

ORDINANCE NO. 07-35 AC CMS

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$4,200,000 OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, TO PAY COSTS OF CONSTRUCTING, FURNISHING, EQUIPPING, AND OTHERWISE IMPROVING A MUNICIPAL SERVICE CENTER COMPLEX, INCLUDING ACCESS ROADWAYS AND ALL NECESSARY UTILITIES AND APPURTENANCES, AND CLEARING AND IMPROVING ITS SITE, AND DECLARING AN EMERGENCY

BE IT ORDAINED, by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

WHEREAS, this Council has previously by proper legislation declared the necessity of the improvement described in Section 1; and

WHEREAS, pursuant to Ordinance No. 06-29 AC CMS, passed on March 6, 2006, there were issued \$4,200,000 Municipal Service Center Complex Notes, Series 2006 (the Outstanding Notes), in anticipation of bonds for the purpose stated in Section 1, which Outstanding Notes mature on April 19, 2007; and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Notes with the proceeds of the Notes described in Section 3; and

WHEREAS, the Finance Director, as fiscal officer of the City, has certified to this Council that the estimated life or period of usefulness of the improvements described in Section 1 is at least five years, the maximum maturity of the Bonds described in Section 1 is at least twenty years, and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is April 21, 2026;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-seventh (5/7ths) of all members elected thereto concurring:

Section 1. It is hereby declared necessary to issue bonds of the City of Oberlin in an aggregate principal amount not to exceed \$4,200,000 for the purpose of paying a portion of the costs of constructing, furnishing, equipping, and otherwise improving a municipal service center complex, including access roadways and all necessary utilities and appurtenances, and clearing and improving its site (the "Bonds").

Section 2. The Bonds shall be dated approximately September 1, 2007; shall bear interest at the now estimated rate of five per centum (5.00%) per annum, payable semi-annually, until the principal sum is paid; and are estimated to mature in twenty annual principal installments on December 1 of each year that are in such amounts that the total principal and interest payments on the Bonds in any

fiscal year in which principal is payable are substantially equal. The first principal payment of the Bonds is estimated to be December 1, 2008.

Section 3. It is necessary to issue and this Council hereby determines that notes in an aggregate principal amount not to exceed \$4,200,000 shall be issued in anticipation of the issuance of the Bonds to retire the Outstanding Notes. Those anticipatory notes shall be designated "Municipal Service Center Complex Notes, Series 2007" (the "Notes"); shall bear interest at a rate of interest not to exceed 5.50% per annum (computed on the basis of a 360-day year consisting of 12 30-day months), payable at maturity, designated by the Finance Director in the certificate awarding the Notes as authorized in Section 6 hereof (the "Certificate of Award"). The Notes shall be dated their date of issuance and shall mature between four and twelve months from the date of issuance. The Notes may be subject to prior redemption at the sole option of the City if agreed to by the purchaser thereof.

Section 4. The debt charges on the Notes shall be payable in Federal Reserve funds of the United States of America and shall be payable, without deduction for services of the City's paying agent, at the office of a bank or trust company selected by the Finance Director in the Certificate of Award, after determining that sufficient safeguards exist to protect the funds or securities of this City, or at the office of the Finance Director if agreed to by the Finance Director and the original purchaser of the Notes.

Section 5. The Notes shall be signed by the City Manager and Finance Director, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the original purchaser and approved by the Finance Director, provided that no Note shall be issued in a denomination less than \$100,000. The entire principal amount may be represented by a single note and may be issued as fully registered securities (for which the Finance Director will serve as note registrar) and in book entry or other uncertificated form in accordance with Section 9.96 and Chapter 133 of the Revised Code if it is determined by the Finance Director that issuance of fully registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Finance Director, and shall express upon their faces the purpose, which may be in summary terms, for which they are issued and that they are issued pursuant to Revised Code Chapter 133, the Charter of the City, and this Ordinance. As used in this Section and this Ordinance:

"Book entry form" or "book entry system" means a form or system under which (i) the ownership of beneficial interests in the Notes and the principal of, and interest on, the Notes may be transferred only through a book entry, and (ii) a single physical Note certificate is issued by the City and payable only to a Depository or its nominee, with such Notes "immobilized" in the custody of the

Depository or its agent for that purpose. The book entry maintained by others than the City is the record that identifies the owners of beneficial interests in the Notes and that principal and interest.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of beneficial interests in the Notes or the principal of, and interest on, the Notes and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Participant" means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and immobilized in the custody of the Depository or its agent for that purpose; (ii) the beneficial owners in book entry form shall have no right to receive the Notes in the form of physical securities or certificates; (iii) ownership of beneficial interests in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of beneficial interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book entry system, the Finance Director may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Finance Director does not or is unable to do so, the Finance Director, after making provision for notification of the beneficial owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable to order form to be signed by the officers authorized to sign the Notes and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Finance Director is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 6. The Notes shall be awarded and sold by the Finance Director at private sale at not less than 97% of par plus any accrued interest, in accordance with law and the provisions of this Ordinance. In the Certificate of Award, the Finance Director shall make the designations authorized herein, including determining the original purchaser of the Note and fixing the interest rate the Notes shall bear, the principal amount of the Notes, and the maturity date of the Notes, and shall cause the Notes to be prepared, signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price. In connection with the issuance of the Notes herein authorized, the legal services of the law firm of Squire, Sanders & Dempsey L.L.P. are hereby retained to act as bond counsel to this City. The City Manager, the Clerk of Council, the Finance Director, the City Law Director, and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transaction contemplated by this Ordinance.

Section 7. The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds of the City, and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

Section 8. The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

Section 9. During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, the same tax that would have been levied if the Bonds had been issued without the prior issuance of the Notes. The tax shall be within the ten-mill limitation imposed by law, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Notes or the Bonds when and as the same fall due. In each year, to the extent money from the municipal income tax is available for the payment of the debt charges on the Notes and Bonds and is appropriated for that purpose, the amount of the tax shall be reduced by the amount of the money so available and appropriated in compliance with the covenant hereinafter set forth. To the extent necessary, the debt charges on the Notes and Bonds shall be paid from municipal income taxes lawfully available therefor under the Constitution and

laws of the State of Ohio and the Charter of the City; and the City hereby covenants, subject and pursuant to such authority, including particularly Sections 133.05(B)(7) and 5705.51(A)(5) and (D) of the Revised Code, to appropriate annually from such municipal income taxes such amount as is necessary to meet such annual debt charges. Nothing in this paragraph in any way diminishes the pledge of the full faith and credit and property taxing power of the City to the prompt payment of the debt charges on the Notes.

Section 10. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Notes in such manner and to such extent as may be necessary so that (a) the Notes will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as bonds to which Section 104(a) of the Code applies, and (b) the interest on the Notes will not be treated as an item of tax preference under Section 57 of the Code.

The City further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, and (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The City hereby represents that the Outstanding Notes were designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code. The City hereby covenants that it will redeem the Outstanding Notes from proceeds of, and within 90 days after issuance of, the Notes, and represents that all other conditions are met for treating an amount of the Notes not in excess of the amount of the Outstanding Notes as "qualified tax-exempt obligations" and as not to be taken into account under subparagraph (D) of Section 265(b)(3) of the Code, without necessity for further designation, by reason of subparagraph (D)(ii) of Section 265(b)(3) of the Code. Any amount of the Notes in excess of the amount of the Outstanding Notes, determined in accordance with Section 265(b)(3) of the Code (the Designated Amount), is hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. In that connection, the City hereby represents and covenants that it, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, in or during the calendar year in which the Notes are issued, (i) have not issued and will not issue tax-exempt obligations designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, including the Designated Amount of the Notes, in an aggregate amount in excess of

\$10,000,000, and (ii) have not issued, do not reasonably anticipate issuing, and will not issue, tax-exempt obligations (including the Designated Amount of the Notes, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and excluding refunding obligations that are not advance refunding obligations as defined in Section 149(d)(5) of the Code) in an aggregate amount exceeding \$10,000,000, unless the City first obtains a written opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not adversely affect the status of the Notes as "qualified tax-exempt obligations". Further, the City represents and covenants that, during any time or in any manner as might affect the status of the Notes as "qualified tax-exempt obligations", it has not formed or participated in the formation of, or benefited from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The City further represents that the Notes are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax-exempt obligations of different issuers.

The Finance Director, as the fiscal officer, or any other officer of the City having responsibility for issuance of the Notes is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Notes as the City is permitted to or required to make or give under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments or penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes, and (c) to give one or more appropriate certificates of the City, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Notes.

Each covenant made in this section with respect to the Notes is also made with respect to all issues any portion of the debt service on which is paid from proceeds of the Notes (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the Notes from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with

respect to those issues as they are authorized in this section to take with respect to the Notes.

Section 11. The Finance Director is directed to deliver a certified copy of this Ordinance to the County Auditor of Lorain County.

Section 12. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City of Oberlin have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

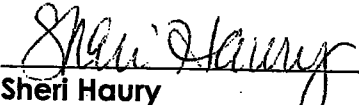
Section 13. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal actions, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 14. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio, or to provide for the usual daily operation of a municipal department, to wit:

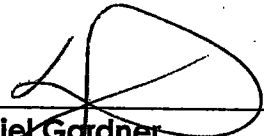
"In order to sell the Notes at the earliest possible date to enable the City to retire the Outstanding Notes and thereby preserve its credit", and shall take effect immediately upon passage.

PASSED: 1st Reading – March 19, 2007 (E)
 2nd Reading –
 3rd Reading –

ATTEST:



Sheri Haury
INTERIM CLERK OF COUNCIL



Daniel Gardner
PRESIDENT OF COUNCIL

Page 8 – Ordinance No. 07-35

POSTED: March 20, 2007

EFFECTIVE DATE: March 20, 2007

s:/ORD07-35.RenewalNotes.ServiceComplex

March 12, 2007

I. Salvatore Talarico, Finance Director
City of Oberlin
69 South Main Street
Oberlin, Ohio 44074

Re: City of Oberlin, Ohio
\$4,200,000 Municipal Service Center Complex Notes, Series 2007

Dear Sal:

Pursuant to your request, I have prepared and enclosed the note ordinance and certain related documents necessary for the issuance and sale of the captioned Notes. E-mail versions of this letter and the ordinance are being sent to the (Interim) Clerk of Council and to the Law Director for review. I understand you anticipate Council will consider the ordinance at its regular meeting scheduled for March 19.

The enclosed documents should be processed as follows:

1. Fiscal officer's certificate, to be examined, signed and dated by you and presented to Council prior to consideration of the note ordinance on March 19.

2. Note ordinance, to be considered by Council after presentation of the signed fiscal officer's certificate. You will notice that the ordinance authorizes you to sell the notes at "private sale" on such terms as are agreed upon by you and the purchaser. The ordinance should be passed under suspension of the three reading rule, and as an emergency measure (see Section 14 thereof). It is my understanding that, under Sections IX(E) and X of the City's Charter, this ordinance will then take immediate effect. Please notify me immediately if the City's Charter was amended after November 2, 2004.

Please note that the City's income tax is once again pledged (thus exempting this debt from the City's direct debt limitations). If this is not to be the case, please notify me immediately.

3. County Auditor's receipt, to be examined, completed, signed, and dated by or on behalf of the Lorain County Auditor, evidencing receipt of the passed note ordinance.

4. Posting certificate, to be examined, completed, signed, and dated by the (Interim) Clerk of Council.

I. Salvatore Talarico
March 12, 2007
Page 2

5. Invitation for proposals, which can be used to solicit proposals for these notes if you decide to go this route. Please let us know as soon as possible whether you wish to have us distribute this Invitation to the banks on our mailing list that typically purchase securities such as the Notes, and to OMAC for posting on its calendar. Please note that I have provisionally inserted April 10, 2007 as the pricing date, April 17, 2007 as the closing date, and September 17, 2007 as the maturity date. We should discuss these dates further.

