

NOTICE OF PUBLIC HEARING
ON PROPOSED ISSUANCE OF GENERAL OBLIGATION BONDS
BY THE TOWN OF LEESBURG, VIRGINIA
FEBRUARY 24, 2015 AT 7:30 P.M.

NOTICE IS HEREBY GIVEN that the Town Council of the Town of Leesburg, Virginia (the "Town") will hold a public hearing in accordance with Section 15.2-2606 of the Code of Virginia of 1950, as amended, on the proposed issuance of general obligation bonds in the estimated maximum amount of \$11,500,000. The Town proposes to issue the bonds and use the bond proceeds to finance the costs of various capital improvement projects in the Town's Capital Improvements Program and other approved capital projects. The proposed uses of the bond proceeds for which the Town expects that more than ten percent of the total bond proceeds will be used include financing the costs of: (1) sidewalk and street improvements, (2) water and sewer improvements, (3) stormwater drainage projects, and (4) government facilities and parks.

The public hearing, which may be continued or adjourned, will be held at 7:30 p.m. or as soon thereafter as the matter may be heard on Tuesday, February 24, 2015, before the Town Council in the Council Chambers, Town Hall, 25 West Market Street, in Leesburg, Virginia.

A resolution authorizing the issuance of the bonds will be considered by the Town Council at its meeting on Tuesday, February 24, 2015, following the public hearing on the issuance of the bonds. The resolution also authorizes the issuance of general obligation bonds of the Town to refund outstanding bonds or other obligations of the Town. A copy of the proposed resolution is available from the Town Clerk, located in Town Hall. Additional information regarding the bond financing is available in the Department of Finance, located on the first floor of the Leesburg Town Hall, 25 West Market Street, Leesburg, Virginia, during normal business hours (Monday-Friday, 8:30 a.m. to 5:00 p.m.).

At this hearing, all persons desiring to express their views concerning these matters will be heard. Persons requiring special accommodations should contact Lee Ann Green, the Clerk of Council, at 703-771-2733, no later than three days in advance of the meeting. For TTY/TDD service, use the Virginia Relay Center by dialing 711.

[To be published on February 5, 2015 and February 12, 2015 in Leesburg Today]



Date of Council Meeting: February 24, 2015

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Adoption of Bond Resolution

Staff Contact: Clark Case, Director of Finance and Administrative Services

Council Action Requested: Adoption of Bond Resolution Authorizing the Issuance of Not to Exceed \$11,500,000 in New Money General Obligation Bonds and Authorizing the Issuance of Not to Exceed \$30,040,000 in Refunding General Obligation Bonds

Staff Recommendation: The Director of Finance and Administrative Services recommends Town Council adopt the attached bond resolution.

Commission Recommendation: Not applicable.

Fiscal Impact: New money bond proceeds available to pay for capital project management costs and Hope Parkway construction costs totaling up to \$11,500,000 with additional annual debt service payments of \$825,587. The Town expects to issue up \$30.04 million in refunding bonds estimated to generate savings of about 9% or about \$4.6 million over the remaining life of the bonds under current market conditions. Actual savings will depend upon the market rates available on the sale date.

Executive Summary: The Town expects to issue bonds to finance \$2.5 million of Hope Parkway construction costs, long-term capital project management costs for past and continuing capital projects of \$5.5 million previously funded with short-term sources, \$3.0 million of future project management and construction costs for capital projects through Fiscal Year 2017, and \$.5 million for cost of issuance. Current market interest rates are at historically low levels making it an opportune time to restructure short-term funding and to refinance previously issued bonds.

Background: At the January 26, 2015 Town Council meeting, Davenport & Company, the Town's financial advisor, presented the plan of finance that described the need for the restructuring of the short-term funding, the need for Capital Projects Fund project financing, the need for funding Hope Parkway construction and the savings to be obtained from refinancing previously issued Town general obligation bonds. The bulk of the savings from refinancing is from refinancing utilities related debt, so the benefits from the refinancing will be primarily in the Utilities Fund with only minor savings to the General Fund. Issuance costs will be pro-rated based upon principal issued by fund. The Town had previously expected to issue \$5.5 million in taxable bonds, but further research

by the Town's bond attorneys has indicated that all of the new money may be issued as tax-exempt bonds.

