

RESOLUTION DECLARING AN INTENT TO ABANDON AND CLOSE:

EIGHT (8) ALLEYS AND A PORTION OF ONE (1) STREET, ALL LOCATED WITHIN PETITIONER'S GATEWAY VILLAGE PROJECT AND MORE PARTICULARLY SHOWN IN EXHIBITS A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8 AND A-9, RESPECTIVELY, ATTACHED TO THE PETITION (THE FIRST ALLEY BEING LOCATED IN THE 700 BLOCK OF WEST TRADE STREET, THE SECOND ALLEY BEING LOCATED IN THE 800 BLOCK OF WEST TRADE STREET, THE THIRD ALLEY BEING LOCATED IN THE 800 BLOCK OF WEST TRADE STREET, THE FOURTH ALLEY BEING LOCATED IN THE 800 BLOCK OF WEST TRADE STREET, THE FIFTH ALLEY BEING LOCATED IN THE 900 BLOCK OF WEST TRADE STREET, THE SIXTH ALLEY BEING LOCATED IN THE 900 BLOCK OF WEST TRADE STREET, STREET, THE SEVENTH ALLEY BEING LOCATED IN THE 1000 BLOCK OF WEST 5TH STREET, THE EIGHTH ALLEY BEING LOCATED IN THE 1100 BLOCK OF WEST TRADE STREET, AND THE STREET BEING THAT PORTION OF NORTH CLARKSON STREET LYING BETWEEN WEST TRADE STREET AND WEST 5TH STREET), AND ALL IN THE CITY OF CHARLOTTE, MECKLENBURG COUNTY, NORTH CAROLINA

WHEREAS, NATIONSBANK, N.A., on behalf of itself, its successors and assigns, has filed a Petition to close the aforementioned eight alleys and portion of North Clarkson Street in the City of Charlotte; and

WHEREAS, the aforementioned eight alleys and portion of North Clarkson Street petitioned to be closed lie within the area bounded by West Trade Street, Interstate 77, West 5th Street and the railroad tracks just East of North Cedar Street, more particularly shown in Exhibits A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8 and A-9, respectively, attached to the Petition (the first alley being located in the 700 block of West Trade Street, the second alley being located in the 800 block of West Trade Street, the third alley being located in the 800 block of West Trade Street, the fourth alley being located in the 800 block of West Trade Street, the fifth alley being located in the 900 block of West Trade Street, the sixth alley being located in the 900 block of West Trade Street, the seventh alley being located in the 1000 block of West 5th Street, the eighth alley being located in the 1100 block of West Trade Street, and the street being North Clarkson Street lying between West Trade Street and West 5th Street), and are more particularly described by metes and bounds in Exhibits B-1, B-2, B-3, B-4, B-5, B-6, B-7, B-8, and B-9, respectively, attached to the Petition; which all aforementioned Exhibits are available for inspection in the Office of the City Clerk, Charlotte-Mecklenburg Government Center, Charlotte, North Carolina.

WHEREAS, the procedure for closing streets and alleys as outlined in North Carolina General Statutes, Section 160A-299, requires that Council first adopt a RESOLUTION declaring

its intent to close the street or alley and calling a public hearing on the question; said Statute further requires that the resolution shall be published once a week for two successive weeks prior to the hearing, and a copy thereof be sent by registered or certified mail to all owners of property adjoining the street or alley as shown on the county tax records, and a notice of the closing and public hearing shall be prominently posted in at least two places along said street or alley; and

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Charlotte, at its regularly scheduled session of June 22, 1998, that it intends to close the aforementioned eight alleys and portion of North Clarkson Street, all lying within the area bounded by West Trade Street, Interstate 77, West 5th Street and the railroad tracks just East of North Cedar Street, said alleys and street being more particularly described on a map and by a metes and bounds description available for inspection in the City Clerk's office, and hereby calls a public hearing on the question to be held at 7:00 p.m., on Monday, the 27th day of July, 1998, in Council's Meeting Chamber, Charlotte-Mecklenburg Government Center, 600 E. Fourth St., Charlotte, NC.

The City Clerk is hereby directed to publish a copy of this RESOLUTION in the Mecklenburg Times once a week for two successive weeks next preceding the date fixed here for such hearing, as required by N.C.G.S. 160A-299.

CERTIFICATION

I, Brenda R. Freeze, City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 22nd day of June, 1998, the reference having been made in Minute Book 112, and recorded in full in Resolution Book 35, Page(s) 100-101.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 23rd day of June, 1998.

Brenda R. Freeze, CMC, City Clerk

RESOLUTION DECLARING AN INTENT TO ABANDON AND CLOSE AN ALLEY WAY OFF
PECAN AVENUE IN THE CITY OF CHARLOTTE, MECKLENBURG COUNTY, NORTH
CAROLINA

WHEREAS, Louis W. Anderson, has filed a Petition to close an Alleyway off Pecan Avenue in the City of Charlotte as shown on a map marked "Exhibit A" and is more particularly described by metes and bounds in a document marked "Exhibit B", all of which are available for inspection in the Office of the City Clerk, City Hall, Charlotte, North Carolina.