For the transcript of proceedings, we need to receive one completed copy of each of the above listed items (except the Invitation). As soon as we have determined the purchaser of the notes and the interest rate they will bear, I will prepare the remaining documents and forward them to you for processing.

If you or any other City officials have any questions regarding the note issue or the procedures involved, please give me or Catie a call.

Very truly yours,

A handwritten signature in black ink, appearing to be 'RM' or similar initials, written in a cursive style.

Richard D. Manoloff/ng
Enclosures
cc: Sheryl Haury, (Interim) Clerk of Council
Eric Severs, Esq., Law Director
Catherine Ziroli Romanchek, Esq.

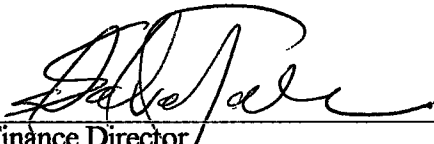
Via E-Mail and Federal Express

FISCAL OFFICER'S CERTIFICATE

TO THE COUNCIL OF THE CITY OF OBERLIN, OHIO:

The undersigned, as fiscal officer of the City of Oberlin, Ohio, hereby certifies in connection with your proposed issue of \$4,200,000 of notes in anticipation of the issuance of bonds for the purpose of constructing, furnishing and equipping a new municipal service center complex, including the construction of an access road and all necessary appurtenances, and clearing and improving its site, as follows:

1. The estimated life or period of usefulness of the improvements above described is hereby certified to be at least five years;
2. The maximum maturity of bonds to be issued for such purpose, calculated in accordance with the provisions of Section 133.20 of the Revised Code, is at least twenty (20) years, since each class of the improvements has, by statute or my estimate, an estimated life or period of usefulness of not less than twenty (20) years, or otherwise, if and to the extent a portion of the proceeds of the bonds may be determined to be allocated to a class or classes having an estimated life or period of usefulness of less than twenty (20) years but in excess of five (5) years, then the maximum maturity of the bonds would still be at least twenty (20) years by reason of a sufficient portion of the proceeds of the bonds being allocated to a class or classes having an estimated life or period of usefulness in excess of twenty (20) years.
3. Notwithstanding the foregoing, if notes in anticipation of the issuance of the bonds are outstanding later than the last day of December of the fifth year following the year of issuance of the original notes, the period thereof in excess of those five years shall be deducted from the permitted maturity of the bonds; and
4. The maximum maturity of the notes is April 21, 2026.

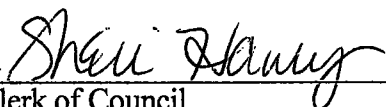


Finance Director
City of Oberlin, Ohio

Dated: March 19, 2007

POSTING CERTIFICATE

The undersigned, Clerk of Council of the City of Oberlin, Ohio, does hereby certify that Ordinance No. 07- 35 AC CMS, passed March 19, 2007, was duly posted for public inspection on 3/20, 2007, at City Hall and at two (2) or more public locations, with copies made available at the office of the undersigned.



Clerk of Council
City of Oberlin, Ohio

Dated: March 21, 2007

CERTIFICATE OF FILING

State of Ohio)

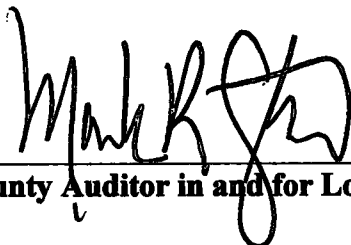
Lorain County) ss
)

I, Mark R. Stewart, the duly elected, qualified and acting Auditor in and for the County and State aforesaid, do hereby certify that Salvatore Talarico, the duly elected/appointed, qualified and acting Finance Director for said City of Oberlin of Lorain County, Ohio and ex-officio Fiscal Officer for said District, has this day officially filed in the office of the Auditor of Lorain County a certified copy of Ordinance #07-35 adopted on March 19, 2007.

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$4,200,000 OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, TO PAY COSTS OF CONSTRUCTING, FURNISHING, EQUIPPING, AND OTHERWISE IMPROVING A MUNICIPAL SERVICE CENTER COMPLEX, INCLUDING ACCESS ROADWAYS AND ALL NECESSARY UTILITIES AND APPURTENANCES, AND CLEARING AND IMPROVING ITS SITE, AND DECLARING AN EMERGENCY.

WITNESS my hand and Official Seal at Elyria, Ohio this 20th day of March 2007.

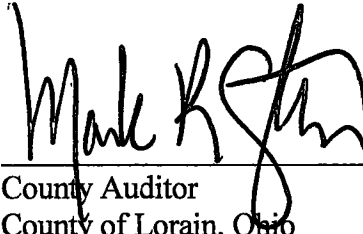
(Seal)



County Auditor in and for Lorain County, Ohio

COUNTY AUDITOR'S RECEIPT

I hereby acknowledge receipt on this date of a certified copy of Ordinance No. 07- 35
AC CMS, passed by the Council of the City of Oberlin, Ohio, on March 19, 2007, providing for the
issuance of Municipal Service Center Complex Notes, Series 2007, in an aggregate principal amount
not to exceed \$4,200,000.



County Auditor
County of Lorain, Ohio

Dated: March 20, 2007

stamped by
County see
signature
page

ORDINANCE NO. 07-35 AC CMS

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$4,200,000 OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, TO PAY COSTS OF CONSTRUCTING, FURNISHING, EQUIPPING, AND OTHERWISE IMPROVING A MUNICIPAL SERVICE CENTER COMPLEX, INCLUDING ACCESS ROADWAYS AND ALL NECESSARY UTILITIES AND APPURTENANCES, AND CLEARING AND IMPROVING ITS SITE, AND DECLARING AN EMERGENCY

BE IT ORDAINED, by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

WHEREAS, this Council has previously by proper legislation declared the necessity of the improvement described in Section 1; and

WHEREAS, pursuant to Ordinance No. 06-29 AC CMS, passed on March 6, 2006, there were issued \$4,200,000 Municipal Service Center Complex Notes, Series 2006 (the Outstanding Notes), in anticipation of bonds for the purpose stated in Section 1, which Outstanding Notes mature on April 19, 2007; and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Notes with the proceeds of the Notes described in Section 3; and

WHEREAS, the Finance Director, as fiscal officer of the City, has certified to this Council that the estimated life or period of usefulness of the improvements described in Section 1 is at least five years, the maximum maturity of the Bonds described in Section 1 is at least twenty years, and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is April 21, 2026;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-seventh (5/7ths) of all members elected thereto concurring:

Section 1. It is hereby declared necessary to issue bonds of the City of Oberlin in an aggregate principal amount not to exceed \$4,200,000 for the purpose of paying a portion of the costs of constructing, furnishing, equipping, and otherwise improving a municipal service center complex, including access roadways and all necessary utilities and appurtenances, and clearing and improving its site (the "Bonds").

Section 2. The Bonds shall be dated approximately September 1, 2007; shall bear interest at the now estimated rate of five per centum (5.00%) per annum, payable semi-annually, until the principal sum is paid; and are estimated to mature in twenty annual principal installments on December 1 of each year that are in such amounts that the total principal and interest payments on the Bonds in any

fiscal year in which principal is payable are substantially equal. The first principal payment of the Bonds is estimated to be December 1, 2008.

Section 3. It is necessary to issue and this Council hereby determines that notes in an aggregate principal amount not to exceed \$4,200,000 shall be issued in anticipation of the issuance of the Bonds to retire the Outstanding Notes. Those anticipatory notes shall be designated "Municipal Service Center Complex Notes, Series 2007" (the "Notes"); shall bear interest at a rate of interest not to exceed 5.50% per annum (computed on the basis of a 360-day year consisting of 12 30-day months), payable at maturity, designated by the Finance Director in the certificate awarding the Notes as authorized in Section 6 hereof (the "Certificate of Award"). The Notes shall be dated their date of issuance and shall mature between four and twelve months from the date of issuance. The Notes may be subject to prior redemption at the sole option of the City if agreed to by the purchaser thereof.

Section 4. The debt charges on the Notes shall be payable in Federal Reserve funds of the United States of America and shall be payable, without deduction for services of the City's paying agent, at the office of a bank or trust company selected by the Finance Director in the Certificate of Award, after determining that sufficient safeguards exist to protect the funds or securities of this City, or at the office of the Finance Director if agreed to by the Finance Director and the original purchaser of the Notes.

Section 5. The Notes shall be signed by the City Manager and Finance Director, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the original purchaser and approved by the Finance Director, provided that no Note shall be issued in a denomination less than \$100,000. The entire principal amount may be represented by a single note and may be issued as fully registered securities (for which the Finance Director will serve as note registrar) and in book entry or other uncertificated form in accordance with Section 9.96 and Chapter 133 of the Revised Code if it is determined by the Finance Director that issuance of fully registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Finance Director, and shall express upon their faces the purpose, which may be in summary terms, for which they are issued and that they are issued pursuant to Revised Code Chapter 133, the Charter of the City, and this Ordinance. As used in this Section and this Ordinance:

"Book entry form" or "book entry system" means a form or system under which (i) the ownership of beneficial interests in the Notes and the principal of, and interest on, the Notes may be transferred only through a book entry, and (ii) a single physical Note certificate is issued by the City and payable only to a Depository or its nominee, with such Notes "immobilized" in the custody of the

Depository or its agent for that purpose. The book entry maintained by others than the City is the record that identifies the owners of beneficial interests in the Notes and that principal and interest.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of beneficial interests in the Notes or the principal of, and interest on, the Notes and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Participant" means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and immobilized in the custody of the Depository or its agent for that purpose; (ii) the beneficial owners in book entry form shall have no right to receive the Notes in the form of physical securities or certificates; (iii) ownership of beneficial interests in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of beneficial interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book entry system, the Finance Director may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Finance Director does not or is unable to do so, the Finance Director, after making provision for notification of the beneficial owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable to order form to be signed by the officers authorized to sign the Notes and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Finance Director is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 6. The Notes shall be awarded and sold by the Finance Director at private sale at not less than 97% of par plus any accrued interest, in accordance with law and the provisions of this Ordinance. In the Certificate of Award, the Finance Director shall make the designations authorized herein, including determining the original purchaser of the Note and fixing the interest rate the Notes shall bear, the principal amount of the Notes, and the maturity date of the Notes, and shall cause the Notes to be prepared, signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price. In connection with the issuance of the Notes herein authorized, the legal services of the law firm of Squire, Sanders & Dempsey L.L.P. are hereby retained to act as bond counsel to this City. The City Manager, the Clerk of Council, the Finance Director, the City Law Director, and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transaction contemplated by this Ordinance.

Section 7. The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds of the City, and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

Section 8. The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

Section 9. During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, the same tax that would have been levied if the Bonds had been issued without the prior issuance of the Notes. The tax shall be within the ten-mill limitation imposed by law, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Notes or the Bonds when and as the same fall due. In each year, to the extent money from the municipal income tax is available for the payment of the debt charges on the Notes and Bonds and is appropriated for that purpose, the amount of the tax shall be reduced by the amount of the money so available and appropriated in compliance with the covenant hereinafter set forth. To the extent necessary, the debt charges on the Notes and Bonds shall be paid from municipal income taxes lawfully available therefor under the Constitution and

laws of the State of Ohio and the Charter of the City; and the City hereby covenants, subject and pursuant to such authority, including particularly Sections 133.05(B)(7) and 5705.51(A)(5) and (D) of the Revised Code, to appropriate annually from such municipal income taxes such amount as is necessary to meet such annual debt charges. Nothing in this paragraph in any way diminishes the pledge of the full faith and credit and property taxing power of the City to the prompt payment of the debt charges on the Notes.

Section 10. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Notes in such manner and to such extent as may be necessary so that (a) the Notes will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as bonds to which Section 104(a) of the Code applies, and (b) the interest on the Notes will not be treated as an item of tax preference under Section 57 of the Code.

