

ARTICLE 4. GENERAL OBLIGATION BONDS

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§ 15.4.1 RATIFICATION OF PRIOR ACTIONS AND AWARDING BONDS

All actions heretofore taken by the Board and the officers of the Village directed toward the issuance and sale of the Bonds be, and the same hereby are, ratified, approved and confirmed, and the Bonds are awarded to the Purchaser at an effective interest rate of 4.5848%, at a purchase price of three million five hundred eighty-one thousand five hundred sixty-six and 65/100 dollars (\$3,581,566.65) which is the par amount less discount of eighteen thousand four hundred thirty-three and 35/100 dollars (\$18,433.35). The Purchaser has obtained a municipal bond insurance policy from Ambac. The Bonds shall be subject to the standard municipal bond insurance contract.

§ 15.4.2 BOND DETAILS

The Board, on behalf of the Village and upon the full faith and credit thereof, shall issue the Bonds in one series in the aggregate principal amount of three million six hundred thousand dollars (\$3,600,000), maturing on the dates at the interest rates per annum, set forth below:

Maturities, Interest Rates and Yields

Due 1-Aug	Principal	Interest Rate	Due 1-Aug	Principal	Interest Rate
2008	\$ 30,000	4.75%	2018	\$200,000	4.25%
2009	35,000	4.75%	2019	210,000	4.30%
2010	40,000	4.75%	2020	220,000	4.30%
2011	45,000	4.75%	2021	230,000	4.40%
2012	50,000	4.75%	2022	260,000	4.50%
2013	100,000	4.75%	2023	280,000	4.50%
2014	125,000	4.75%	2024	295,000	4.50%
2015	150,000	4.75%	2025	310,000	4.60%
2016	170,000	4.75%	2026	320,000	4.60%
2017	190,000	4.75%	2027	340,000	4.60%

The Bonds shall be dated the date of issuance (herein the "Series Date"), and shall be issued in fully registered form only, without coupons, and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New



York as registered owner of the Bonds. DTC will act as the securities depository of the Bonds. A single certificate will be issued and delivered to DTC for the total principal amount of each maturity of the Bonds. Individual purchases of the Bonds will be made in book-entry form only in the principal amount of five thousand dollars (\$5,000) each or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. The Bonds shall bear interest from the Series Date to maturity at the rates per annum set forth above, payable to the registered owner thereof, or registered assigns, on February 1, 2008, and semi-annually thereafter on February 1 and August 1 in each year in which the Bonds are outstanding; and shall mature on August 1 of each year set forth above, provided, however, bonds which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent Interest Payment Date to which interest has been fully paid or provided for in full or, if no interest has been paid, from the Series Date.

The principal of each bond and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the Treasurer as "registrar/paying agent" (or any successor thereto, the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. The Village may appoint a successor or successors to the Registrar/Paying Agent to perform some or all of the duties of registrar, paying agent and transfer agent, which shall be a financial institution having an unimpaired capital and surplus of not less than ten million dollars (\$10,000,000). Payments to DTC made hereunder shall be made in accord with the DTC Representations Letter. If any bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed to the registered owner thereof as of the close of business on the Record Date (defined below) at its address as it appears on the registration books kept by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner). All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the 15th day of the month next preceding the Interest Payment Date. The person in whose name any bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.



§ 15.4.3 REDEMPTION

(A) Optional Redemption. Bonds maturing on and after August 1, 2017 are subject to redemption, in whole or in part, at the option of the Village at any time on or after August 1, 2016, at par, plus accrued interest to the date of redemption.

(B) Notice of redemption shall be given by the Registrar by sending a copy of such notice by registered or certified first-class mail, postage prepaid, at least thirty (30) days prior to the redemption date, to the registered owners of the Bonds to be redeemed at the address shown on the registration books kept by the Registrar as of the close of business of the Registrar on the fifth day prior to the mailing of notice. The Village shall give the Registrar written instructions to give notice of redemption to the registered owners of the Bonds to be redeemed at least forty-five (45) days prior to such redemption date. Neither the Village's failure to give such notice nor the Registrar's failure to give such notice to the registered owners of the Bonds, or any defect therein, shall affect the validity of the proceedings for the redemption of any bonds for which proper notice was given. Notice of redemption shall specify the amount being redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon the Bonds to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem the Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed not Outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bonds so called for redemption with funds deposited with the Paying Agent by the Village.