WHEREAS, the procedure for closing streets and alleys as outlined in North Carolina General Statutes, Section 160A-299, requires that Council first adopt a resolution declaring its intent to close the street and calling a public hearing on the question; said Statute further requires that the resolution shall be published once a week for two successive weeks prior to the hearing, and a copy thereof be sent by registered or certified mail to all owners of property adjoining the street as shown on the county tax records, and a notice of the closing and public hearing shall be prominently posted in at least two places along said street or alley; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Charlotte, at its regularly scheduled session of June 22, 1998, that it intends to close an Alleyway off Pecan Avenue said street (or portion thereof) being more particularly described on a map and by a metes and bounds description available for inspection in the City Clerk's office, and hereby calls a public hearing on the question to be held at 7:00 p.m., on Monday the 27th day of July, 1998, in the Council's Meeting Chamber, Charlotte-Mecklenburg Government Center, 600 E. Fourth St., Charlotte, NC.

The City Clerk is hereby directed to publish a copy of this resolution in the *Mecklenburg Times* once a week for two successive weeks next preceding the date fixed here for such hearing, as required by N.C.G.S. 160A-299.

CERTIFICATION

I, Brenda Freeze, City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 22nd day of June, 1998, the reference having been made in Minute Book 112, and recorded in full in Resolution Book 35, Page(s) 102.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 23rd day of June, 1998.

Brenda R. Freeze, City Clerk , CMC

JUDITH A GIBSON REG OF DEEDS MECK NC

RESOLUTION CLOSING A PORTION OF WYANOKE STREET
LOCATED BETWEEN BAY STREET AND LABURNUM AVENUE IN THE CITY OF
CHARLOTTE, MECKLENBURG COUNTY, NORTH CAROLINA.

WHEREAS, pursuant to the provisions of Chapter 160A-299 of the General Statutes of North Carolina, the City Council has caused to be published a Resolution of Intent to Close a portion of Wyanoke Street which calls for a public hearing on the question; and;

WHEREAS, the petitioner has caused a copy of the Resolution of Intent to Close a portion of Wyanoke Street to be sent by registered or certified mail to all owners of property adjoining the said street (or portion thereof), and prominently posted a notice of the closing and public hearing in at least two places along Wyanoke Street, all as required by N.C.G.S. 160A-299; and

WHEREAS, the public hearing was held on the 22nd day of June, 1998, and City Council determined that the closing of Wyanoke Street is not contrary to the public interest, and that no individual, firm or corporation owning property in the vicinity thereof will be deprived of reasonable means of ingress and egress to his or its property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte, North Carolina at its regularly assembled meeting of June 22, 1998, that the Council hereby orders the closing of Wyanoke Street in the City of Charlotte, Mecklenburg County, North Carolina as shown in a map marked "Exhibit A" and is more particularly described by metes and bounds in a document marked "Exhibit B", both of which are attached hereto and made a part hereof.

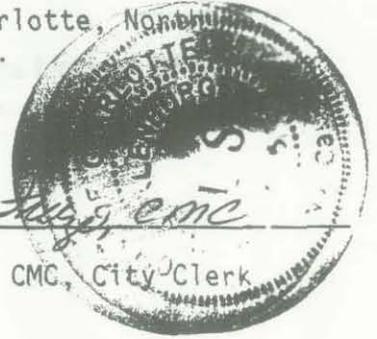
BE IT FURTHER RESOLVED that a certified copy of this Resolution be filed in the Office of the Register of Deeds for Mecklenburg County, North Carolina.

CERTIFICATION

I, Brenda Freeze, City Clerk of the City of Charlotte, North Carolina do hereby certify that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 22nd day of June, 1998, the reference having been made in Minute Book 112, page , and recorded in full in Resolution Book 35, page 103-105.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 23rd day of June, 1998.

Brenda R. Freeze, CMC
Brenda R. Freeze, CMC, City Clerk



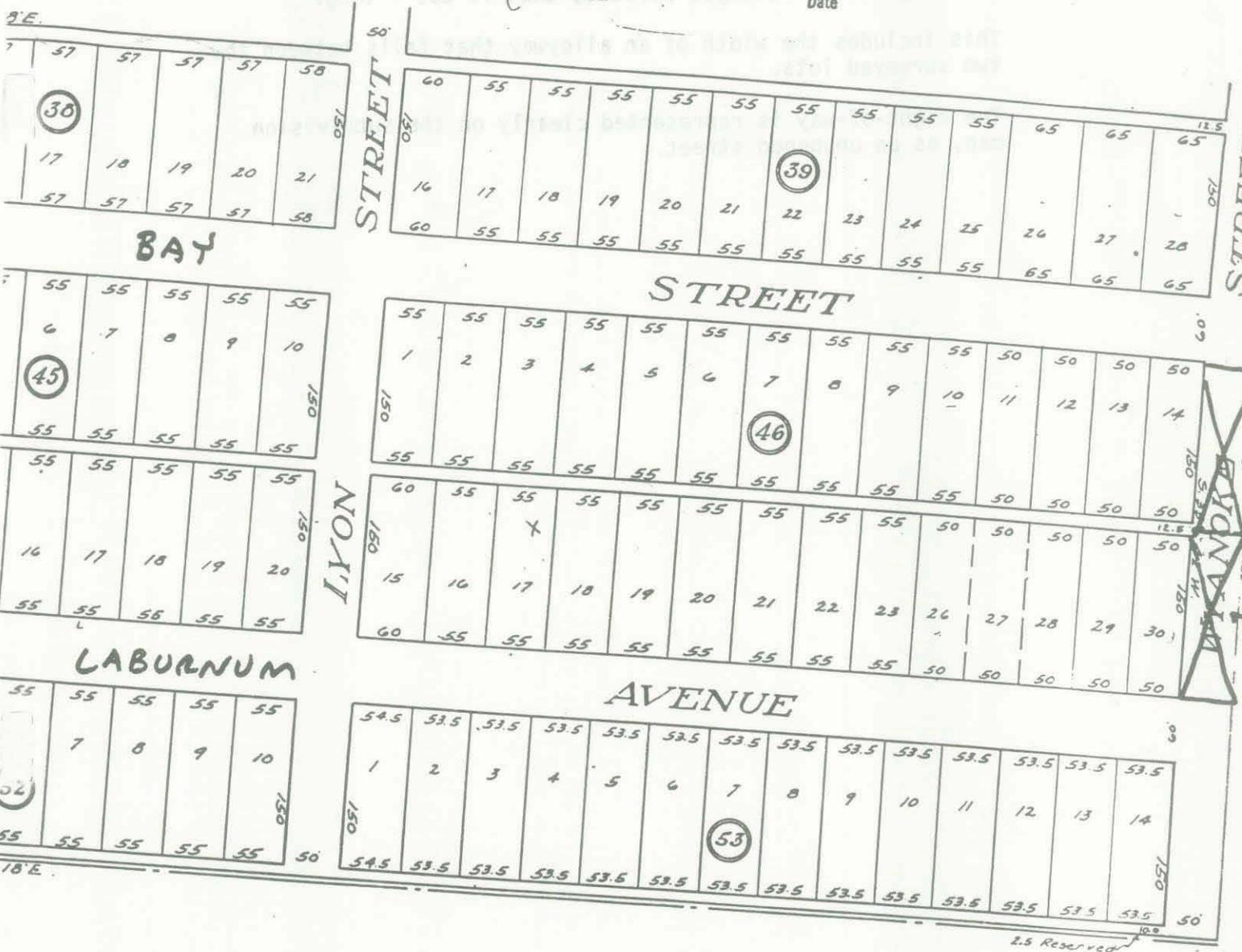
FILED FOR REGISTRAR 07/22/98 12:20
BK: 09808 PG: 0795/U/37 #:0278 10.00