The City further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, and (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The City hereby represents that the Outstanding Notes were designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code. The City hereby covenants that it will redeem the Outstanding Notes from proceeds of, and within 90 days after issuance of, the Notes, and represents that all other conditions are met for treating an amount of the Notes not in excess of the amount of the Outstanding Notes as "qualified tax-exempt obligations" and as not to be taken into account under subparagraph (D) of Section 265(b)(3) of the Code, without necessity for further designation, by reason of subparagraph (D)(ii) of Section 265(b)(3) of the Code. Any amount of the Notes in excess of the amount of the Outstanding Notes, determined in accordance with Section 265(b)(3) of the Code (the Designated Amount), is hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. In that connection, the City hereby represents and covenants that it, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, in or during the calendar year in which the Notes are issued, (i) have not issued and will not issue tax-exempt obligations designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, including the Designated Amount of the Notes, in an aggregate amount in excess of

\$10,000,000, and (ii) have not issued, do not reasonably anticipate issuing, and will not issue, tax-exempt obligations (including the Designated Amount of the Notes, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and excluding refunding obligations that are not advance refunding obligations as defined in Section 149(d)(5) of the Code) in an aggregate amount exceeding \$10,000,000, unless the City first obtains a written opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not adversely affect the status of the Notes as "qualified tax-exempt obligations". Further, the City represents and covenants that, during any time or in any manner as might affect the status of the Notes as "qualified tax-exempt obligations", it has not formed or participated in the formation of, or benefited from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The City further represents that the Notes are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax-exempt obligations of different issuers.

The Finance Director, as the fiscal officer, or any other officer of the City having responsibility for issuance of the Notes is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Notes as the City is permitted to or required to make or give under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments or penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes, and (c) to give one or more appropriate certificates of the City, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Notes.

Each covenant made in this section with respect to the Notes is also made with respect to all issues any portion of the debt service on which is paid from proceeds of the Notes (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the Notes from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with

respect to those issues as they are authorized in this section to take with respect to the Notes.

Section 11. The Finance Director is directed to deliver a certified copy of this Ordinance to the County Auditor of Lorain County.

Section 12. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City of Oberlin have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

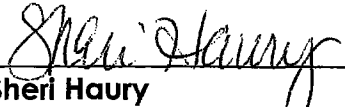
Section 13. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal actions, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

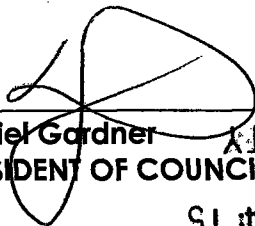
Section 14. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio, or to provide for the usual daily operation of a municipal department, to wit:

"in order to sell the Notes at the earliest possible date to enable the City to retire the Outstanding Notes and thereby preserve its credit", and shall take effect immediately upon passage.

PASSED: 1st Reading – March 19, 2007 (E)
2nd Reading –
3rd Reading –

ATTEST:


Sheri Haury
INTERIM CLERK OF COUNCIL


Daniel Gardner
PRESIDENT OF COUNCIL

2007 MAR 20 P 4 15

RECEIVED

Page 8 – Ordinance No. 07-35

POSTED: March 20, 2007

EFFECTIVE DATE: March 20, 2007

s:/ORD07-35.RenewalNotes.ServiceComplex

TAX COMPLIANCE CERTIFICATE

Pertaining to

City of Oberlin, Ohio
\$4,200,000 Municipal Service Center Complex Notes, Series 2007
Dated April 17, 2007

The City of Oberlin, Ohio ("Issuer"), by its officer signing this Certificate, certifies, represents, and covenants as follows with respect to the captioned obligations (the "Issue"). All statements in this Certificate are of facts or, as to events to occur in the future, reasonable expectations.

I. DEFINITIONS

1.10 Attachment A. The definitions and cross-references set forth in Attachment A apply to this Certificate and its Attachments. All capitalized terms relating to a particular issue, such as Sale Proceeds, relate to the Issue, unless indicated otherwise. (For example, "Sale Proceeds" refers to Sale Proceeds of the Issue, unless indicated otherwise.)

1.20 Special Definitions. In addition, the following definitions apply to this Certificate and its Attachments:

"Bond Fund" means the portion of the Issuer's Bond Retirement Fund that is properly allocable to the Issue.

"Prior Issue" means the Issuer's \$4,200,000 Municipal Service Center Complex Notes, Series 2006, \$4,200,000 of which is now outstanding, the Issuance Date of which was April 21, 2006, and all of the remaining Debt Service on which will be paid on April 19, 2007.

"Project" means constructing, furnishing, equipping, and otherwise improving a municipal service center complex, including access roadways and all necessary utilities and appurtenances, and clearing and improving its site, and includes interest on the Prior Issue or the Issue for up to three years from the Issuance Date of the Prior Issue or, if later, one year after the date the Project is or was placed in service, all of which are governmental purposes for purposes of the Code.

"Underwriter" means Seasongood & Mayer, LLC, Cincinnati, Ohio.

Reference to a Section means a section of the Code. Reference by number only (for example, "2.10") means that numbered paragraph of this Certificate. Reference to an Attachment means an attachment to this Certificate.

II. ISSUE DATA

2.10 **Issuer.** The Issuer is a Governmental Unit.

2.20 **Purpose of Issue.** The Issue is being issued to provide funds to (A) currently refund the Prior Issue and (B) pay Issuance Costs.

2.30 **Dates.** The Sale Date is April 10, 2007, and the Issuance Date is April 17, 2007. The final maturity date of the Issue is September 17, 2007.

2.40 **Issue Price.** The Issue Price is set forth in Attachment B and is computed as follows:

Par amount	\$4,200,000.00
Net original issue premium or (discount)	5,502.00
Pre-Issuance Accrued Interest	<u>0.00</u>
Issue Price	<u>\$4,205,502.00</u>

2.50 **Sale Proceeds, Net Proceeds and Net Sale Proceeds.** The Sale Proceeds, Net Proceeds and Net Sale Proceeds are as follows:

Issue Price	\$4,205,502.00
Pre-Issuance Accrued Interest	<u>(0.00)</u>
Sale Proceeds	\$4,205,502.00
Deposit to Reserve Fund	<u>(0.00)</u>
Net Proceeds	\$4,205,502.00
Minor Portion	<u>(100,000.00)</u>
Net Sale Proceeds	<u>\$4,105,502.00</u>

2.60 **Disposition of Sale Proceeds and Pre-Issuance Accrued Interest.** There is no Pre-Issuance Accrued Interest. The Sale Proceeds will be applied as follows:

To retire the Prior Issue	\$4,200,000.00
To pay Underwriter's discount	1,680.00
To the Bond Fund	<u>3,822.00</u>
Total Sale Proceeds	<u>\$4,205,502.00</u>

2.70 **Higher Yielding Investments.** Gross Proceeds will not be invested in Higher Yielding Investments except for (A) those Gross Proceeds identified in 3.10, 3.20, and 3.30, but only during the applicable Temporary Periods there described for those Gross Proceeds, and (B) the Minor Portion to the extent provided in 3.70.

2.80 Single Issue. All of the obligations of the Issue were sold on the Sale Date pursuant to the same plan of financing and are expected to be paid from substantially the same source of funds. Whether obligations are expected to be paid from substantially the same source of funds is determined without regard to guarantees from a person who is not a Related Party to the Issuer. Accordingly, all of the obligations of the Issue constitute a single “issue” for federal income tax purposes. No obligations, other than those comprising the Issue, have been or will be sold less than 15 days before or after the Sale Date that are expected to be paid from substantially the same source of funds as the Issue. Accordingly, no obligations other than those comprising the Issue are a part of a single issue with the Issue.

2.90 Qualified Tax-Exempt Obligations.

(A) **“Deemed Designated” Portion.** The Issue, to the extent the amount thereof does not exceed the outstanding amount of the Prior Issue, is deemed designated as “Qualified Tax-Exempt Obligations” for purposes of Section 265(b)(3) because (i) the Prior Issue was designated as Qualified Tax-Exempt Obligations, (ii) such amount of the Issue does not exceed the outstanding amount of the Prior Issue, (iii) the average maturity date of the Issue is not later than the average maturity date of the Prior Issue, or the average maturity date of the Prior Issue was three years or less, and (iv) the maturity date of the Issue is not later than 30 years after the Issuance Date of the Prior Issue.

(B) **“Designated” Portion.** Except to the extent that obligations of the Issue are deemed designated as such (see 2.90(A)), the Issue has been designated by the Issuer as Qualified Tax-Exempt Obligations. In that connection, the Issuer represents and covenants that it, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, during the current calendar year, (A) have not issued and will not issue Tax-Exempt Obligations designated as Qualified Tax-Exempt Obligations in an aggregate amount, including the Issue, exceeding \$10,000,000, and (B) have not issued, do not reasonably anticipate issuing, and will not issue, Tax-Exempt Obligations in an aggregate amount exceeding \$10,000,000 (including the Issue (subject to (ii) below), but excluding (i) Private Activity Bonds that are not Qualified 501(c)(3) Bonds and (ii) Current Refunding Issues to the extent that the amount of the Current Refunding Issue does not exceed the outstanding amount of the obligations that it refunds), unless the Issuer first obtains a written opinion of the bond counsel approving the Issue that such designation or issuance, as applicable, will not adversely affect the status of the Issue as Qualified Tax-Exempt Obligations.

(C) The Issuer represents and covenants that, during any time or in any manner as might affect the status of the Issue as Qualified Tax-Exempt Obligations, no entity has been or will be formed or availed of in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3). The Issuer further represents that the Issue is not being issued as part of a direct or indirect composite issue that combines issues or lots of Tax-Exempt Obligations of different issuers.

(D) For purposes of this 2.90, “amount” means the Issue Price of the issue, determined without regard to Pre-Issuance Accrued Interest.

III. ARBITRAGE (NONREBATE) MATTERS

3.10 Use of Sale Proceeds and Pre-Issuance Accrued Interest; Temporary Periods; Transferred Proceeds.

(A) **Pre-Issuance Accrued Interest and Original Issue Premium.** There is no Pre-Issuance Accrued Interest. Original issue premium in the amount of \$1,680.00 will be retained by the Underwriter as its compensation and to pay certain expenses of the Underwriter, and original issue premium in the amount of \$3,822.00 will be deposited in the Bond Fund and, together with the investment earnings thereon, used to pay Debt Service within one year from the Issuance Date, such period being the Temporary Period for those amounts.

(B) Refunding of Prior Issue.

(1) Sale Proceeds in the amount of \$4,200,000, together with other proceeds available to the Issuer, will be used on April 19, 2007, to retire the Prior Issue, the period from the Issuance Date to such use being the Temporary Period for those Sale Proceeds.

(2) All of the Net Sale Proceeds of the Prior Issue have been or will be spent on the Project. Any unspent Net Sale Proceeds of the Prior Issue will be spent within three years from the Issuance Date of the Prior Issue, which three year period is the Temporary Period for those remaining Net Sale Proceeds because the following requirements were and are satisfied:

(i) At least 85% of the Net Sale Proceeds of the Prior Issue will be allocated to expenditures on the Project by the end of the Temporary Period for such Net Sale Proceeds

(ii) The Issuer incurred, within six months after the Issuance Date of the Prior Issue, substantial binding obligations to one or more third parties to expend at least 5% of the Net Sale Proceeds of the Prior Issue on the Project.

(iii) Completion of the Project and allocation of the Net Sale Proceeds of the Prior Issue to expenditures has proceeded and will proceed with due diligence to completion.

(3) There are no Replacement Proceeds of the Prior Issue.

3.20 Investment Proceeds. Any Investment Proceeds that will be used to pay Debt Service on the Prior Issue will be so used on the date all remaining Debt Service on the Prior Issue is paid and any other Investment Proceeds will be spent within one year after receipt of those Investment Proceeds, such periods being the Temporary Periods for those Investment Proceeds.