§ 15.4.4 EXECUTION OF THE BONDS

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



§ 15.4.5 PLEDGE OF FULL FAITH AND CREDIT

The Bonds represent all of the Bonds approved at the special bond election held coincident with the general election duly called and held in the Village of Los Ranchos de Albuquerque, State of Mexico (the "Village"), on the 13th day of March, 2007. The Bonds shall constitute the general obligation of the Village, payable from general (*ad valorem*) taxes which shall be levied without limitation as to the rate or amount. The full faith and credit of the Village shall be, and hereby is, irrevocably pledged to the payment of the principal of and interest on the Bonds.

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/Paying Agent. The Registrar/Paying Agent's certificate or authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar/Paying Agent, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

§ 15.4.6 REGISTRATION AND TRANSFER

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

(B) The person in whose name any bond shall be registered, on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest as is provided in §15.4.2 hereof; 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.

(C) If any bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated bond and such evidence, information or indemnity



relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated bond shall have matured, the Registrar/Paying Agent may pay such bond in lieu of replacement.

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

(E) Whenever any bond shall be surrendered to the Registrar/Paying Agent upon payment thereof, or to the Registrar/Paying Agent for transfer, exchange or replacement as provided herein, such bond shall be promptly canceled by the Registrar/Paying Agent, and counterparts of a certificate of such cancellation shall be furnished by the Registrar/Paying Agent.

§ 15.4.7 REGISTRAR/PAYING AGENT

The Village may, upon notice mailed to each registered owner of bonds at the address last shown on the registration books, appoint a Successor Registrar/Paying Agent. Every such Successor Registrar/Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders equity (*e.g.*, capital stock, surplus and undivided profits), however denominated, of not less than ten million dollars (\$10,000,000).

§ 15.4.8 NEGOTIABILITY

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

§ 15.4.9 FORM OF BONDS

The Bonds shall be in substantially the following form:

[Form of Bond]

UNITED STATES OF AMERICA

STATE OF NEW MEXICO

AS PROVIDED IN THE BOND ORDINANCE REFERRED TO HEREIN, UNTIL THE TERMINATION OF REGISTERED OWNERSHIP OF ALL OF THE BONDS THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE BOND ORDINANCE, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE BOND ORDINANCE TO THE CONTRARY, THE PRINCIPAL AMOUNT OUTSTANDING UNDER THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR. DTC OR A TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND TO BE PAID. THE PRINCIPAL AMOUNT OUTSTANDING AND TO BE



PAID ON THIS BOND SHALL FOR ALL PURPOSES BE THE AMOUNT INDICATED ON THE BOOKS OF THE REGISTRAR.

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

REGISTERED NO. R- _____ \$ _____

VILLAGE OF LOS RANCHOS DE ALBUQUERQUE, NEW MEXICO
GENERAL OBLIGATION BOND
SERIES 2007

Interest Rate: _____ % per annum **Maturity Date:** _____ **Series Date:** August 15, 2007 **Cusip:** _____

Registered Owner: Cede & Co.

Principal Amount: _____ DOLLARS

The Board of Trustees of the Village of Los Ranchos de Albuquerque, New Mexico (the "Board"), on the faith, credit and behalf of the Village of Los Ranchos de Albuquerque, New Mexico (the "Village"), for value received, hereby promises to pay to the registered owner named above, or registered assignees, the principal amount stated above on the Maturity Date stated above and to pay interest on the principal amount at the Interest Rate on February 1, 2008 and thereafter on February 1 and August 1 of each year (the "Interest Payment Date") from the Series Date stated above to its maturity. The principal of the Bonds of the series of which this is one (the "Bonds") and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the Village Treasurer as "Registrar/Paying Agent" (and any successor thereto, the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. If any bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent, on or before each Interest Payment Date to the registered owner thereof as of the close of business on the Record Date (defined below) at its address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the 15th day of the month next preceding the Interest Payment Date. The person in whose name any bond is registered at the



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

Optional Redemption. Bonds maturing on and after August 1, 2017 are subject to redemption, in whole or in part, at the option of the Village at any time on or after August 1, 2016 at par, plus accrued interest to the date of redemption.