Drawn by: City of Charlotte
Return to: City of Charlotte - Box

I, RICHARD B. HOBBS, REVIEW OFFICER OF MECKLENBURG COUNTY CERTIFY THAT THE MAP OR PLAT TO WHICH THIS NOTIFICATION IS AFFIXED MEETS ALL STATUTORY REQUIREMENTS FOR RECORDING.

Richard B. Hobbs
 Review Officer

6/30/98
 Date



IN OF
 REVISED
 E, N.C.
 Aug. 1946.
 C.S.

This is not a certified survey and no
 reliance may be placed in its accuracy.

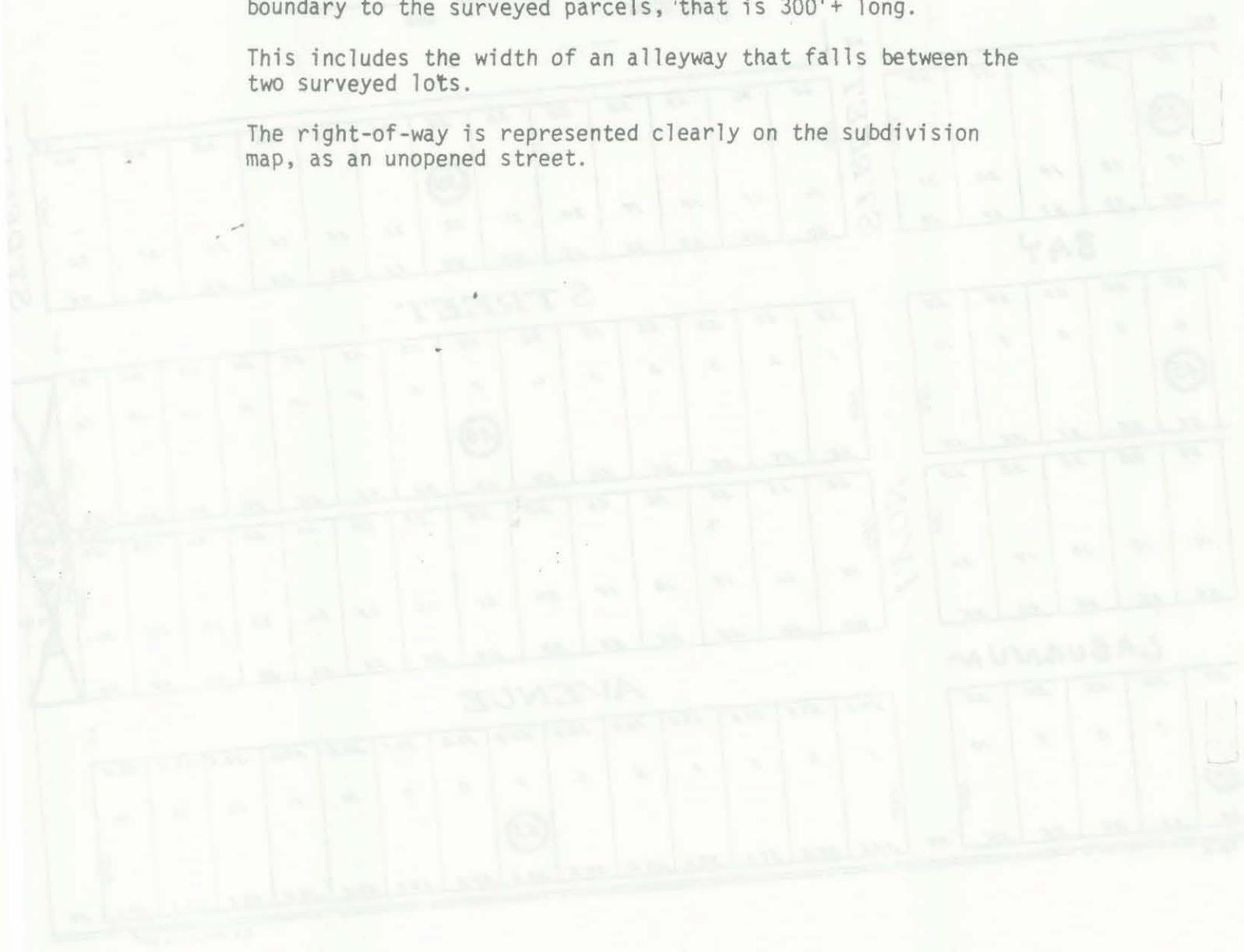
2.5 Reserved

METES AND BOUNDS DESCRIPTION

The section of Wyanoke Avenue right-of way that begins at the intersection of Wyanoke and Laburnum Avenues, and continues to the intersection of Bay Street and Wyanoke Avenue. This section extends 50' southeast of the adjoining parcels (numbered 1 and 2 on the subdivision map) to a parallel boundary to the surveyed parcels, that is 300'+ long.

This includes the width of an alleyway that falls between the two surveyed lots.

The right-of-way is represented clearly on the subdivision map, as an unopened street.



This is not a certified survey and no reference may be placed in its accuracy.

REVISED
E.M.C.

**RESOLUTION CLOSING A PORTION OF SARDIS CROSSING DRIVE
THAT INTERSECTS SARDIS ROAD NORTH BETWEEN MONROE ROAD
AND GALLERIA BOULEVARD IN THE CITY OF CHARLOTTE,
MECKLENBURG COUNTY, NORTH CAROLINA**

WHEREAS, pursuant to the provisions of Chapter 160A-299 of the General Statutes of North Carolina, the City Council has caused to be published a Resolution of Intent to Abandon and Close a portion of Sardis Crossing Drive that intersects Sardis Road North between Monroe Road and Galleria Boulevard which calls for a public hearing on the question; and

WHEREAS, the Petitioner has caused a copy of the Resolution of Intent to Abandon and Close a portion of Sardis Crossing Drive to be sent by registered or certified mail to all owners of property adjoining said street, and prominently posted a notice of the closing and public hearing in at least two places along said street, all as required by G.S. 160A-299; and

WHEREAS, the Petitioner will provide an easement to the Charlotte-Mecklenburg Utility Department to maintain its facilities as shown on the map attached hereto and made a part hereof marked Exhibit A; and

WHEREAS, the public hearing was held on the 22nd day of June, 1998, and City Council determined that the closing of a portion of Sardis Crossing Drive that intersects Sardis Road North between Monroe Road and Galleria Boulevard is not contrary to the public interest and that no individual, firm or corporation owning property in the vicinity thereof will be deprived of reasonable means of ingress and egress to his, her or its property.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Charlotte, North Carolina at its regularly assembled meeting of June 22, 1998 that the Council hereby orders the closing of a portion of Sardis Crossing Drive that intersects Sardis Road North between Monroe Road and Galleria Boulevard in the City of Charlotte, Mecklenburg County, North Carolina as described below:

Lying and being in the City of Charlotte, County of Mecklenburg, State of North Carolina and described as follows:

TO GET TO THE BEGINNING, commence at a point in the southerly margin of the right-of-way of Sardis Road North (variable public right-of-way), (said point being located along said margin from the northeast corner of Lot 1A, Sardis Cut Business Park (The Galleria) as shown on Map Book 25, Page 246 of the Mecklenburg County Public Registry with the arc of a circular curve to the right having a radius of 1,585.76 feet, an arc distance of 200.00 feet (chord: S. 59-02-22 W. 199.87 feet)) to the point or place of BEGINNING, and running thence with the westerly lines of the aforesaid Lot 1A (SouthTrust Bank of Central Carolina Deed recorded in Book 7578, Page 797 of said Registry) four (4) courses and distances as follows: 1) with

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the arc of a circular curve to the left having a radius of 20.00 feet, an arc distance of 30.13 feet (chord: S. 19-30-06 W. 27.36 feet) to a point; 2) S. 23-39-22 E. 53.98 feet to a point; 3) with the arc of a circular curve to the left having a radius of 311.50 feet, an arc distance of 68.67 feet (chord: S. 29-58-19 E. 68.53 feet to a point; and 4) with the arc of a circular curve to the left having a radius of 454.92 feet, an arc distance of 123.16 feet (chord: S. 44-02-35 E. 122.78 feet) to a point (passing the southernmost corner of Lot 1A at 97.16 feet), thence S. 51-47-56 E. 35.15 feet to a point; thence S. 35-20-19 W. 60.00 feet to a point; thence N. 57-31-26 W. 71.08 feet to a point; thence with the arc of a circular curve to the right having a radius of 298.71 feet, an arc distance of 110.72 feet (chord: N. 46-54-19 W. 110.09 feet) to a point; thence with the arc of a circular curve to the right having a radius of 388.50 feet, an arc distance of 85.64 feet (chord: N. 29-58-18 W. 85.47 feet) to a point; thence N. 23-39-22 W. 50.35 feet to a point; thence with the arc of a circular curve to the left having a radius of 20.00 feet, an arc distance of 30.69 feet (chord: N. 67-31-49 W. 27.72 feet) to a point; thence N. 64-33-07 E. 115.05 feet to the point or place of BEGINNING, containing 23,523 square feet and being delineated as Sardis Crossing Drive on survey entitled, "R/W Abandonment of Sardis Crossing Drive, (Map Book 24, Page 999)" dated February 19, 1998, and prepared by R.B. Pharr & Associates.