Any unspent Investment Proceeds of the Prior Issue will be used to pay costs of the Project by the later of the Temporary Period identified in 3.10(B)(2) or one year after receipt of those Investment Proceeds, being the Temporary Period for those Investment Proceeds.

3.30 Bond Fund. The Bond Fund is a Bona Fide Debt Service Fund. Amounts deposited from time to time in the Bond Fund will be used to pay Debt Service within 13 months after the amounts are so deposited, such period being the Temporary Period for such amounts.

3.40 No Other Replacement Fund or Assured Available Funds. The Issuer has not established and does not expect to establish or use any sinking fund, debt service fund, redemption fund, reserve or replacement fund, or similar fund, or any other fund to pay Debt Service other than the Bond Fund. Except for money referred to in 3.30 and Proceeds of a Refunding Issue, if any, no other money or Investment Property is or will be pledged as collateral or used for the payment of Debt Service (or for the reimbursement of any others who may provide money to pay that Debt Service), or is or will be restricted, dedicated, encumbered, or set aside in any way as to afford the holders of the Issue reasonable assurance of the availability of such money or Investment Property to pay Debt Service.

3.50 No Overissuance. The Proceeds are not reasonably expected to exceed the amount needed for the governmental purposes of the Issue as set forth in 2.20.

3.60 Other Uses of Proceeds Negated. Except as stated otherwise in this Certificate, none of the Proceeds will be used:

(A) to pay principal of or interest on, refund, renew, roll over, retire, or replace any other obligations issued by or on behalf of the Issuer or any other Governmental Unit,

(B) to replace any Proceeds of another issue that were not expended on the project for which such other issue was issued,

(C) to replace any money that was or will be used directly or indirectly to acquire Higher Yielding Investments,

(D) to make a loan to any person or other Governmental Unit,

(E) to pay any Working Capital Expenditures other than expenditures identified in Regulations §1.148-6(d)(3)(ii)(A) and (B) (i.e., Issuance Costs, Qualified Administrative Costs, reasonable charges for a Qualified Guarantee or for a Qualified Hedge, interest on the Issue for a period commencing on the Issuance Date and ending on the date that is the later of three years from such Issuance Date or one year after the date on which the project financed or refinanced by the Issue is Placed in Service, payments of the Rebate Amount, costs, other than those already described, that do not exceed 5% of the Sale Proceeds and that are directly related to Capital Expenditures financed or deemed financed by the Current Refunding Portion and the New Money Portion, principal or interest on an issue paid from unexpected excess Sale Proceeds or Investment Proceeds, principal or interest on an issue paid from investment earnings on a reserve or replacement fund that are deposited in a Bona Fide Debt Service Fund, and expenditures for extraordinary, nonrecurring items that are not customarily

payable from current revenues, such as casualty losses or extraordinary legal judgments in amounts in excess of reasonable insurance coverage), or

(F) to reimburse any expenditures made prior to the Issuance Date that do not satisfy the requirements for a Reimbursement Allocation.

No portion of the Issue is being issued solely for the purpose of investing Proceeds in Higher Yielding Investments.

3.70 Minor Portion. The Minor Portion of \$100,000 may be invested in Higher Yielding Investments.

3.80 No Other Replacement Proceeds. That portion of the Issue that is to be used to refinance Capital Expenditures has a weighted average maturity that does not exceed 120% of the weighted average reasonably expected economic life of the property resulting from such Capital Expenditures.

IV. REBATE MATTERS

4.10. Small Issuer Exception. The Issue is exempt under Section 148(f)(4)(D) from the rebate requirement because the following requirements are satisfied.

(A) The Issuer is a Governmental Unit with general taxing powers within the meaning of Section 148(f)(4)(D).

(B) No part of the Prior Issue or the Issue was or is a Private Activity Bond.

(C) All of the Net Proceeds of the Prior Issue and the Issue were used or will be used for "local governmental activities" of the Issuer (including, in the case of the Issue, paying Debt Service on the Prior Issue) within the meaning of Section 148(f)(4)(D) and none of the Net Proceeds of the Prior Issue or the Issue were used or will be used for any Private Business Use.

(D) The aggregate principal amount of all Tax-Exempt Obligations issued in the calendar year in which the Prior Issue was issued by the Issuer, its subordinate entities, and entities that issue any such obligations on behalf of the Issuer, or on behalf of which the Issuer issues any such obligations, did not exceed \$5,000,000. The Tax-Exempt Obligations taken into account for this purpose include the Prior Issue but exclude any Private Activity Bonds and any Current Refunding Issue to the extent the amount of such Current Refunding Issue did not exceed the outstanding amount of the obligations it refunded. No entity was formed or availed of to avoid the purposes of Section 148(f)(4)(D)(i)(IV). For purposes of this 4.10(D), if an issue of Tax-Exempt Obligations was issued with original issue discount or premium of more than 2% (except original issue premium that is attributable exclusively to reasonable Underwriter's compensation), the term "aggregate principal amount" as applied to that issue means the Issue Price of that issue, determined without regard to Pre-Issuance Accrued Interest.

(E) The aggregate face amount of the Issue does not exceed \$5,000,000.

(F) The Prior Issue qualified for the “small issuer rebate exception” of Section 148(f)(4)(D).

(G) The average maturity date of the Issue is not later than the average maturity date of the Prior Issue, or the average maturity date of the Prior Issue was three years or less.

(H) No obligation of the Issue has a maturity date that is later than 30 years after the Issuance Date of the Prior Issue.

V. OTHER TAX MATTERS

5.10 Not Private Activity Bonds or Pool Bonds. No obligation of the Issue will be a Private Activity Bond or a pooled financing bond (within the meaning of Section 149(f)), based on the following:

(A) Not more than 5% of the Proceeds, if any, directly or indirectly, will be used for a Private Business Use and not more than 5%, if any, of the Debt Service, directly or indirectly, will be derived from or secured by Private Security or Payments. In measuring the use of Proceeds for a Private Business Use and the amount of Private Security or Payments, the use of Proceeds of all Prior Issues and the amount of Private Security or Payments with respect to all Prior Issues are taken into account in accordance with Reg. §1.148-13.

(B) Less than 5% or \$5,000,000, whichever is less, of the Proceeds, if any, will be used to make or finance loans to any Private Person or Governmental Unit other than the Issuer.

(C) The lesser of the Proceeds that are being or will be used for any Private Business Use or the Proceeds with respect to which there are or will be Private Security or Payments does not exceed \$15,000,000 and none of the Proceeds will be used with respect to an “output facility” (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4).

5.20 Disposition of Property. The Issuer does not intend to sell or otherwise dispose of the New Money Project or the Project or any portion thereof during the term of the Issue except for dispositions of property in the normal course at the end of such property’s useful life to the Issuer. With respect to tangible personal property, if any, that is part of the Project financed or refinanced by the Issue, the Issuer reasonably expects that:

(A) Dispositions of such tangible personal property, if any, will be in the ordinary course of an established governmental program;

(B) The weighted average maturity of the bonds of the Issue financing or refinancing such property (treating the bonds of the Issue properly allocable to such personal property, as a separate issue for this purpose) will not be greater than 120% of the reasonably expected actual use of such property for governmental purposes;

(C) The fair market value of such property on the date of disposition will not be greater than 25% of its cost;

(D) The property will no longer be suitable for its governmental purposes on the date of disposition; and

(E) The amounts received from any disposition of such property (i) if a "permanent improvement" for purposes of Section 5705.10 of the Ohio Revised Code, are required to, and will be, deposited in the Issuer's bond retirement fund or into a special fund for the construction or acquisition of permanent improvements, or (ii) otherwise, are required to, and will, be deposited in the fund of the Issuer from which the property was acquired or is maintained, or, if there is no such fund, in the Issuer's general fund, and may be commingled with substantial tax or other governmental revenues, and will be spent on governmental programs within 6 months from the date of such deposit, and commingling, if applicable.

5.30 Issue Not Federally Guaranteed. The Issue is not Federally Guaranteed.

5.40 Not Hedge Bonds. It was reasonably expected on the Issuance Date of the Prior Issue that not less than 85% of the Spendable Proceeds of the Prior Issue would be used, and such amounts were or will be used, to carry out the governmental purposes of such issue within three years from the Issuance Date thereof. Not more than 50%, if any, of the Proceeds of the Prior Issue were invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more (including but not limited to any investment contract or fixed Yield investment having a maturity of four years or more). The reasonable expectations stated above were not and are not based on and do not take into account (A) any expectations or assumptions as to the occurrence of changes in market interest rates or changes of federal tax law or regulations or rulings thereunder or (B) any prepayments of items other than items that are customarily prepaid.

5.50 Hedge Contracts. The Issuer has not entered into, and does not reasonably expect to enter into, any Hedge with respect to the Issue, or any portion thereof. The Issuer acknowledges that entering into a Hedge with respect to the Issue, or any portion thereof, may change the Yield and that bond counsel should be contacted prior to entering into any Hedge with respect to the Issue in order to determine whether payments/receipts pursuant to the Hedge are to be taken into account in computing the Yield on the Issue.

5.60 Internal Revenue Service Information Return. Within the time and on the form prescribed by the Internal Revenue Service under Section 149(e), the Issuer will file with the Internal Revenue Service an Information Return setting forth the required information relating to the Issue. The information reported on that Information Return will be true, correct and complete to the best of the knowledge and belief of the undersigned.

5.70 Responsibility of Officer. The officer signing this Certificate is one of the officers of the Issuer responsible for issuing the Issue.

In making the representations in this Certificate, the Issuer relies in part on the representations of the Underwriter set forth in Attachment B. To the best of the knowledge, information, and belief of the undersigned, all expectations stated in this Certificate and in Attachment B are the expectations of the Issuer and are reasonable, all facts stated are true, and

there are no other existing facts, estimates, or circumstances that would or could materially change the statements made in this Certificate or in Attachment B. The certifications and representations made in this Certificate are intended to be relied upon as certifications described in Regulations § 1.148-2(b). The Issuer acknowledges that any change in the facts or expectations from those set forth in this Certificate or in Attachment B may result in different requirements or a change in status of the Issue or interest thereon under the Code, and that bond counsel should be contacted if such changes are to occur or have occurred.

The date of this Certificate is April 17, 2007.

CITY OF OBERLIN, OHIO

By: 
Finance Director

List of Attachments

Attachment A -- Definitions for Tax Compliance Certificate

Attachment B -- Underwriter's Certificate

Attachment A

Definitions for Tax Compliance Certificate

The following terms, as used in Attachment A and in the Tax Compliance Certificate to which it is attached and in the other Attachments to the Tax Compliance Certificate, have the following meanings unless therein otherwise defined or unless a different meaning is indicated by the context in which the term is used. Capitalized terms used within these definitions that are not defined in Attachment A have the meanings ascribed to them in the Tax Compliance Certificate to which this Attachment A is attached. The word "Issue," in lower case, refers either to the Issue or to another issue of obligations or portion thereof treated as a separate issue for the applicable purposes of Section 148, as the context requires. The word "obligation" or "obligations," in lower case, includes any obligation, whether in the form of bonds, notes, certificates, or any other obligation that is a "bond" within the meaning of Section 150(a)(1). All capitalized terms used in this Certificate include either the singular or the plural. All terms used in this Attachment A or in the Tax Compliance Certificate to which this Attachment A is attached, including terms specifically defined, shall be interpreted in a manner consistent with Sections 103 and 141-150 and the applicable Regulations thereunder except as otherwise specified. All references to Section, unless otherwise noted, refer to the Code.

"Advance Refunding Issue" means any Refunding Issue that is not a Current Refunding Issue.

"Advance Refunding Portion" means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as an Advance Refunding Issue if it had been issued as a separate issue.