Notice of redemption shall be given by the Registrar by sending a copy of such notice by registered or certified first-class mail, postage prepaid, at least thirty (30) days prior to the redemption date, to the registered owners of the Bonds to be redeemed at the address shown on the registration books kept by the Registrar as of the close of business of the Registrar on the fifth day prior to the mailing of notice. The Village shall give the Registrar written instructions to give notice of redemption to the registered owners of the Bonds to be redeemed at least forty-five (45) days prior to such redemption date. Neither the Village's failure to give such notice nor the Registrar's failure to give such notice to the registered owners of the Bonds, or any defect therein, shall affect the validity of the proceedings for the redemption of any bonds for which proper notice was given. Notice of redemption shall specify the amount being redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon the Bonds to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem the Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed not Outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bonds so called for redemption with funds deposited with the Paying Agent by the Village.

The Bonds are fully registered and are issuable in denominations of five thousand dollars (\$5,000) and any integral multiple thereof (provided that no individual bond may be issued for more than one maturity).

The Bonds, of which this bond is one, are limited to the total principal amount of three million six hundred thousand dollars (\$3,600,000) are of like tenor, except as to number, denomination, maturity date, and interest rate, and are issued by the Village, to provide funds for acquisition of open space, and to reimburse the Village for expenditures made by the Village for the foregoing purpose. The Bonds are issued under the authority of and in full conformity with the Constitution and laws of the State of New Mexico (particularly, the Public Securities



Act, Section 6-14-1 through 6-14-12 NMSA 1978 and Sections 6-15-1 through 6-15-28, NMSA 1978, and acts amendatory and supplemental thereto), and pursuant to an ordinance of the Board duly adopted and made a law of the Village prior to the issuance of this Bond (the "Bond Ordinance").

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

The person in whose name any bond shall be registered on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes; 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, in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such bond to the extent of the sum or sums so paid.

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

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

It is hereby certified, recited and warranted that all the requirements of law have been complied with by the proper officials of the Village in the issuance of this Bond; that the total indebtedness of the Village, including that of this Bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State of New Mexico; that issuance of



this Bond represents the Bonds authorized at a special bond election duly called and held in the Village, on the 13th day of March, 2007; that provision has been made for the levy and collection of annual taxes sufficient to pay the principal of and the interest on this Bond when the same become due.

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

IN TESTIMONY WHEREOF, the Board of Trustees of the Village of Los Ranchos de Albuquerque, New Mexico, constituting the governing board of the Village, has caused the manual or facsimile of the seal of the Village to be hereto affixed and this Bond to be signed and executed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem and subscribed and attested with the manual or facsimile signature of the Clerk or Deputy Clerk of the Village all as of the Series Date.

**VILLAGE OF LOS RANCHOS DE ALBUQUERQUE,
NEW MEXICO**

_____/s/
Mayor

[SEAL]
Attest:

_____/s/
Village Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION]

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

Date of Authentication: _____, 20__

TREASURER,
as Registrar/Paying Agent

By _____
Authorized Officer

[END OF FORM OF CERTIFICATE OF AUTHENTICATION]

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto



(Please print or typewrite Name and Address, including Zip Code, of Assignee)

(Social Security or Federal Taxpayer Identification Number)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints the Registrar under the Bond Ordinance as attorney to register the transfer of the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature of the registered owner of this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed by:

NOTICE: Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

[END OF FORM OF ASSIGNMENT]

[END OF FORM OF BOND]

§ 15.4.10 DELIVERY OF THE BONDS

When the Bonds have been duly executed and authenticated, such bonds shall be delivered to the lawful purchaser thereof named in §15.4.1. The funds realized from the sale of the Bonds shall be applied solely to the specified purposes (provided that any accrued interest shall be used to pay interest on the Bonds if any accrued interest was received), but the purchaser of any bonds shall in no manner be responsible for the application of or disposal by the Village, or any of its officers, of any of the funds derived from the sale thereof. The Village may establish construction trust accounts in financial institutions for administration of bond proceeds.



