONS OF THE COUNTY UNDER THIS ORDINANCE ARE SPECIAL, LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM THE PLEDGED REVENUES AND CERTAIN PROCEEDS OF THE SALE OF THE BONDS. NEITHER THE FAITH AND CREDIT, NOR THE TAXING POWER OF THE STATE OF NEW MEXICO OR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE COUNTY, IS PLEDGED TO THE PAYMENT OR PERFORMANCE OF SUCH OBLIGATIONS. NO AGREEMENTS OR PROVISIONS CONTAINED IN THIS ORDINANCE OR ANY OTHER DOCUMENT OR INSTRUMENT RELATED TO THE BONDS SHALL GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COUNTY, ITS OFFICERS, ITS EMPLOYEES OR MEMBERS OF ITS GOVERNING BODY OR CONSTITUTE A CHARGE AGAINST THE COUNTY'S GENERAL CREDIT, OR OBLIGATE THE COUNTY FINANCIALLY IN ANY WAY, EXCEPT WITH RESPECT TO THE PLEDGED REVENUES, AND THEIR APPLICATION AS PROVIDED IN THIS ORDINANCE. NO FAILURE OF THE COUNTY TO COMPLY WITH ANY TERMS, COVENANTS OR AGREEMENTS IN THIS ORDINANCE OR IN ANY OTHER DOCUMENT OR INSTRUMENT RELATED TO THE BONDS SHALL SUBJECT THE COUNTY, ITS OFFICERS, ITS EMPLOYEES OR MEMBERS OF ITS GOVERNING BODY TO ANY PECUNIARY CHARGE OR LIABILITY EXCEPT TO THE EXTENT THAT THE SAME CAN BE PAID OR RECOVERED FROM THE PLEDGED REVENUES AND CERTAIN PROCEEDS OF THE SALE OF THE BONDS.

Section 43. Requirement for Certification and Form of Final Terms Certificate; Presentation of Final Terms Certificate. In accordance with NMSA 1978, Section 6-14-10.2(E) (2017), the Designated Officer shall certify in writing, prior to the delivery of the Bonds, that the final terms of the Bonds comply with the Parameters established in this Ordinance. Such certification shall be substantially in the form of the Final Terms Certificate attached as Exhibit A to this Ordinance. The Designated Officer shall present the Final Terms Certificate to the Board in a timely manner before or after the delivery of the Bonds at a regularly scheduled meeting of the Board.

Section 44. Conflicts of Interest. No member of the Board or employee of the County has any interest, direct or indirect, in the transactions contemplated in this Ordinance, the Final Terms Certificate or otherwise in connection with the Bonds or the documents concerning the Bonds.

[Signature page follows]

PASSED, ADOPTED, SIGNED AND APPROVED this 14th day of July, 2022.

BOARD OF COUNTY COMMISSIONERS
OF GRANT COUNTY, NEW MEXICO



Chris M. Ponce, Chairman



Javier Salas, Member



Alicia Edwards, Member

Gerald W. Billing, Jr., Member



Harry Browne, Member

Attest:

By Marisa Castrillo by ch
Marisa Castrillo,
County Clerk



STATE OF NEW MEXICO)
COUNTY OF GRANT) ss.
CITY OF SILVER CITY)

I, Marisa Castrillo, the duly elected, qualified, and acting County Clerk of Grant County, New Mexico (the "County"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of County Commissioners of Grant County, New Mexico (the "Board"), constituting the governing board of the County, had and taken at a duly called regular, open meeting held in the Commission Meeting Room at the Grant County Administration Center located at 1400 Highway 180 East, Silver City, New Mexico, being the regular meeting place of the Board, on the 14th day of July, 2022, at the hour of 9:00 a.m. insofar as the same relate to the proposed bond issue, a copy of which is set forth in the official records of the proceedings of the County kept in my office.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of said meeting was given in accordance with the open meetings standards of the Board presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 14 day of July, 2022.

GRANT COUNTY, NEW MEXICO

By Marisa Castrillo by ch
Marisa Castrillo, County Clerk



Commissioner Edwards then moved adoption of the foregoing ordinance,
duly seconded by Commissioner Salas.