"Available Construction Proceeds" means an amount equal to (a) the sum of (i) the Issue Price of an issue, (ii) Investment Proceeds on that Issue Price, (iii) earnings on any reasonably required reserve or replacement fund allocable to the issue not funded from the Issue Price, and (iv) Investment Proceeds and earnings on (ii) and (iii), (b) reduced by the portions, if any, of the Issue Price of the issue (i) attributable to Pre-Issuance Accrued Interest and earnings thereon, (ii) allocable to the underwriter's discount, (iii) used to pay other Issuance Costs of the issue, and (iv) deposited in a reasonably required reserve or replacement fund allocable to the issue. "Available Construction Proceeds" does not include Investment Proceeds or earnings on a reasonably required reserve or replacement fund allocable to the issue for any period after the earlier of (a) the close of the 2-year period that begins on the Issuance Date or (b) the date the construction of the project financed by the issue is substantially completed, provided, however, that such Investment Proceeds or earnings shall be excluded from "Available Construction Proceeds" if the Issuer has timely elected such exclusion. If an issue is a Multipurpose Issue that includes a New Money Portion that is a Construction Issue, this definition shall be applied by substituting "New Money Portion" for "issue" each place the latter term appears. If an issue or the New Money Portion of a Multipurpose Issue, as applicable, is not a Construction Issue, and the Issuer makes the bifurcation election under Regulations §1.148-7(j)(1) and Section 148(f)(4)(C)(v) to treat the issue or the New Money Portion as two separate issues consisting of the Construction Portion and the

Nonconstruction Portion, this definition shall be applied by substituting "Construction Portion" for "issue" each place the latter term appears.

"Bifurcated Issue" means a New Money Issue or the New Money Portion of a Multipurpose Issue that the Issuer, pursuant to Section 148(f)(4)(C)(v) and Regulations §1.148-7(j), has elected in its Tax Compliance Certificate to bifurcate into a Construction Portion, which finances 100% of the Construction Expenditures, and a Nonconstruction Portion.

"Bona Fide Debt Service Fund" means a fund, including a portion of or an account in that fund (or in the case of a fund established for two or more issues, the portion of that fund properly allocable to an issue), or a combination of such funds, accounts or portions that is used primarily to achieve a proper matching of revenues with Debt Service on an issue within each Bond Year and that is depleted at least once each year except for a reasonable carryover amount not to exceed the greater of the earnings thereon for the immediately preceding Bond Year or one-twelfth of the annual Debt Service on the issue for the immediately preceding Bond Year.

"Bond Counsel's Opinion" or "Opinion of Bond Counsel" means an opinion or opinions of a nationally recognized bond counsel firm whose opinion is given with respect to the Issue when issued, or its successors or other nationally recognized bond counsel appointed by the Issuer.

"Bond Year" means the annual period relevant to the application of Section 148(f) to an issue, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the Issuance Date of an issue unless the Issuer selects another date on which to end a Bond Year in the manner permitted by the Code.

"Capital Expenditures" means costs of a type that are properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal income tax principles, including capitalized interest computed taking into account the Placed in Service date.

"Code" means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

"Commingled Fund" means any fund or account of the Issuer that contains both Gross Proceeds of an issue and amounts in excess of \$25,000 that are not Gross Proceeds of the issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of funds deposited in the fund or account.

"Commingled Investment Proceeds" means Investment Proceeds of an issue (other than Investment Proceeds held in a Refunding Escrow) that are deposited in a Commingled Fund with substantial tax or other revenues from governmental operations of the Issuer and that are

reasonably expected to be spent for governmental purposes within 6 months from the date of deposit in the Commingled Fund, using any reasonable accounting assumptions.

“Computational Base” means the amount of Gross Proceeds the Issuer or Conduit Borrower reasonably expects, as of the date a Guaranteed Investment Contract is required, to be deposited in that Guaranteed Investment Contract over its term.

“Computation Date” means each date on which the Rebate Amount for an issue is required to be computed under Regulations §1.148-3(e). In the case of a Fixed Yield Issue, the first Computation Date shall not be later than five years after the Issuance Date of the issue. Subsequent Computation Dates shall be not later than five years after the immediately preceding Computation Date for which an installment payment of the Rebate Amount was paid. In the case of a Variable Yield Issue, the first Computation Date shall be the last day of any Bond Year irrevocably selected by the Issuer ending on or before the fifth anniversary of the Issuance Date of such issue and subsequent Computation Dates shall be the last day of each Bond Year thereafter or each fifth Bond Year thereafter, whichever is irrevocably selected by the Issuer after the first date on which any portion of the Rebate Amount is required to be paid to the United States. The final Computation Date is the date an issue is retired.

“Conduit Borrower” means the obligor on a purpose investment.

“Conduit Financing Issue” means an issue the Proceeds of which are reasonably expected to be used to finance one or more Conduit Loans.

“Conduit Loan” means a purpose investment acquired by the Issuer with Proceeds of a Conduit Financing Issue, thereby effecting a loan to the Conduit Borrower.

“Construction Expenditures” means Capital Expenditures allocable to the cost of real property (including the construction or making of improvements to real property, but excluding acquisitions of interests in land or other existing real property) or constructed personal property within the meaning of Regulations §1.148-7(g).

“Construction Issue” means an issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization. If an issue is a Multipurpose Issue that includes a New Money Portion, this definition shall be applied by substituting “New Money Portion” for “Construction Issue” each place the latter term appears. If an election under Section 148(f)(4)(C)(v) and Regulations §1.148-7(j) is made to bifurcate an issue or the New Money Portion of a Multipurpose Issue, this definition shall be applied by substituting “Construction Portion” for “Construction Issue” each place the latter term appears.

“Construction Portion” means that portion of an issue or the New Money Portion of a Multipurpose Issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization and that finances 100% of the Construction Expenditures.

“Controlled Group” means a group of entities controlled directly or indirectly by the same entity or group of entities within the meaning of Regulations §1.150-1(e).

“Current Refunding Issue” means a Refunding Issue that is issued not more than 90 days before the last expenditure of any Proceeds of the Refunding Issue for the payment of Debt Service on the Refunded Bonds.

“Current Refunding Portion” means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as a Current Refunding Issue if it had been issued as a separate issue.

“Debt Service” means principal of and interest and any redemption premium on an issue.

“Excess Gross Proceeds” means all Gross Proceeds of an Advance Refunding Issue that exceed an amount equal to 1% of the Sale Proceeds of such Advance Refunding Issue, other than Gross Proceeds allocable to: (a) payment of Debt Service on the Refunded Bonds; (b) payment of Pre-Issuance Accrued Interest on the Advance Refunding Issue and interest on the Advance Refunding Issue that accrues for a period up to the completion date of any capital project financed by the Prior Issue, plus one year; (c) a reasonably required reserve or replacement fund for the Advance Refunding Issue or Investment Proceeds of such fund; (d) payment of Issuance Costs of the Advance Refunding Issue; (e) payment of administrative costs allocable to repaying the Refunded Bonds, carrying and repaying the Advance Refunding Issue, or investments of the Advance Refunding Issue; (f) Transferred Proceeds allocable to expenditures for the governmental purpose of the Prior Issue (treating for this purpose all unspent Proceeds of the Prior Issue properly allocable to the Refunded Bonds as of the Issuance Date of the Advance Refunding Issue as Transferred Proceeds); (g) interest on purpose investments; (h) Replacement Proceeds in a sinking fund for the Advance Refunding Issue; and (i) fees for a Qualified Guarantee for the Advance Refunding Issue or the Prior Issue. If an Issue is a Multipurpose Issue that includes an Advance Refunding Portion, this definition shall be applied by substituting “Advance Refunding Portion” for “Advance Refunding Issue” each place the latter term appears.

“Federally Guaranteed” means that (a) the payment of Debt Service on an issue, or the payment of principal or interest with respect to any loans made from the Proceeds of the issue, is directly or indirectly guaranteed in whole or in part by the United States or by an agency or instrumentality of the United States, within the meaning of Section 149(b), or (b) more than 5% of the Proceeds of an issue will be invested directly or indirectly in federally insured deposits or accounts. The preceding sentence does not apply to (a) Proceeds invested during an initial Temporary Period until such Proceeds are needed to pay costs of the project, (b) investments of a Bona Fide Debt Service Fund, (c) direct purchases from the United States of obligations issued by the United States Treasury, or (d) other investments permitted by Section 149(b) or Regulations §1.149(b)-1(b).

“501(c)(3) Organization” means an organization described in Section 501(c)(3) and exempt from tax under Section 501(a).

“Fixed Yield Issue” means an issue of obligations the Yield on which is fixed and determinable on the Issuance Date.

“Future Value” means the value of a Payment or Receipt at the end of a period determined using the economic accrual method as the value of that Payment or Receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the Yield on the applicable issue, using the same compounding interval and financial conventions that were used to compute that Yield.

“Guaranteed Investment Contract” means any Nonpurpose Investment that has specifically negotiated withdrawal or retirement provisions and a specifically negotiated interest rate and any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

“Governmental Unit” means a state, territory or possession of the United States, the District of Columbia, or any political subdivision thereof referred to as a “State or local governmental unit” in Regulations §1.103-1(a). “Governmental Unit” does not include the United States or any agency or instrumentality of the United States.

“Gross Proceeds” means Proceeds and Replacement Proceeds of an issue.

“Hedge” means a contract entered into by the Issuer or the Conduit Borrower primarily to modify the Issuer’s or the Conduit Borrower’s risk of interest rate changes with respect to an obligation (e.g., an interest rate swap, an interest rate cap, a futures contract, a forward contract or an option).

“Higher Yielding Investments” means any Investment Property that produces a Yield that (a) in the case of Investment Property allocable to Replacement Proceeds of an issue and Investment Property in a Refunding Escrow, is more than one thousandth of one percentage point (.00001) higher than the Yield on the applicable issue, and (b) for all other purposes is more than one-eighth of one percentage point (.00125) higher than the Yield on the issue.

“Investment Proceeds” means any amounts actually or constructively received from investing Proceeds of an issue in Investment Property.

“Investment Property” means investment property within the meaning of Sections 148(b)(2) and 148(b)(3), including any security (within the meaning of Section 165(g)(2)(A) or (B)), any obligation, any annuity contract and any other investment-type property (including certain residential rental property for family units as described in Section 148(b)(2)(E) in the case of any bond other than a Private Activity Bond). Investment Property includes a Tax-Exempt Obligation that is a “specified private activity bond” as defined in Section 57(a)(5)(C), but does not include other Tax-Exempt Obligations.

“Issuance Costs” means costs to the extent incurred in connection with, and allocable to, the issuance of an issue, and includes underwriter’s compensation withheld from the Issue Price, counsel fees, financial advisory fees, rating agency fees, trustee fees, paying agent fees, bond registrar, certification and authentication fees, accounting fees, printing costs for bonds and

offering documents, public approval process costs, engineering and feasibility study costs, guarantee fees other than for a Qualified Guarantee and similar costs, but does not include fees charged by the Issuer.

“Issuance Date” means the date of physical delivery of an issue by the Issuer in exchange for the purchase price of the issue.

“Issue Price” means in the circumstances applicable to an issue:

(1) **Public Offering.** In the case of obligations actually offered to the general public in a bona fide public offering at the initial offering price for each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, the aggregate of the initial offering price for each maturity (including any Pre-Issuance Accrued Interest and taking into account any original issue premium and original issue discount), which price is not more than the fair market value thereof as of the Sale Date, and at which initial offering price not less than 10% of the principal amount of each maturity, as of the Sale Date, was sold or reasonably expected to be sold (other than to bond houses, brokers or other intermediaries). In the case of publicly offered obligations that are not described in the preceding sentence, Issue Price means the aggregate of the initial offering price to the public of each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, at which initial offering price not less than 10% of the principal amount of each maturity was sold to the public. Notwithstanding the foregoing, in no event shall the Issue Price of an issue exceed the fair market value of the issue as of the Sale Date thereof.