BE IT FURTHER RESOLVED that by consent of all parties owning property adjacent thereto, all right, title and interest in the real property underlying the right-of-way of Sardis Crossing Drive shall be conclusively presumed to be vested in the Petitioner, Sardis Monroe Road Investors, in accordance with the terms of the Resolution of Intent to Abandon and Close, and that a certified copy of this Resolution be filed in the Office of the Register of Deeds for Mecklenburg County, North Carolina.

CERTIFICATION

I, Brenda Freeze, City Clerk of the City of Charlotte, North Carolina do hereby certify that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 22nd day of June, 1998, the reference having been made in Minute Book 112, page _____, and recorded in full in Resolution Book 35 page 106-108.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 23rd, day of June, 1998.

Brenda R. Freeze
Brenda R. Freeze, C



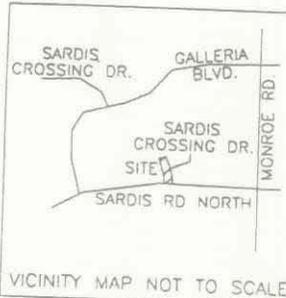
Drawn by: City of Charlotte
Return to: City of Charlotte - Box

A MAP SHOWING
A PORTION OF SARDIS CROSSING DRIVE
TO BE REMOVED FROM DEDICATION

FEBRUARY 19, 1998

REVISED: MAY 6, 1998 - TO REMOVE CENTERLINE
OF PROPOSED EASEMENT

NOTE: EASEMENT IN FAVOR OF CHARLOTTE MECKLENBURG UTILITY COMPANY
UPON, UNDER, ACROSS THE ENTIRE PROPERTY DESCRIBED ABOVE FOR
ACCESS TO AND FOR THE INSTALLATION, MAINTENANCE, REPLACEMENT,
AND REPAIR OF CONDUIT, CABLE WIRES, PIPES, AND RELATED EQUIPMENT.



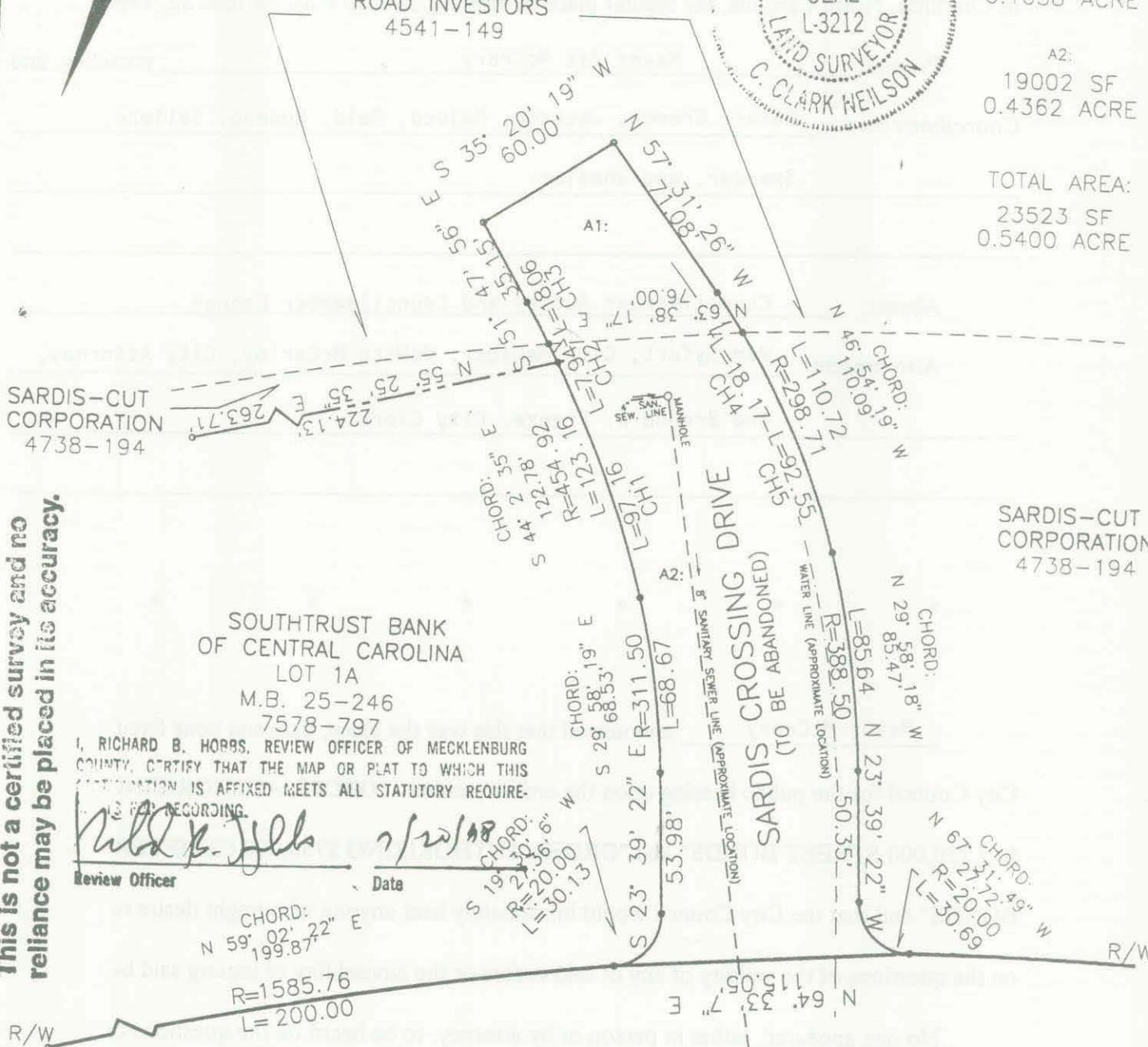
REFERENCE:
M.B. 24-999

SARDIS-MONROE
ROAD INVESTORS
4541-149

A1:
4521 SF
0.1038 ACRE

A2:
19002 SF
0.4362 ACRE

TOTAL AREA:
23523 SF
0.5400 ACRE



This is not a certified survey and no
reliance may be placed in its accuracy.