Attachments:

Bond Resolution

Notice of Public Hearing

PRESENTED February 24, 2015

RESOLUTION NO.: _____

ADOPTED _____

A RESOLUTION: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2015

WHEREAS, the Town Council of the Town of Leesburg, Virginia (the "Town"), has determined that it is advisable to issue its general obligation bond or bonds in the maximum principal amount of \$11,500,000 (the "New Money Bonds") to finance the costs of various capital improvement projects in the Town's Capital Improvements Program and other approved capital projects (collectively, the "Projects") and the costs of issuing the New Money Bonds; and

WHEREAS, the Town Council has determined that it is advisable to refund all or a portion of the outstanding bonds or other obligations of the Town (the "Prior Bonds"), and to issue and sell bonds of the Town in such aggregate principal amount as may be determined as set forth in paragraph 12 below (the "Refunding Bonds" and, together with the New Money Bonds, the "Bonds") in order to refund, redeem, and defease certain of the Prior Bonds and to finance the costs of issuing the Refunding Bonds; and

WHEREAS, the Bonds are to be issued on the terms set forth in this Resolution, and a public hearing has been held on the date hereof on the issuance of the New Money Bonds after due publication of notice in accordance with Section 15.2-2606 of the Code of Virginia of 1950, as amended.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Leesburg in Virginia as follows:

1. Authorization of Bonds and Use of Proceeds. The Town Council hereby determines that it is advisable and will benefit the inhabitants of the Town through the promotion of their safety, health, welfare and prosperity (i) to contract a debt and to issue and sell the New Money Bonds in the maximum principal amount of \$11,500,000 and (ii) to contract a debt and to issue and sell the

A RESOLUTION: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2015

Refunding Bonds. Town Council hereby authorizes the issuance and sale of the Bonds on the terms and conditions set forth herein. The proceeds from the issuance and sale of the New Money Bonds shall be used to finance the costs of the Projects and the costs of issuing the New Money Bonds, and the proceeds from the issuance and sale of the Refunding Bonds shall be used to refund, redeem and defease all or a portion of the Prior Bonds and to finance the costs of issuing the Refunding Bonds.

2. Pledge of Full Faith and Credit. The full faith and credit of the Town are hereby irrevocably pledged for the payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. The Town Council shall levy an annual ad valorem tax upon all property in the Town, subject to local taxation, sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same shall become due for payment unless other funds are lawfully available and appropriated for the timely payment thereof.

3. Details and Sale of Bonds. The Town Manager is hereby authorized to determine and approve the final details of the Bonds, including without limitation, the principal amount of the Bonds, the series designation of the Bonds, the maturity date of the Bonds, the redemption provisions of the Bonds, the sale price of the Bonds, the interest rates and interest rate provisions on the Bonds, and any elections under the federal tax code; provided that (i) the maximum principal amount of New Money Bonds shall not exceed \$11,500,000, (ii) the maximum principal amount of Refunding Bonds shall not exceed the amount determined by the Town Manager pursuant to paragraph 12 below, (iii) the final maturity of the New Money Bonds shall not be later than approximately 31 years from their date; (iv) the true interest cost of the New Money Bonds shall not exceed 5.0% per annum (taking into account any original issue discount or premium); and (v) the Refunding Bonds shall result in a minimum debt service savings on a net present value basis of at least 3.0% of the refunded principal amount (the "Savings Parameter").

The Bonds shall be issued, in one or more series upon the terms established pursuant to this Resolution and upon such other terms as may be determined in the manner set forth in this Resolution. The Bonds shall be issued in fully registered form, shall be dated such date as the Town Manager or the Director of Finance and Administrative Services may approve, shall be in the denominations of \$5,000 each or whole multiples thereof (if sold to the public), may be issued at one time or from time to time in one or more series (with appropriate series designations), and the Bonds of any series shall be numbered from R-1 upwards consecutively.

The Bonds shall be offered for sale in such manner as the Town Manager or the Director of Finance and Administrative Services may determine to be in the best interests of the Town. If it is determined that it is in the best interest of the Town

A RESOLUTION: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2015

to sell all or a portion of the Bonds in a competitive sale, whether in a public sale or private placement, the Town Manager and the Director of Finance and Administrative Services, are hereby authorized and directed to accept the bid or proposal for the purchase of all or a portion of the Bonds, provided such bid results in the lowest true interest cost to the Town, and that the true interest cost of the New Money Bonds does not exceed the maximum true interest cost set forth above and the Refunding Bonds achieve the Savings Parameter. The Town Manager and the Director of Finance and Administrative Services are entitled to reject any or all bids. If it is determined that it is in the best interest of the Town to sell all or a portion of the Bonds in a negotiated sale, then the Town Manager and the Director of Finance and Administrative Services are hereby authorized to enter into a bond purchase agreement with an underwriter or a group of underwriters with demonstrated experience in underwriting municipal securities to be selected by the Town Manager or the Director of Finance and Administrative Services.