(2) **Private Placement.** In the case of obligations sold by private placement, the aggregate of the prices (including any Pre-Issuance Accrued Interest and original issue premium, but excluding any original issue discount) paid to the Issuer by the first purchaser(s) (other than bond houses, brokers or other intermediaries). Notwithstanding the foregoing, in no event shall the Issue Price of an issue exceed the fair market value of the issue as of the Sale Date thereof.

“Minor Portion” means an amount equal to the lesser of \$100,000 or 5% of the Sale Proceeds of an issue.

“Multipurpose Issue” means an issue the bonds of which are allocable to two or more separate governmental purposes within the meaning of Regulations §1.148-9(h).

“Net Proceeds” means the Sale Proceeds of an issue less the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue.

“Net Sale Proceeds” means the Sale Proceeds of an issue less (a) the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue and (b) the portion invested as a part of a Minor Portion for the issue.

“New Money Issue” means an issue that is not a Refunding Issue.

“New Money Portion” means that portion of a Multipurpose Issue other than the Refunding Portion.

“Nonconstruction Portion” means that portion of a New Money Issue or of the New Money Portion other than the Construction Portion.

“Nonpurpose Investments” means any Investment Property that is acquired with Gross Proceeds as an investment and not in carrying out any governmental purpose of an issue. “Nonpurpose Investments” does not include any investment that is not regarded as “investment property” or a “nonpurpose investment” for the particular purposes of Section 148 (such as certain investments in U.S. Treasury obligations in the State and Local Government Series and certain temporary investments), but does include any other investment that is a “nonpurpose investment” within the applicable meaning of Section 148.

“Payment” means payments actually or constructively made to acquire Nonpurpose Investments, as specified in Regulations §1.148-3(d)(1)(i) through (v).

“Placed in Service” means the date on which, based on all the facts and circumstances, a facility has reached a degree of completion that would permit its operation at substantially its design level and the facility is, in fact, in operation at such level.

“Pre-Issuance Accrued Interest” means interest on an obligation that accrued for a period not greater than one year before its Issuance Date and that will be paid within one year after such Issuance Date.

“Preliminary Expenditures” means any Capital Expenditures that are “preliminary expenditures” within the meaning of Regulations §1.150-2(f)(2), *i.e.*, architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project other than land acquisition, site preparation, and similar costs incident to commencement of construction. The aggregate amount of Preliminary Expenditures may not exceed 20% of the aggregate Issue Price of the issue or issues that financed or are reasonably expected to finance the project for which such Preliminary Expenditures are or were incurred.

“Prior Issue” means an issue of obligations all or a portion of the Debt Service on which is paid or provided for with Proceeds of a Refunding Issue. The Prior Issue may be a Refunding Issue.

“Private Activity Bond” means (a) obligations of an issue more than 10% of the Proceeds of which, directly or indirectly, are or are to be used for a Private Business Use and more than 10% of the Debt Service on which, directly or indirectly, is or is to be paid from or secured by payments with respect to property, or secured by property, used for a Private Business Use, or (b) obligations of an issue, the Proceeds of which are or are to be used to make or finance loans to any Private Person that, in the aggregate, exceed the lesser of 5% of such Proceeds or \$5,000,000. In

the event of Unrelated or Disproportionate Use, the tests in (a) shall be applied by substituting 5% for 10% each place the latter term is used.

“Private Business Use” means use (directly or indirectly) in a trade or business carried on by any Private Person other than use as a member of, and on the same basis as, the general public. Any activity carried on by a Private Person (other than a natural person) shall be treated as a trade or business. In the case of a Qualified 501(c)(3) Bond, Private Business Use excludes use by a 501(c)(3) Organization that is not an unrelated trade or business activity by such 501(c)(3) Organization within the meaning of Section 513(a).

“Private Person” means any natural person or any artificial person, including a corporation, partnership, trust or other entity, other than a Governmental Unit. “Private Person” includes the United States and any agency or instrumentality of the United States.

“Private Security or Payments” means (i) any interest in property used or to be used for a Private Business Use, or in payments in respect of such property, that directly or indirectly secures any payment of principal of, or interest on, an issue, or (ii) payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a Private Business Use from which payments of principal of, or interest on, an issue are directly or indirectly derived, all as determined and measured in accordance with Treasury Regulations Section 1.141-4..

“Proceeds” means any Sale Proceeds, Investment Proceeds, and Transferred Proceeds of an issue. “Proceeds” does not include Replacement Proceeds.

“Qualified Administrative Costs” means the reasonable, direct administrative costs, other than carrying costs, of purchasing or selling Nonpurpose Investments such as separately stated brokerage or selling commissions. Qualified Administrative Costs do not include legal and accounting fees, recordkeeping, custody, and similar costs, general overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs associated with computing the Rebate Amount. In general, Qualified Administrative Costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of Tax-Exempt Obligations.

“Qualified 501(c)(3) Bonds” means an issue of obligations that satisfies the requirements of Section 145(a).

“Qualified Guarantee” means any guarantee of an obligation that constitutes a “qualified guarantee” within the meaning of Regulations §1.148-4(f).

“Qualified Hedge” means a Hedge that is a “qualified hedge” within the meaning of Regulations §1.148-4(h)(2).

“Reasonable Retainage” means an amount, with respect to an issue, not to exceed 5% of the Net Sale Proceeds of the issue, that is retained for reasonable business purposes relating to the property financed with Proceeds of the issue. For example, Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in

which the retained amount is not yet payable, or in which the Issuer reasonably determines that a dispute exists regarding completion or payment.

“Rebate Amount” means the excess of the future value, as of any date, of all receipts on Nonpurpose Investments acquired with Gross Proceeds of an issue over the future value, as of that date, of all payments on those Nonpurpose Investments, computed in accordance with Section 148(f) and Regulations §1.148-3.

“Rebate Analyst” means an independent individual, firm or entity experienced in the computation of the Rebate Amount pursuant to Section 148(f).

“Receipt” means amounts actually or constructively received from Nonpurpose Investments as specified in Regulations §1.148-3(d)(2)(i) through (iii).

“Refunded Bonds” means obligations of a Prior Issue the Debt Service on which is or is to be paid from Proceeds of a Refunding Issue.

“Refunding Bonds” means obligations of a Refunding Issue.

“Refunding Issue” means an issue the Proceeds of which are or are to be used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs of the Refunding Issue.

“Refunding Escrow” means one or more funds established as part of a single transaction, or a series of related transactions, containing Proceeds of a Refunding Issue and any other amounts to be used to pay Debt Service on Refunded Bonds of one or more issues.

“Refunding Portion” means that portion of a Multipurpose Issue the Proceeds of which are, or are to be, used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs properly allocable to the Refunding Portion.

“Regulations” or **“Reg.”** means Treasury Regulations.

“Reimbursement Allocation” means an allocation of the Proceeds of an issue for the reimbursement of Capital Expenditures paid prior to the Issuance Date of such issue that: (a) is evidenced on the books or records of the Issuer maintained with respect to the issue, (b) identifies either actual prior Capital Expenditures, or the fund or account from which the prior Capital Expenditures were paid, (c) evidences the Issuer’s use of Proceeds of the issue to reimburse a Capital Expenditure for a governmental purpose that was originally paid from a source other than the Proceeds of the issue, and (d) satisfies the following requirements: except for Preliminary Expenditures, (i) the Issuer adopted an official intent for the Capital Expenditure that satisfies Regulations §1.150-2(e) prior to, or within 60 days after, payment of the Capital Expenditure, and (ii) the allocation in reimbursement of that Capital Expenditure occurs or will occur within 18 months after the later of the date the Capital Expenditure was paid or the date the project resulting from such Capital Expenditure was Placed in Service or abandoned, but in no event more than 3 years after the Capital Expenditure was paid.

“Related Party” means, in reference to a Governmental Unit or 501(c)(3) Organization, any member of the same Controlled Group and, in reference to any person that is not a Governmental Unit or 501(c)(3) Organization, a “related person” as defined in Section 144(a)(3).

“Replacement Proceeds” means, with respect to an issue, amounts (including any investment income, but excluding any Proceeds of any issue) replaced by Proceeds of that issue within the meaning of Section 148(a)(2). “Replacement Proceeds” includes amounts, other than Proceeds, held in a sinking fund, pledged fund or reserve or replacement fund for an issue.

“Sale Date” means, with respect to an issue, the first date on which there is a binding contract in writing with the Issuer for the sale and purchase of an issue (or of respective obligations of the issue if sold by the Issuer on different dates) on specific terms that are not later modified or adjusted in any material respect.

“Sale Proceeds” means that portion of the Issue Price actually or constructively received by the Issuer upon the sale or other disposition of an issue, including any underwriter’s compensation withheld from the Issue Price, but excluding Pre-Issuance Accrued Interest.

“Spendable Proceeds” means the Net Sale Proceeds of an issue.

“Tax-Exempt Obligation” means any obligation or issue of obligations (including bonds, notes and lease obligations treated for federal income tax purposes as evidences of indebtedness) the interest on which is excluded from gross income for federal income tax purposes within the meaning of Section 150, and includes any obligation or any investment treated as a “tax-exempt bond” for the applicable purpose of Section 148.

“Tax-Exempt Organization” means a Governmental Unit or a 501(c)(3) Organization.

“Temporary Period” means the period of time, as set forth in the Tax Compliance Certificate, applicable to particular categories of Proceeds of an issue during which such category of Proceeds may be invested in Higher Yielding Investments without the issue being treated as arbitrage bonds under Section 148.

“Transferred Proceeds” means that portion of the Proceeds of an issue (including any Transferred Proceeds of that issue) that remains unexpended at the time that any portion of the principal of the Refunded Bonds of that issue is discharged with the Proceeds of a Refunding Issue and that thereupon becomes Proceeds of the Refunding Issue as provided in Regulations §1.148-9(b). “Transferred Proceeds” does not include any Replacement Proceeds.

“Unrelated or Disproportionate Use” means Private Business Use that is not related to or is disproportionate to use by a Governmental Unit within the meaning of Section 141(b)(3) and Regulations §1.141-9.

“Variable Yield Issue” means any Issue that is not a Fixed Yield Issue.

“Working Capital Expenditures” means any costs of a type that do not constitute Capital Expenditures, including current operating expenses.

“Yield” has the meaning assigned to it for purposes of Section 148, and means that discount rate (stated as an annual percentage) that, when used in computing the present worth of all applicable unconditionally payable payments of Debt Service, all payments for a Qualified Guarantee, if any, and payments and receipts with respect to a Qualified Hedge, if any, as required by the Regulations, paid and to be paid with respect to an obligation (paid and to be paid during and attributable to the Yield Period in the case of a Variable Yield Issue), produces an amount equal to (a) the Issue Price in the case of a Fixed Yield Issue or the present value of the Issue Price at the commencement of the applicable Yield Period in the case of a Variable Yield Issue, or (b) the purchase price for yield purposes in the case of Investment Property, all subject to the applicable methods of computation provided for under Section 148, including variations from the foregoing. The Yield on Investment Property in which Proceeds or Replacement Proceeds of an issue are invested is computed on a basis consistent with the computation of Yield on that issue, including the same compounding interval of not more than one year selected by the Issuer.

“Yield Period” means, in the case of the first Yield Period, the period that commences on the Issuance Date and ends at the close of business on the first Computation Date and, in the case of each succeeding Yield Period, the period that begins immediately after the end of the immediately preceding Yield Period and ends at the close of business on the next succeeding Computation Date.

The terms “bond”, “obligation”, “reasonably required reserve or replacement fund”, “reserve or replacement fund”, “loan”, “sinking fund”, “purpose investment”, “same plan of financing”, “other replacement proceeds”, and other terms relating to Code provisions used but not defined in this Certificate shall have the meanings given to them for purposes of Sections 103 and 141 to 150 unless the context indicates another meaning.