RICHARD B. HORBS, REVIEW OFFICER OF MECKLENBURG
COUNTY, CERTIFY THAT THE MAP OR PLAT TO WHICH THIS
CERTIFICATION IS AFFIXED MEETS ALL STATUTORY REQUIRE-
MENTS FOR RECORDING.

Richard B. Horbs
Review Officer

Date

CHORD:
N 59° 02' 22" E
L=199.87

R=1585.76
L=200.00

SARDIS ROAD NORTH
(VARIABLE R/W)

CHORD	BEARING	DISTANCE
CH1	S 42° 24' 22" E	96.98
CH2	S 49° 1' 27" E	7.93
CH3	S 50° 39' 41" E	18.06
CH4	N 55° 46' 52" W	18.17
CH5	N 45° 9' 45" W	92.18

SIGNED

C. Clark Weilson

R. B. PHARR & ASSOCIATES, REGISTERED SURVEYORS
420 HAWTHORNE LANE
CHARLOTTE, N.C. 28204
TEL. (704) 376-2186

CREW	DRAWN	REVISED
NA	ML	ML

PRELIMINARY PLAT-NOT FOR RECORDATION,
CONVEYANCES, OR SALES.

EXHIBIT

MAP OF:
R/W ABANDONMENT OF SARDIS CROSSING DRIVE (MAP BOOK 24, PAGE 999)

A

MAP PREPARED FOR

CHARLOTTE N.C.
GALLERIA VILLAGE, LLC

SCALE 1" = 60'

MAP BOOK 24 PAGE 999

DEED BOOK PAGE

FLOOD CERTIFICATION

THIS IS TO CERTIFY THAT THE SUBJECT PROPERTY IS NOT
LOCATED IN A SPECIAL FLOOD HAZARD AREA AS SHOWN ON
MAPS PREPARED BY THE FEDERAL EMERGENCY MANAGEMENT
AGENCY, FEDERAL INSURANCE ADMINISTRATION, DATED
FEBRUARY 26, 1982

EXTRACT FROM MINUTES
OF MEETING OF CITY COUNCIL OF
THE CITY OF CHARLOTTE

A regular meeting of the City Council of the City of Charlotte, North Carolina, was held in the Meeting Chamber at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina, the regular place of meeting, at 7:00 P.M. on June 22, 1998.

Present: Mayor Pat McCrory, presiding, and
Councilmembers Baker, Greene, Jackson, Majeed, Reid, Rousso, Sellers,
Spencer, and Wheeler

Absent: Councilmember Autrey and Councilmember Cannon

Also present: Pam Syfert, City Manager, DeWitt McCarley, City Attorney,
and Brenda R. Freeze, City Clerk

* * * * *

Mayor McCrory announced that this was the place, date and hour fixed for the City Council for the public hearing upon the orders entitled: "ORDER AUTHORIZING \$19,730,000 STREET BONDS" and "ORDER AUTHORIZING \$750,000 CEMETERY BONDS" and that the City Council would immediately hear anyone who might desire to be heard on the questions of the validity of any of said orders or the advisability of issuing said bonds.

No one appeared, either in person or by attorney, to be heard on the questions of the validity of said orders or the advisability of issuing said bonds, and the City Clerk announced that

10/1/98

no written statement relating to said questions had been received by the office of the City Clerk,
except as follows:

After the City Council had heard such persons, if any, who requested to be heard, the public hearing was closed.

Thereupon, upon motion of Councilmember Rousso, seconded by Councilmember Sellers, the order introduced and passed on first reading on June 15, 1998, entitled: "ORDER AUTHORIZING \$19,730,000 STREET BONDS", was read a second time by title and placed upon its final adoption. The vote upon the final adoption of said order was:

Ayes: Councilmembers Unanimous

Noes: None

Mayor McCrory then announced that the order entitled: "ORDER AUTHORIZING \$19,730,000 STREET BONDS" had been adopted.

Thereupon, upon motion of Councilmember Rousso, seconded by Councilmember Sellers, the order introduced and passed on first reading on June 15, 1998, entitled: "ORDER AUTHORIZING \$750,000 CEMETERY BONDS", was read a second time by title and placed upon its final adoption. The vote upon the final adoption of said order was:

Ayes: Councilmembers Unanimous

Noes: None

Mayor McCrory then announced that the order entitled: "ORDER AUTHORIZING \$750,000 CEMETERY BONDS" had been adopted.

The City Clerk was thereupon directed to cause to be published each of said orders, together with the appended statement as required by The Local Government Bond Act, as amended, once in The Charlotte Observer.

* * * * *

I, Brenda R. Freeze, _____ City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the recorded proceedings of the City Council of said City at a regular meeting held on June 22, 1998, as relates in any way to the holding of a public hearing upon and adoption of two orders authorizing new money bonds of said City, and that references regarding said proceedings are recorded in Minute Book No. 112 of said City Council beginning at page ___ and ending at page ___ and a full copy of each of the foregoing orders is recorded in Resolution Book No. 35 of said City Council beginning at page 109 and ending at page 113.