4. Form of Bonds. The Bonds shall be in substantially the form attached to this Resolution as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Resolution. There may be endorsed on the Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.
5. Book-Entry-Only Form. The Bonds sold in a public sale, whether negotiated or competitive, shall be issued in book-entry-only form in accordance with this paragraph 5. The Bonds shall be issued in fully-registered form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") as registered owner of the Bonds, and immobilized in the custody of DTC. One fully-registered Bond in typewritten or printed form for the principal amount of each maturity of the Bonds shall be registered to Cede & Co. Beneficial owners of the Bonds shall not receive physical delivery of the Bonds. Principal, premium, if any, and interest payments on the Bonds shall be made to DTC or its nominee as registered owner of the Bonds on the applicable payment date.

Transfer of ownership interest in the Bonds shall be made by DTC and its participants (the "Participants"), acting as nominees of the beneficial owners of the Bonds in accordance with rules specified by DTC and its Participants. The Town shall comply with the agreements set forth in the Town's Letter of Representations to DTC.

Replacement Bonds (the "Replacement Bonds") shall be issued directly to beneficial owners of the Bonds rather than to DTC or its nominee but only in the event that:

A RESOLUTION: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2015

- (i) DTC determines not to continue to act as securities depository for the Bonds;
- (ii) The Town has determined to use a securities depository other than DTC; or
- (iii) The Town has determined that it is in the best interest of the beneficial owners of the Bonds or the Town not to continue the book-entry system of transfer.

Upon occurrence of the event described in (i) or (ii) above, the Town shall attempt to locate another qualified securities depository. If the Town fails to locate another qualified securities depository to replace DTC, or if the Town makes the determination noted in (iii) above, and has made provisions to notify the beneficial owners of the Bonds by mailing an appropriate notice to DTC, the appropriate officers and agents of the Town shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A attached hereto. Principal of and interest on the Replacement Bonds shall be payable as provided in this Resolution and in the Bonds and such Replacement Bonds will be transferable in accordance with the provisions of paragraphs 9 and 10 of this Resolution and the Bonds.

The Bonds sold by a private placement shall be registered in a manner determined by the Town Manager.

- 6. Appointment of Bond Registrar and Paying Agent. The Town Manager is hereby authorized to appoint a Bond Registrar and Paying Agent for the Bonds. If the Bonds are in book-entry-only form, the Bond Registrar and Paying Agent may be the Town Manager or other officer of the Town.

The Town Manager is hereby authorized to appoint a subsequent registrar or one or more paying agents, or both, for the Bonds upon giving written notice to the owners of the Bonds specifying the name and location of the principal office of any such registrar or paying agent.

- 7. Execution of Bonds. The Town Manager and the Clerk of the Town Council are hereby authorized and directed to execute appropriate negotiable Bonds and to affix the seal of the Town thereto and to deliver the Bonds to the purchaser thereof upon payment of the purchase price. The manner of execution and affixation of the seal may be by facsimile, provided, however, that if the signatures of the Town Manager and the Clerk are both by facsimile, the Bonds shall not be valid until signed at the foot thereof by the manual signature of the Bond Registrar.

A RESOLUTION: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2015

8. CUSIP Numbers. The Bonds sold in a public sale shall have CUSIP identification numbers printed thereon. No such number shall constitute a part of the contract evidenced by the Bond on which it is imprinted and no liability shall attach to the Town, or any of its officers or agents by reason of such numbers or any use made of such numbers, including any use by the Town and any officer or agent of the Town, by reason of any inaccuracy, error or omission with respect to such numbers.