(End of Attachment A)

CUSIP
674259

AMOUNT
\$4,200,000

UNITED STATES OF AMERICA

STATE OF OHIO
COUNTY OF LORAIN

CITY OF OBERLIN

MUNICIPAL SERVICE CENTER COMPLEX NOTE, SERIES 2007

The City of Oberlin, in the County of Lorain and State of Ohio, acknowledges itself to owe and for value received hereby promises to pay to Cede & Co., or order, the principal amount of

FOUR MILLION TWO HUNDRED THOUSAND DOLLARS

on September 17, 2007, with interest thereon from the date hereof at the rate of four per centum (4.00%) per annum, payable at maturity. The principal sum and interest thereon are payable in Federal Reserve funds of the United States of America at the designated corporate trust office of The Bank of New York Trust Company, N.A. (the Paying Agent), without deduction for its services as the City's paying agent, upon presentation and surrender of this Note.

This Note is issued in anticipation of the issuance of bonds for the purpose of paying a portion of the costs of constructing, furnishing, equipping, and otherwise improving a municipal service center complex, including access roadways and all necessary utilities and appurtenances, and clearing and improving its site, under authority of, pursuant to and in full compliance with the general laws of the State of Ohio, particularly Chapter 133 of the Revised Code, the Charter of the City, and pursuant to Ordinance No. 07-35 AC CMS, passed by the Council of said City on the 19th day of March, 2007. Unless paid from other sources, the principal of and interest on those bonds are to be paid from the proceeds of the levy of ad valorem taxes on all property in the City subject to ad valorem taxes levied by the City, which taxes are within the ten-mill limitation imposed by law.

It is certified and recited that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of this Note, in order to make it a legal, valid and binding general obligation of said City of Oberlin have been performed and have been met in regular and due form as required by law; that payment in full for the Note has been received; that the full faith and credit of said City are pledged to the timely payment of the principal and interest; and that no statutory or constitutional limitation of indebtedness or taxation has been exceeded in issuing the Note.

In witness whereof, the Council of the City of Oberlin, County and State aforesaid, has caused this Note to be signed in the name of the City and in their official capacities by the Finance Director and the Interim City Manager of the City, all as of the 17th day of April, 2007.


Finance Director


Interim City Manager

Unless this Note is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the School District or the paying agent for registration of transfer, exchange, or payment, and any note issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name City of Oberlin, Ohio	2 Issuer's employer identification number 34 6002073		
3 Number and street (or P.O. box if mail is not delivered to street address) 69 South Main Street	Room/suite	4 Report number 3 01	
5 City, town, or post office, state, and ZIP code Oberlin, Ohio 44074		6 Date of issue 4/17/07	
7 Name of issue Municipal Service Center Complex Notes, Series 2007		8 CUSIP number 674259	
9 Name and title of officer or legal representative whom the IRS may call for more information I. Salvatore Talarico, Finance Director		10 Telephone number of officer or legal representative (440) 775-7210	

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule	
11 <input type="checkbox"/> Education	11
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input type="checkbox"/> Public safety	14
15 <input type="checkbox"/> Environment (including sewage bonds)	15
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input checked="" type="checkbox"/> Other. Describe ► Municipal Service Center Complex	18 \$4,205,502
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input checked="" type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 9/17/07	\$ 4,205,502	\$ 4,200,000	0.4167 years	3.7204 %


Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)	
22 Proceeds used for accrued interest	22 -0-
23 Issue price of entire issue (enter amount from line 21, column (b))	23 \$4,205,502
24 Proceeds used for bond issuance costs (including underwriters' discount)	24 \$1,680
25 Proceeds used for credit enhancement	25 -0-
26 Proceeds allocated to reasonably required reserve or replacement fund	26 -0-
27 Proceeds used to currently refund prior issues	27 \$4,200,000
28 Proceeds used to advance refund prior issues	28 -0-
29 Total (add lines 24 through 28)	29 \$4,201,680
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30 \$3,822

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	0.0056 years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	N/A years
33 Enter the last date on which the refunded bonds will be called	4/19/07
34 Enter the date(s) the refunded bonds were issued	4/21/06

Part VI Miscellaneous	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35 N/A
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a -0-
b Enter the final maturity date of the guaranteed investment contract	
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a -0-
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer and the date of the issue	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box	<input checked="" type="checkbox"/>
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box	<input type="checkbox"/>
40 If the issuer has identified a hedge, check box	<input type="checkbox"/>

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here


Signature of issuer's authorized representative

4/17/07

Date

I. Salvatore Talarico, Finance Director

Type or print name and title

GENERAL FINANCIAL STATEMENT

City of Oberlin, Ohio \$4,200,000 Municipal Service Center Complex Notes, Series 2007


I, the fiscal officer of the City of Oberlin, Ohio (the City), certify that the following statements are true and correct:

1. The tax valuation of the City (as shown by the tax lists and duplicates for the year 2006 which are the latest at this date) \$ 123,341,030
2. (a) Total principal amount of all outstanding bonds and notes of the City, including the captioned issue and excluding any bonds or notes to be retired by the captioned issue(*) \$ 5,659,811
- (b) Of that total, the total of voted and unvoted general obligation bonds and notes \$ 5,084,811
3. Principal amount of exempt securities included in item 2(a):
 - (a) Revenue, mortgage revenue and excess condemnation bonds issued under §§ 3, 10 or 12 of Article XVIII of the Constitution (R.C. 133.05(B)(4))..... \$ 575,000
 - (b) Securities to extent authorizing legislation contains covenants to appropriate, levy and collect municipal income taxes (R.C. 133.05(B)(7))..... \$ 4,200,000
4. Total of items 3(a) and 3(b)..... \$ 4,775,000
5. 10½% of tax valuation \$ 12,950,808
6. Total principal amount of voted and unvoted bonds and notes subject to 10½% overall debt limitation [2(a) minus 4] \$ 884,811
7. Debt leeway (**) within 10½% limitation [5 minus 6]..... \$ 12,065,997
8. 5½% of tax valuation \$ 6,783,756
9. Total principal amount of unvoted bonds and notes subject to 5½% unvoted debt limitation..... \$ 494,811
10. Debt leeway (**) within 5½% unvoted debt limitation [8 minus 9]..... \$ 6,288,945

z
(*) Including the amount of bonds and notes apportioned to the City and excluding the amount of bonds and notes apportioned to another municipal corporation, as a result of the acquisition or loss of territory. Also excluding any hospital revenue bonds or industrial development bonds issued under R.C. Chapter 140 or 165, respectively.

(**) Debt leeway determined without considering money in the Bond Retirement Fund.

Dated: April 17, 2007



Finance Director
City of Oberlin, Ohio

GENERAL CERTIFICATE

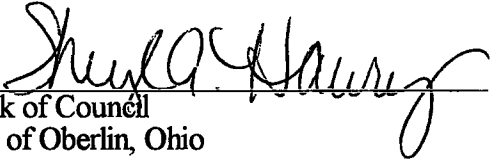
The undersigned does hereby certify that she is the duly appointed, qualified and acting Clerk of Council of the City of Oberlin, Ohio, and that:

1. The following are the incumbents of the offices indicated before their respective names for the year 2007:

Interim City Manager	- R. Gary Boyle (appointed effective January 20, 2007; Robert DiSpirito had served in that office beforehand)
Clerk of Council	- Sheryl Haury (appointed effective November 27, 2006)
Treasurer	- R. Gary Boyle (appointed effective February 6, 2007; Robert DiSpirito had served in that office beforehand)
Finance Director	- I. Salvatore Talarico
Law Director	- Eric R. Severs
Council Members:	Daniel Gardner, President David Ashenhurst Charles Peterson Ronnie J. Rimbart, Vice President Eve Sandberg Anthony Mealy Everett Tyree

2. Regular meetings of the Council of the City are held on the first and third Monday of each month, commencing at 7:30 p.m., in the City Council Chamber located at City Hall, 85 South Main Street, Oberlin, Ohio, provided that when such meeting date falls on a holiday, the meeting shall be held the next day.

3. The City operates under a charter adopted by the electors on November 2, 1954. Section IX of the City Charter, pertaining to Council procedures, was last amended by the electors of the City at the election on November 2, 2004. The rules contained therein, and under any and all ordinances of Council enacted thereunder, for the reading, passage, posting and recording of Ordinance No. 07-35 AC CMS, passed on March 19, 2007, were complied with, including but not limited to the requirement of making the agenda for the March 19, 2007 meeting available to the general public at least 72 hours prior to the meeting, and the requirement of the affirmative vote of five Council members to suspend the rule that ordinances be read on three different days.


Clerk of Council
City of Oberlin, Ohio

Dated: April 17, 2007

**SUPPLEMENTAL FINANCIAL STATEMENT
(UNVOTED GENERAL OBLIGATION BONDS AND NOTES)**

I, County Auditor of Lorain County, Ohio, certify in connection with the proposed issue for the City of Oberlin, Ohio of its \$4,200,000* Municipal Service Center Complex Notes, Series 2007;
Dated: April 17, 2007, that:

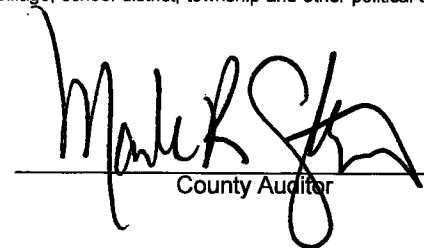
The tax rates required to produce an amount to pay the highest annual aggregate debt charges for the proposed issue and all other general obligation securities of the Issuer and the subdivisions overlapping it, which are payable from taxes subject to the 10-mill limitation of Article XII, Section 2, Ohio Constitution and applicable Revised Code provisions, based on the facts set forth below and assuming that all levies were to be made for those debt charges on the general tax list and duplicate, are as follows:

Overlapping Subdivisions	Tax Valuation	Bonds and Notes Outstanding Payable from Taxes Inside 10-Mill Limitation	Present Principal Amount	Debt charges for calendar year in which they will be the highest (2008)		Required Tax Rate in Mills for Two Previous Columns
				For Principal	For Interest	
Lorain County	\$6,916,238,797	Bonds and Notes.	\$37,778,196	\$2,182,276	\$1,836,354	0.5810
City of Oberlin	\$123,341,030	Bonds and Notes.	\$494,811	\$147,367	\$16,156	1.3258
Oberlin City School District	\$194,001,554	Bonds and Notes.	None	None	None	-0-
Township (if any)		Bonds and Notes.	None	None	None	-0-
(other)		Bonds and Notes.	None	None	None	-0-
		Proposed Issue.	\$4,200,000	\$130,000	\$249,375	3.0758
					Total	4.9826

* 20 years at 5.00%

- INSTRUCTIONS:
1. When Notes constitute the proposed issue or are otherwise included above, use the estimated debt charges for the Bonds anticipated by the Notes as described in the note legislation.
 2. If the Issuer is a county, the information should relate to the county, and the combination of overlapping city/village, school district, township and other political subdivisions requiring the highest millage for debt charges inside the 10-mill limitation.
 3. Do not include voted bonds or notes.
 4. Fill in all blanks, using the word "NONE" where applicable.
 5. Include all required millage for debt charges even though no taxes are currently levied for those debt charges.

The date of this Statement is April 17, 2007.


County Auditor

SIGNATURE AND NO-LITIGATION CERTIFICATE

In connection with the issuance and delivery of the \$4,200,000 Municipal Service Center Complex Notes, Series 2007, of the City of Oberlin, Ohio, dated April 17, 2007, we certify that:

1. We have signed the Notes in our official capacities;
2. Our signatures, or facsimile thereof, as shown upon the Notes are genuine; and
3. We were at the date of that signing and are now the duly chosen, qualified and acting officials of the City indicated on the Notes and herein and are authorized to sign the same in the manner appearing thereon.