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

Those Voting Aye:

Edwards
Salas
Ponce
Browne

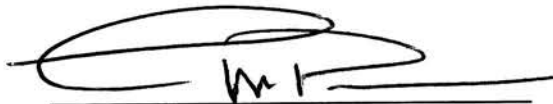
Those Voting Nay:

Those Absent:

Billings

Four (4) Commissioners having voted in favor of the motion, the Chairman declared
said motion carried and the ordinance adopted, whereupon the Chairman and County Clerk
signed the ordinance upon the records of the minutes of the Commission.

After consideration of the matters not relating to the ordinance, the meeting, on motion
duly made, seconded and unanimously carried, was adjourned.


Chairman


Maria Castille by Ch
County Clerk

EXHIBIT A
FORM OF FINAL TERMS CERTIFICATE

FINAL TERMS CERTIFICATE OF THE
\$5,500,000*
GRANT COUNTY, NEW MEXICO
GROSS RECEIPTS TAX REVENUE REFUNDING BONDS,
SERIES 2022

Pursuant to the Public Securities Act, NMSA 1978, Sections 6-14-1 to -3 (1970, as amended through 1999), the Public Securities Limitation of Action Act, NMSA 1978, Sections 6-14-4 to -7 (1975), the Supplemental Public Securities Act, NMSA 1978, Sections 6-14-8 to -11 (1983, as amended through 2017), and NMSA 1978, Sections 4-62-1 to -10 (1992, as amended through 2019), and acts amendatory and supplemental thereto (collectively, the "Act"), and the authority delegated in Ordinance O-22-04, adopted by the Board of County Commissioners (the "Board") of Grant County, New Mexico (the "County") on July 14, 2022 (the "Ordinance"), authorizing the issuance and sale of the County's Gross Receipts Tax Revenue Refunding Bonds, Series 2022 (the "Bonds"), the undersigned hereby certifies that the final terms of the Bonds comply with the parameters and conditions established in the Ordinance, as further detailed below:

A. The \$[] par amount of the Bonds does not exceed the maximum aggregate principal amount of \$5,500,000.

B. The Bonds mature on June 1 of each year beginning in _____ and have a final maturity of 20[], which is not later than July 1, 2044, as permitted by the Ordinance.

C. The true interest cost on the Bonds of []% per annum is less than 5.000% per annum and the maximum coupon is []% which does not exceed a fixed interest rate of 5.000% per annum, as required by the Ordinance.

D. The Bonds will be sold to [] (the "Purchaser"), as the result of a negotiated sale, for their par amount [plus [net] original issue [premium/discount] of \$[]] less an underwriting discount of \$[]. The underwriting discount is []%, which does not exceed [1.000%] of the aggregate principal amount of the Bonds (on an aggregate basis) as required by the Ordinance. The Bonds were sold with original issue premium of \$ _____, which means that the Bonds were not sold with any net original discount.

E. The Bonds are secured by the Pledged Revenues. The Bonds shall be dated the date of their issuance and delivery to the Purchaser.

F. The Bonds shall be issued only as fully registered bonds in Authorized Denominations, subject to the Book-Entry system.

*Preliminary, subject to change.

G. The Bonds shall be issued in one series and be numbered consecutively from R-1 upwards or as otherwise requested by the Purchaser.

H. [The Bonds maturing on and after [July] 1, 20[] are subject to redemption at the option of the County on [July] 1, 20[], or any date thereafter, at a price of 100% of the par amount of the bonds plus accrued interest to the call date, upon notice as provided Subsection [] of Section 6 of the Ordinance.

I. The debt service payments on the Bonds will not be greater than the County's current debt service payments on the Prior Bonds, as required by the Ordinance.

All capitalized terms used, but not defined herein, shall have the meanings assigned by the Ordinance unless the context hereof requires otherwise.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this [], 2022, pursuant to the authority delegated to me as the [INSERT TITLE] under the Ordinance. *[To be dated prior to the date of issuance of the Bonds.]*

GRANT COUNTY, NEW MEXICO

By: _____
[INSERT NAME], Designated Officer