9. Registration, Transfer and Exchange. Upon surrender for transfer or exchange of any Bond at the principal office of the Bond Registrar, the Town shall execute and deliver and the Bond Registrar shall authenticate in the name of the transferee or transferees a new Bond or Bonds of any authorized denomination in an aggregate principal amount equal to the Bond surrendered and of the same form and maturity and bearing interest at the same rate as the Bond surrendered, subject in each case to such reasonable regulations as the Town and the Bond Registrar may prescribe. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the Town and the Bond Registrar, duly executed by the registered owner or by his or her duly authorized attorney-in-fact or legal representative. No Bond may be registered to bearer.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the Town, evidencing the same debt as the Bonds surrendered, shall be secured by this Resolution and entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

10. Charges for Exchange or Transfer. No charge shall be made for any exchange or transfer of Bonds, but the Town may require payment by the registered owner of any Bond of a sum sufficient to cover any tax or other governmental charge which may be imposed with respect to the transfer or exchange of such Bond.

11. Non-Arbitrage Certificate and Tax Covenants. The Town Manager and the Director of Finance and Administrative Services are hereby authorized and directed to execute a Non-Arbitrage Certificate and Tax Covenants setting forth the expected use and investment of the proceeds of each series of Bonds and containing such covenants as may be necessary in order to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including without limitation the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds." The Town Council covenants on behalf of the Town that the proceeds from the issuance and sale of the Bonds shall be invested and expended as set forth in the Town's Non-Arbitrage Certificate and Tax Covenants, and one will be delivered simultaneously with the issuance and delivery of each series of Bonds, and that the Town shall comply with the other covenants and representations contained therein.

A RESOLUTION: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2015

12. Refunding of the Prior Bonds. The refunding of the Prior Bonds shall be executed as follows:
 - (i) the Town Manager and the Director of Finance and Administrative Services are hereby authorized and directed to select the particular Prior Bonds to be refunded provided that the issuance of Refunding Bonds to refund such Prior Bonds shall result in debt service savings at least equal to the Savings Parameter (such Prior Bonds, the "Refunded Bonds");
 - (ii) the Town Manager and the Director of Finance and Administrative Services are hereby authorized and directed to cause each of the Refunded Bonds to be redeemed on its earliest redemption date under applicable federal tax law and to cause redemption notices to be given to the holders of the Refunded Bonds pursuant to the terms of the Refunded Bonds; and
 - (iii) the Town Manager and the Director of Finance and Administrative Services are hereby authorized and directed to cause to be prepared and to execute and deliver an escrow agreement or agreements between the Town and an escrow agent or escrow agents to be selected by the Town Manager and the Director of Finance and Administrative Services providing for the irrevocable deposit of the proceeds of the Refunding Bonds in amounts sufficient, when invested as set forth in the escrow agreement, to provide for the payment of the principal of and premium, if any, and interest on the Refunded Bonds.
13. Disclosure Documents. The Town Manager and the Director of Finance and Administrative Services are hereby authorized and directed to prepare, execute, if required, and deliver an appropriate notice of sale, preliminary official statement, official statement, continuing disclosure agreement or such other offering or disclosure documents as may be necessary to expedite the sale of the Bonds. The notice of sale, preliminary official statement, official statement, continuing disclosure agreement or other documents shall be published in such publications and distributed in such manner, including by electronic distribution, and at such times as the Town Manager shall determine. The Town Manager is authorized and directed to deem the preliminary official statement "final" for purposes of Securities and Exchange Commission Rule 15c2-12.
14. Further Actions. The Mayor, the Town Manager, the Town Attorney and the Director of Finance and Administrative Services are hereby authorized and directed to take such further action as they deem necessary regarding the issuance and sale of the Bonds and the refunding of certain of the Prior Bonds, and all actions taken by such officers and agents in connection with the issuance and sale of the Bonds and the refunding of certain of the Prior Bonds are hereby ratified and confirmed.

A RESOLUTION: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2015

15. Authorized Officers. The authorizations granted in this Resolution to the Town Manager, Director of Finance and Administrative Services, Clerk or Town Attorney, as applicable, may be carried out by any Acting, Interim or Deputy Town Manager (in the case of the Town Manager), Acting, Interim or Deputy Director of Finance and Administrative Services (in the case of the Director of Finance and Administrative Services), Acting, Interim or Deputy Clerk (in the case of the Clerk) and Acting, Interim or Assistant Town Attorney (in the case of the Town Attorney, or such other officer as any of the named officers may designate in writing. When this Resolution authorizes the Town Manager and the Director of Finance and Administrative Services to act, it shall be sufficient for either the act.
16. Effective Date; Applicable Law. In accordance with Section 15.2-2601 of the Code of Virginia of 1950, as amended, the Town Council elects to issue the Bonds pursuant to the provisions of the Public Finance Act of 1991. This Resolution shall take effect immediately.
17. Filing of Resolution. The Town Attorney is authorized and directed to file or to cause to be filed a certified copy of this Resolution with the Circuit Court of the County of Loudoun, Virginia, pursuant to Section 15.2-2607 and 15.2-2627 of the Code of Virginia of 1950, as amended.