I HEREBY FURTHER CERTIFY that a schedule of regular meetings of said City Council, stating that regular meetings of said City Council are held (with certain exceptions not applicable to said meeting) at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina in the Conference Center on the first Monday of each month at 5:00 P.M. (workshop); and in the Meeting Chamber on the second Monday of each month at 7:00 P.M., the third Monday of each month at 6:00 P.M. (zoning), and the fourth Monday of each

month at 7:00 P.M., has been on file in the office of the City Clerk as of a date not less than seven days before the date of said meeting in accordance with G.S. § 143-318.12.

WITNESS my hand and the seal of said City, this 23rd day of June, 1998.

Brenda R. Freeze, CMC, City Clerk

(SEAL)

EXTRACT FROM MINUTES
OF MEETING OF CITY COUNCIL OF
THE CITY OF CHARLOTTE

A regular meeting of the City Council of the City of Charlotte, North Carolina, was held in the Meeting Chamber at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina, the regular place of meeting, at 7:00 P.M. on June 22, 1998.

Present: Mayor Pat McCrory, presiding, and Councilmembers Baker, Greene, Jackson, Majeed, Reid, Rousso, Sellers, Spencer,
and Greene

Absent: Councilmember Autrey and Councilmember Cannon

Also present: Pam Syfert, City Manager, DeWitt McCarley, City Attorney,
and Brenda R. Freeze, City Clerk

* * * * *

Mayor McCrory announced that this was the place, date and hour fixed by the City Council for the public hearing upon the orders entitled: "ORDER AUTHORIZING \$275,000,000 REFUNDING BONDS" and "ORDER AUTHORIZING \$16,000,000 AIRPORT GENERAL OBLIGATION REFUNDING BONDS" and that the City Council would immediately hear anyone who might wish to be heard on the questions of the validity of any of said orders or the advisability of issuing said bonds.

No one appeared, either in person or by attorney, to be heard on the questions of the validity of said orders or the advisability of issuing said bonds, and the City Clerk announced that

no written statement relating to said questions had been received by the office of the City Clerk or the office of the Director of Finance, except as follows:

THE CITY OF CHALLOTTE
OFFICE OF THE CITY CLERK

A regular meeting of the City Council of the City of Charlotte, North Carolina, was held at the Meeting Room at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina, the regular place of meeting, at 7:00 P.M. on June 22, 1998.

Present: Mayor Pat McCrory, Mayor Pro Tem, and Councilmembers: Mayor Pro Tem, Jackson, Harrell, Keith, Johnson, McHenry, Spencer, and Green.

Also present: Pat Sylvan, City Manager, Deputy Director, City Administrator, and Councilmembers: Councilmembers, Harrell and Councilmember, Cannon.

After the City Council had heard such persons, if any, who requested to be heard, the public hearing was closed.

Thereupon, upon motion of Councilmember Rouso, seconded by Councilmember Sellers, the order introduced and passed on first reading on June 15, 1998, entitled: "ORDER AUTHORIZING \$275,000,000 REFUNDING BONDS" was read a second time by title and placed upon its final adoption. The vote upon the final adoption of said order was:

Ayes: Councilmembers Unanimous

Noes: None

Mayor McCrory then announced that the order entitled: "ORDER AUTHORIZING \$275,000,000 REFUNDING BONDS" had been adopted.

Thereupon, upon motion of Councilmember Rouso, seconded by Councilmember Sellers, the order introduced and passed on first reading on June 15, 1998, entitled: "ORDER AUTHORIZING \$16,000,000 AIRPORT GENERAL OBLIGATION REFUNDING BONDS" was read a second time by title and placed upon its final adoption. The vote upon the final adoption of said order was:

Ayes: Councilmembers Unanimous

Noes: None

Mayor McCrory then announced that the order entitled: "ORDER AUTHORIZING \$16,000,000 AIRPORT GENERAL OBLIGATION REFUNDING BONDS" had been adopted.

The City Clerk was thereupon directed to cause to be published each of said orders, together with the appended statement as required by The Local Government Bond Act, as amended, once in The Charlotte Observer.

* * * * *

I, Brenda R. Freeze, _____ City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the recorded proceedings of the City Council of said City at a regular meeting held on June 22, 1998, as relates in any way to the holding of a public hearing upon and adoption of two orders authorizing refunding bonds of said City, and that references regarding said proceedings are recorded in Minute Book No. 112 of said City Council beginning at page and ending at page and a full copy of each of the foregoing orders is recorded in Resolution Book No. 35 of said City Council beginning at page 114 and ending at page 118.

I HEREBY FURTHER CERTIFY that a schedule of regular meetings of said City Council, stating that regular meetings of said City Council are held (with certain exceptions not applicable to said meeting) at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina, in the Conference Center on the first Monday of each month at 5:00 P.M. (workshop); and in the Meeting Chamber on the second Monday of each month at 7:00 P.M., the third Monday of each month at 6:00 P.M. (zoning), and the fourth Monday of each

month at 7:00 P.M., has been on file in the office of the City Clerk as of a date not less than seven days before the date of said meeting in accordance with G.S. § 143-318.12.

WITNESS my hand and the seal of said City, this 23rd day of June, 1998.

(SEAL)

Brenda R. Freeze, City Clerk
CMC

EXTRACT FROM MINUTES OF
MEETING OF CITY COUNCIL OF THE
CITY OF CHARLOTTE, NORTH CAROLINA

A regular meeting of the City Council of the City of Charlotte, North Carolina, was held in the Meeting Chamber at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina, the regular place of meeting, at 7:00 P.M. on June 22, 1998.