We further certify, as of the date of delivery of the Notes, and as of the date hereof if later than the date of delivery, that:

4. To our knowledge, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Notes, or the levy and collection of taxes to pay the principal of and interest on the Notes, or contesting or questioning the proceedings and authority under which the Notes have been authorized, issued, sold, signed or delivered or the validity of the Notes or the issuance of the bonds in anticipation of which the Notes are issued;

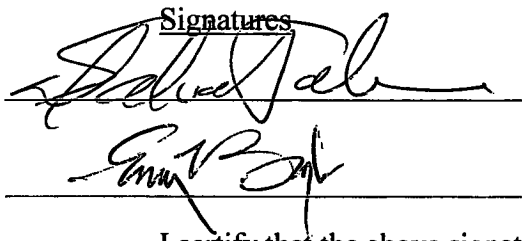
5. Neither the existence or the boundaries of the City nor our title to our respective offices is or are being contested in any judicial or administrative proceeding;

6. No authority or proceeding for the issuance or payment of or security for the Notes has been repealed, revoked or rescinded; and

7. No petitions for referendum with respect to any measure authorizing the issuance or payment of or security for the Notes, or the carrying out of the governmental purposes to which the proceeds of the Notes are to be applied, and no petitions seeking to initiate any measure affecting the same or the proceedings therefor, have been filed.

The date of this Certificate is April 17, 2007.

Signatures

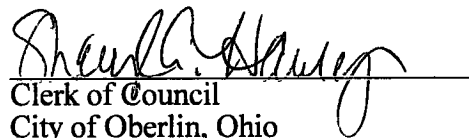


Titles

Finance Director

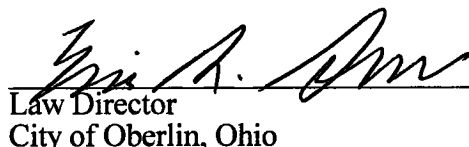
Interim City Manager

I certify that the above signatures are genuine.



Clerk of Council
City of Oberlin, Ohio

I certify that the statements numbered 4, 5, 6 and 7 above are approved and confirmed.



Law Director
City of Oberlin, Ohio

RECEIPT FOR PAYMENT OF NOTES

I certify that the \$4,200,000 Municipal Service Center Complex Notes, Series 2007, of the City of Oberlin, Ohio, dated April 17, 2007, have been received by or on behalf of, and paid for in full by, the purchaser thereof in full accordance with the terms of the contract for the sale and purchase of the Notes.

I acknowledge receipt of that payment, as follows:

Principal amount	\$4,200,000.00
Plus premium (if any)	3,822.00
Plus accrued interest (if any) from the date of the Notes to this date	<u>0.00</u>
Total payment received	\$4,203,822.00

Dated: April 17, 2007



City Treasurer
City of Oberlin, Ohio

CONCLUDING CERTIFICATE

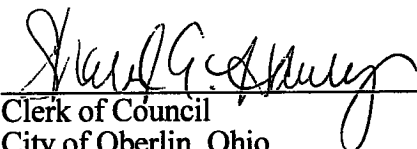
I certify with respect to the foregoing Transcript of Proceedings pertaining to the authorization, sale and issuance of the \$4,200,000 Municipal Service Center Complex Notes, Series 2007, of the City of Oberlin, Ohio, authorized by Ordinance No. 07-35 AC CMS, passed March 19, 2007, that:

1. Included in the Transcript are true, compared and complete copies of the minutes or extracts from the minutes of all meetings of the Council, and all recorded minutes of meetings of its committees and any other public bodies, evidencing the formal actions contained in the Transcript;

2. All meetings of the Council, and of its committees and any other public bodies, at which the formal actions contained in the Transcript were taken, or at which deliberations that resulted in those formal actions were held, were open meetings, and those formal actions were taken and any such deliberations took place while those meetings were open to the public in compliance with the law including Section 121.22 of the Revised Code. The Council has adopted rules pursuant to Section 121.22(F) of the Revised Code with respect to its meetings and to the meetings of its committees and any other public bodies of the City, the formal actions of which are contained in the Transcript and over which it has rule-making authority. All requirements and procedures for giving notice and notification of the meetings referred to above were complied with; and

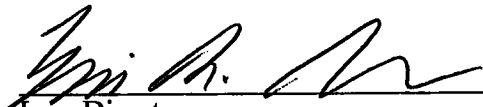
3. The Transcript contains the complete proceedings of the City with regard and necessary to the authorization, sale and issuance of the Notes; copies of all legislation, proceedings and other statements contained in the Transcript are true, compared and complete copies of the original legislation, proceedings or statements; none of the legislation, proceedings and other statements contained in the Transcript have or has been amended (except as otherwise shown in the Transcript), rescinded or repealed; and all those proceedings were held in compliance with the law.

Dated: April 17, 2007


Clerk of Council
City of Oberlin, Ohio

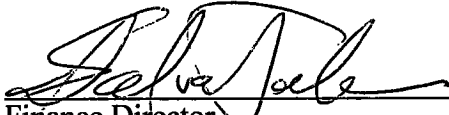
The last clause of paragraph (3) above is approved and confirmed.

Dated: April 17, 2007


Law Director
City of Oberlin, Ohio

CERTIFICATE OF AWARD

The undersigned, Finance Director of the City of Oberlin, Ohio, hereby certifies that I have awarded and sold the Municipal Service Center Complex Notes, Series 2007, of the City, authorized by Ordinance No. 07-35 AC CMS, passed by the Council of the City on March 19, 2007, to Seasongood & Mayer, LLC, at a purchase price of par, plus a premium of \$3,822.00, for a total of \$4,003,822.00. I have further determined that the Notes shall be issued in the aggregate principal amount of \$4,200,000, shall be dated April 17, 2007, shall mature on September 17, 2007, and shall bear interest at the rate of 4.00% per year to the stated maturity date of the Notes. I have approved the original purchaser's request that the Notes be represented by a single note in the denomination of \$4,200,000. The Notes shall be payable at the designated corporate trust office of The Bank of New York Trust Company, N.A. (the Paying Agent), having determined that sufficient safeguards exist to protect the funds or securities of this City. The Notes shall be issued as fully registered securities in book entry form, having determined that this will facilitate the sale and delivery of the Notes and will not endanger the funds or securities of the City.



Finance Director
City of Oberlin, Ohio

Dated as of April 10, 2007

SQUIRE, SANDERS & DEMPSEY L.L.P.4900 Key Tower
127 Public Square
Cleveland, Ohio 44114-1304

Office: +1.216.479.8500

Fax: +1.216.479.8780

Direct Dial: 216.479.8331

RManoloff@ssd.com

**SQUIRE
SANDERS** | LEGAL
COUNSEL
WORLDWIDE

April 13, 2007

Ms. Terri Stewart
Seasongood & Mayer, LLC
330 Mercantile Library Building
414 Walnut Street
Cincinnati, Ohio 45202-3910Re: City of Oberlin, Ohio
\$4,200,000 Municipal Service Center Complex Notes, Series 2007

Dear Terri:

On behalf of the City of Oberlin, I enclose two manually executed copies of our legal opinion, together with copies of the executed receipt for payment and executed signature and no-litigation certificate, and a transcript retention certificate for the captioned note issue. Each of these items, as well as the general certificate, concluding certificate and the tax compliance certificate (in the transcript), has been dated the date of the Notes, April 17, 2007. Because this issue will close under DTC "FAST" procedures, the original executed Note representing the entire issue, registered to "CEDE & Co.", is being forwarded to David Kovach at The Bank of New York Trust Company, N.A., by messenger, with his copy of this letter, for retention by that institution.

You are instructed to hold all items in trust for and on behalf of the City until payment by Seasongood & Mayer, LLC to the City on April 17 of the principal amount of the note issue, \$4,200,000, plus premium of \$3,822.00, for a total of \$4,203,822. Payment should be made prior to 10:00 a.m. on that date in immediately available funds by wiring to the City's account in accordance with instructions to be received from the City Finance Director. Only upon making such payments on that date in that manner is Seasongood & Mayer, LLC authorized to take the Notes as owner thereof. I will call the Finance Director of the City to confirm receipt of funds, and then call you and proceed with a DTC closing.

We will retain the transcript of proceedings. It is available for your review at any time; a transcript retention certificate is enclosed for your files. With the copy of this letter to the City, I am enclosing one manually executed copy of our legal opinion for the City's files, as well as our statement for services rendered.

If you have any questions regarding these matters, please call.

Very truly yours,

Richard D. Manoloff/ng
Enclosurescc: I. Salvatore Talarico, Finance Director
Eric R. Severs, Esq., Law Director
David Kovach, The Bank of New York Trust Company, N.A.
Catherine Zirolì Romancheck, Esq.

Via Federal ExpressCINCINNATI • CLEVELAND • COLUMBUS • HOUSTON • LOS ANGELES • MIAMI • NEW YORK • PALO ALTO • PHOENIX • SAN FRANCISCO • TALLAHASSEE • TAMPA • TYSONS CORNER
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PRAGUE • WARSAW • BEIJING • HONG KONG • SHANGHAI • TOKYO • ASSOCIATED OFFICES: BUCHAREST • BUENOS AIRES • DUBLIN • KYIV • MILAN • SANTIAGO

www.ssd.com

April 17, 2007

Seasongood & Mayer, LLC
Cincinnati, Ohio

We have examined the transcript of proceedings relating to the issuance by the City of Oberlin, Ohio, of its \$4,200,000 Municipal Service Center Complex Notes, Series 2007, dated April 17, 2007, bearing interest at the rate of 4.00% per annum, payable at maturity, maturing on September 17, 2007, and issued in anticipation of the issuance of bonds for the purpose of paying a portion of the costs of constructing, furnishing, equipping, and otherwise improving a municipal service center complex, including access roadways and all necessary utilities and appurtenances, and clearing and improving its site. We have also examined the executed Note representing the entire issue.

Based on this examination, we are of the opinion that, under existing law:

1. The Note constitutes a valid and legal general obligation of the City, and the principal of and interest on the bonds in anticipation of which the Note is issued, unless paid from other sources and subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion, are to be paid from the proceeds of the levy of ad valorem taxes, within the ten-mill limitation imposed by law, on all property subject to ad valorem taxes levied by the City.

2. The interest on the Note is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the Code), and is not an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations. The interest on the Note, and any profit made on its sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal and school district income taxes in Ohio. The Note is a "qualified tax-exempt obligation" as defined in Section 265(b)(3) of the Code. We express no opinion as to any other tax consequences regarding the Note.

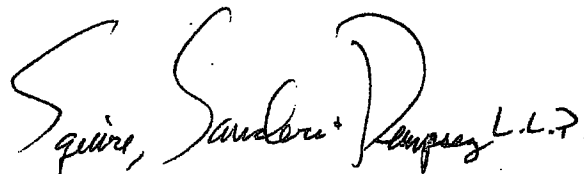
In giving the foregoing opinion with respect to the treatment of the interest on the Note and the status of the Note under the federal tax laws, we have assumed and relied upon compliance with the City's covenants and the accuracy, which we have not independently verified, of the City's representations and certifications, all as contained in the transcript. The accuracy of those representations and certifications, and compliance by the City with those covenants, may be

Seasongood & Mayer, LLC
April 17, 2007
Page 2

necessary for the interest to be and to remain excluded from gross income for federal income tax purposes and for the other federal tax effects stated above. Failure to comply with certain of those covenants subsequent to issuance could cause the interest on the Note to be included in gross income for federal income tax purposes retroactively to its date of issuance.

Under the Code, portions of the interest on the Note earned by certain corporations may be subject to a corporate alternative minimum tax, and interest on the Note may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States and to a tax imposed on excess net passive income of certain S corporations.

Respectfully submitted,

A handwritten signature in black ink that reads "Squire, Sanders & Dempsey L.L.P." The signature is stylized, with the first letters of the last names being large and prominent.