PASSED this _____ day of February, 2015.

Kristen C. Umstatt
Mayor

ATTEST:

Clerk of Council

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA

No. R- TOWN OF LEESBURG

GENERAL OBLIGATION AND REFUNDING BONDS,
SERIES 2015

DATED DATE MATURITY DATE INTEREST RATE CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The TOWN OF LEESBURG, VIRGINIA (the "Town"), for value received, acknowledges itself indebted and promises to pay to the registered owner of this Bond or legal representative, the principal amount stated above on the maturity date set forth above (the "Maturity Date") and to pay interest on the principal amount of this Bond at the rate specified above per annum, payable semiannually on _____ and _____ (each an "Interest Payment Date," and together with the Maturity Date, each a "Payment Date"), beginning on _____, 20__. This Bond shall bear interest (a) from _____, 2015, if this Bond is authenticated before _____ 1, 20__ or (b) otherwise from the _____ or _____ that is, or immediately precedes, the date on which this Bond is authenticated; provided that, if at the time of authentication of this Bond, interest on this Bond is in default, this Bond shall bear interest from the date to which interest has been paid. Both principal of and interest on this Bond are payable in lawful money of the United States of America. The principal of this Bond is payable upon presentation and surrender hereof at the office of U. S. Bank National Association, as Bond Registrar and Paying Agent (the "Bond Registrar"). Interest on this Bond is payable by check or draft mailed to the registered owner hereof at its address as it appears on the registration books maintained by the Bond Registrar without presentation of this Bond; provided that as long as Cede & Co. is the registered owner of this Bond, interest shall be paid by wire transfer. All interest payments shall be made to the registered owner as it appears on the registration books kept by the Bond Registrar on the first of the month in which each interest payment date occurs (the "Record Date"). If a Payment Date or date fixed for prepayment or redemption is not a business day for commercial banks conducting business in the Commonwealth of Virginia, then the payment of principal or interest on this Bond shall be made in immediately available funds on the business day next succeeding the scheduled Payment Date or date fixed for prepayment or redemption. Interest on this Bond is payable on the basis of a 360-day year of 12 months of 30 days each.

This Bond has been duly authorized by the Town Council and is issued for the purpose of providing funds to pay the costs of various capital improvements, to refund in advance of their maturities certain outstanding bonds of the Town, and to pay costs of issuing the Bonds. The full faith and credit of the Town are irrevocably pledged for the payment of the principal of and premium, if any, and interest on this Bond in accordance with its terms.

This Bond is one of a series of \$_____ General Obligation and Refunding Bonds, Series 2015 of the Town, (the "Bonds") of like date and tenor, except as to number, denomination, rate of interest and maturity, issued under the authority of and in full compliance with the Constitution and statutes of the Commonwealth of Virginia, and, more particularly, issued pursuant to the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Code of Virginia of 1950, as amended and a resolution adopted by the Town Council on February 24, 2015 (the "Resolution").

Bonds maturing on or before _____, ____ are not subject to redemption before maturity. Bonds at the time outstanding which are stated to mature on or after _____, ____ may be redeemed before their maturities on or after _____, _____, at the option of the Town in whole or in part (in installments of \$5,000) at any time or from time to time upon payment of the principal amount to be redeemed together with the interest accrued thereon to the date fixed for redemption.

[Sinking Fund Provisions, if applicable]

If less than all of the Bonds are called for redemption, the maturities of the Bonds to be redeemed shall be selected by the Town Manager of the Town in such officer's discretion. If less than all of the Bonds of any maturity are called for redemption, the Bonds or portions thereof to be redeemed within a maturity shall be selected by The Depository Trust Company or any successor securities depository, or if the book-entry-only system is discontinued, by lot by the Bond Registrar in such manner as the Bond Registrar in its discretion may determine, each portion of \$5,000 principal amount being counted as one Bond for such purpose.