§ 15.4.11 TAX LEVY, INTEREST AND SINKING FUND

There shall be levied on all taxable property in the Village at the time and in the manner provided by law, in addition to all other taxes, direct annual ad valorem taxes sufficient to pay the principal of and interest accruing on the Bonds promptly as the same shall become due. This Article is hereby declared to be the certificate of the Board as to the amount of taxes necessary to be levied for the purposes herein stated and said taxes shall be certified, levied and extended upon the tax rolls and collected in the same manner, at the same time and subject to the same penalties as general state and Village taxes are certified, levied and collected. Said taxes, when collected, shall be kept by the Village Treasurer in a separate special fund for the Bonds to be known as the "Village of Los Ranchos de Albuquerque, New Mexico General Bonds, Series 2007 Interest and Sinking Fund" which fund shall be used solely for the purpose of paying the principal of and interest on the Bonds as the same become due or mature and, if so required, to satisfy the covenants of the Village set forth in §15.4.14 hereof; provided that nothing herein contained shall be so construed as to prevent the application of any other funds belonging to the Village and available for that purpose, to the payment of the Bonds or the interest thereon, as the same become due and upon such payment the levy or levies of tax provided for in this §15.4.11 may thereupon to that extent be diminished. If the taxes herein provided for shall not be levied or collected in time to pay the interest on or principal of the Bonds as the same become due or mature, then such interest or principal shall be paid from any funds belonging to the Village, which funds may be reimbursed from the taxes herein provided for when the same are collected.

§ 15.4.12 RIGHTS OF THE BONDHOLDERS

The officers of the Village be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Article, including without limiting the generality of the foregoing, the entering into of a Registrar/Paying Agent agreement, the entering of necessary agreements with DTC, the printing of the Bonds, if necessary, and the execution of such certificates as may be required by the Bond purchasers relating to the signing of the Bonds, the tenure and identity of Village officials, the receipt of the purchase price of the Bonds from the purchasers and the absence of litigation, pending or threatened, if in accordance with the facts, affecting the validity thereof and the absence and existence of factors affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes.

§ 15.4.13 REBATE AND NO ARBITRAGE COVENANT

The Village covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Mayor, Village Clerk, Village Treasurer or any other officer of the Village having responsibility for the issuance of the Bonds shall give an appropriate certificate of the Village, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the Village regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

The Village covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would



adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Mayor, Village Clerk and Village Treasurer 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, as may be appropriate to assure such exclusion of that interest.

For purposes of complying with the covenants of the Village set forth in the preceding paragraph, there is hereby created a fund of the Village designated as the Rebate Fund for the deposit of any amounts that may be due to the U.S. Treasury under the Code. Any provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien hereunder or in any other Ordinance authorizing the issuance of bonds of the Village.

§ 15.4.14 CONTINUING DISCLOSURE UNDERTAKING

The Village will make a written undertaking by the Board on behalf of the Village for the benefit of the holders of the Bonds required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, § 240, 15c2-12) (the "Rule") in the form submitted to the Board.

§ 15.4.15 ORDINANCE IRREPEALABLE

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

§ 15.4.16 SAVINGS CLAUSE

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

§ 15.4.17 FORM OF NOTICE

The following notice shall be published one time in a newspaper having general circulation in the Village, as soon as is practicable following the adoption hereof:

[FORM OF NOTICE]

LEGAL NOTICE

NOTICE IS HEREBY GIVEN that the Board of Trustees of the Village of Los Ranchos de Albuquerque, New Mexico, did on the 8th day of August, 2007, adopt an Ordinance entitled:



VILLAGE OF LOS RANCHOS DE ALBUQUERQUE, NEW MEXICO

ORDINANCE No. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF VILLAGE OF LOS RANCHOS DE ALBUQUERQUE, NEW MEXICO GENERAL OBLIGATION BONDS, SERIES 2007, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,600,000 DATED THE DATE OF ISSUANCE (THE "BONDS"), PAYABLE FROM AD VALOREM TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE VILLAGE, LEVIED WITHOUT LIMIT AS TO RATE OR AMOUNT; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, AND THE METHOD OF, AND SECURITY FOR, PAYMENT; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS.

The Ordinance directs and authorizes the issuance of one series of the Village of Los Ranchos de Albuquerque, New Mexico General Obligation Bonds in the total aggregate principal amount of three million six hundred thousand dollars (\$3,600,000) ("the Bonds"); awards the sale of the Bonds to the best bidder therefor; provides for the form of the Bonds; provides for the delivery thereof; provides for the levy of taxes to pay the principal of and interest on the Bonds; makes certain covenants with the Bond purchaser; and provides other details concerning the Bonds. Complete copies of the ordinance are available for public inspection during normal and regular business hours at the offices of the Village of Los Ranchos de Albuquerque Clerk, 6718 Rio Grande Boulevard, NW, New Mexico 87107. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

DATED this 8th day of August, 2007.

/s/ Annabelle Silvas
Village Clerk

[END FORM OF NOTICE]

Ordinances and State Law Reference Regarding Chapter 15, Article 4:

Ordinance #212, August 8, 2007