If any of the Bonds or portions thereof are called for redemption, the Bond Registrar shall send notice of the call for redemption identifying the Bonds by serial or CUSIP numbers, and in the case of partial redemption, identifying the principal amount to be redeemed, and identifying the redemption date and price and the place where Bonds are to be surrendered for payment, by electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days before the redemption date to the registered owner of each Bond to be redeemed at such owner's address as it appears on the registration books maintained by the Bond Registrar, but failure to mail such notice shall not affect the validity of the proceedings for redemption. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Resolution and shall not be deemed to be outstanding. If a portion of this Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender of this Bond.

Any notice of optional redemption of the Bonds may state that it is conditioned upon there being available an amount of money sufficient to pay the redemption price plus interest accrued and unpaid to the redemption date, and any conditional notice so given may be rescinded at any time before the payment of the redemption price if any such condition so specified is not satisfied. If a redemption does not occur after a conditional notice is given due to an insufficient amount of funds on deposit by the Town, the corresponding notice of redemption shall be deemed to be revoked.

If the Town gives an unconditional notice of redemption, then on the redemption date the Bonds called for redemption will become due and payable. If the Town gives a conditional notice of redemption, and the amount of money to pay the redemption price of the affected Bonds shall have been set aside with an escrow agent or a depository (either, a "depository") for the purpose of paying such Bonds, then on the redemption date the Bonds will become due and payable. In either case, if on the redemption date the Town holds money to pay the Bonds called for redemption, thereafter no interest will accrue on those Bonds, and a Bond owner's only right will be to receive payment of the redemption price upon surrender of those Bonds.

The Bonds are issuable as fully registered bonds in denominations of \$5,000 and integral multiples thereof. Any Bond may be exchanged for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations at the principal office of the Bond Registrar.

This Bond may be transferred only by an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative in a form satisfactory to the Bond Registrar. Such transfer shall be made in the registration books kept by the Bond Registrar upon presentation and surrender hereof and the Town shall execute, and the Bond Registrar shall authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner hereof or such owner's attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Bond Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Town Manager may designate a successor Bond Registrar and/or Paying Agent, provided that written notice specifying the name and location of the principal office of any such successor shall be given to the registered owner of the Bonds. Upon registration of transfer of this Bond, the Bond Registrar shall furnish written notice to the transferee of the name and location of the principal office of the Bond Registrar and/or the Paying Agent.

The Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the first day of the month in which each interest payment date occurs.

This Bond shall not be valid or obligatory for any purpose unless and until authenticated at the foot hereof by the Bond Registrar.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to the issuance of this Bond have happened, exist or been performed in due time, form and manner as so required and that the indebtedness evidenced by this Bond is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

[Signature Page Follows]

IN WITNESS WHEREOF, the Town Council of the Town of Leesburg, Virginia, has caused this Bond to be signed by the [facsimile] signature of its Town Manager, a [facsimile] of its seal to be affixed and attested by the [facsimile] signature of its Clerk and this Bond to be dated as of the date first written above.

TOWN OF LEESBURG, VIRGINIA

By: _____
Town Manager
Town of Leesburg, Virginia

[SEAL]

ATTEST:

Clerk, Town Council
Town of Leesburg, Virginia

ASSIGNMENT

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

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE. OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: _____

the within Bond and does hereby irrevocably constitute and appoint

_____, attorney, to transfer said Bond on the books kept for registration of said Bond, with full power of substitution in the premises.

Dated: _____

Registered Owner

Signature Guaranteed:

(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the books kept for registration of this Bond in every particular, without alteration or change.)

(NOTICE: Signature(s) must be guaranteed.)

CERTIFICATE OF AUTHENTICATION

The undersigned Bond Registrar hereby certifies that this is one of a series of Bonds of the Town of Leesburg, Virginia described in the within-mentioned Resolution.

Authentication Date: _____, 2015

By: _____

Its: _____

At a regular meeting of the Town Council of the Town of Leesburg, Virginia, held on the 24th day of February, 2015, the following Town Council members were recorded as present:

PRESENT:

On motion by _____, seconded by _____, the foregoing Resolution was adopted by a majority of the members of the Town Council by a recorded vote, the votes being recorded as follows:

MEMBER

VOTE

Adopted by the Town Council at a meeting duly called and held on February 24, 2015.

Clerk, Town Council
Town of Leesburg, Virginia