Present: Mayor Pat McCrory, presiding, and
Councilmembers Baker, Greene, Jackson, Majeed, Reid, Rousso, Sellers,
Spencer, and Wheeler

Absent: Councilmember Autrey and Councilmember Cannon

Also Present: Pam Syfert, City Manager, DeWitt McCarley, City Attorney,
and Brenda R. Freeze, City Clerk

* * * * *

Councilmember Rousso introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk and which was read by title:

RESOLUTION PROVIDING FOR THE ISSUANCE OF
\$177,880,000 GENERAL OBLIGATION BONDS CONSISTING OF
\$20,480,000 PUBLIC IMPROVEMENT BONDS, SERIES 1998,
\$96,000,000 WATER AND SEWER BONDS, SERIES 1998, AND
\$61,400,000 PUBLIC IMPROVEMENT BONDS, SERIES 1998A

BE IT RESOLVED by the City Council (the "City Council") of the City of Charlotte (the "Issuer"):

Section 1. The City Council has determined and does hereby find, declare and represent

(a) That orders authorizing \$19,730,000 Street Bonds (the "1998 Street Bonds") and \$750,000 Cemetery Bonds (the "1998 Cemetery Bonds") were adopted by the City Council at this meeting on June 22, 1998, to be effective 30 days after their publication.

(b) That none of said 1998 Street Bonds and none of said 1998 Cemetery Bonds have heretofore been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds, and that it is necessary at this time to issue all \$19,730,000 of said 1998 Street Bonds and all \$750,000 of said 1998 Cemetery Bonds.

(c) That it is desirable to consolidate the bonds hereinabove referred to in this Section 1 for purposes of sale to be in the aggregate principal amount of \$20,480,000 and to be designated "Public Improvement Bonds, Series 1998."

(d) That the weighted average maximum period of usefulness of the capital project(s) to be financed with the proceeds of said Public Improvement Bonds, Series 1998 to be issued as described above in this Section 1 is estimated as a period of not less than 20.37 years from the date of said bonds, and that such period expires no earlier than November 1, 2018.

Section 2. Pursuant to said orders, there shall be issued bonds of the Issuer in an aggregate principal amount of \$20,480,000 designated "Public Improvement Bonds, Series 1998" and dated as of such day and such month in 1998 not earlier than July 1, 1998, as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance of the Issuer or the City Treasurer of the Issuer, acting on behalf of the Issuer (the "Public Improvement Bonds, Series 1998"). Said bonds shall be stated to mature annually, on such day of such month as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and in such years as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director

of Finance or the City Treasurer, acting on behalf of the Issuer, beginning not earlier than 1999 and not later than three years after the dated date of said bonds and ending not earlier than 2016 and not later than 2019. The principal amount of said bonds to mature at each annual installment shall be set (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, such that no annual installment shall be more than four times as great in amount as the smallest prior annual installment. Said bonds shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time said bonds are sold, which interest to the respective maturities thereof shall be payable on such day of such month in 1998 or 1999 as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and semiannually thereafter on such day of such months of each year as shall be so designated (or adjusted) until payment of such principal sum.

Section 3. The City Council has determined and does hereby find, declare and represent:

(a) That an order authorizing \$46,065,000 Sanitary Sewer Bonds (the "1992 Sanitary Sewer Bonds") was adopted by the City Council on August 24, 1992, which order was approved by the vote of a majority of the qualified voters of the Issuer who voted thereon at a referendum duly called and held on November 3, 1992; that an order authorizing \$12,760,000 Sanitary Sewer Bonds (the "1993 Sanitary Sewer Bonds") was adopted by the City Council on August 23, 1993, which order was approved by the vote of a majority of the qualified voters of the Issuer who voted thereon at a referendum duly called and held on November 2, 1993; that an order authorizing \$59,730,000 Sanitary Sewer Bonds (the "1994 Sanitary Sewer Bonds") was adopted by City Council on August 22, 1994, which order was approved by the vote of a majority of the qualified voters of the Issuer who voted therein at a referendum duly called and held on November 8, 1994; that an order

authorizing \$69,110,000 Water Bonds (the "1994 Water Bonds") was adopted by City Council on August 22, 1994, which order was approved by the vote of a majority of the qualified voters of the Issuer who voted thereon at a referendum duly called and held on November 8, 1994.

(b) That \$13,295,000 of said 1992 Sanitary Sewer Bonds, \$2,000,000 of said 1993 Sanitary Sewer Bonds, \$1,000,000 of said 1994 Sanitary Sewer Bonds, and \$38,370,000 of said 1994 Water Bonds have heretofore been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of the balance of said bonds, and that it is necessary at this time to issue the \$32,770,000 balance of said 1992 Sanitary Sewer Bonds, the \$10,760,000 balance of said 1993 Sanitary Sewer Bonds, \$26,470,000 of the balance of said 1994 Sanitary Sewer Bonds, and \$26,000,000 of the balance of said 1994 Water Bonds.

(c) That it is desirable to consolidate the bonds hereinabove referred to in this Section 3 for purposes of sale to be in the aggregate principal amount of \$96,000,000 and to be designated "Water and Sewer Bonds, Series 1998."

(d) That the weighted average maximum period of usefulness of the capital project(s) to be financed with the proceeds of said Water and Sewer Bonds, Series 1998, to be issued as described above in this Section 3 is estimated as a period of 40 years from the date of said bonds, and that such period expires no earlier than July 1, 2038.

Section 4. Pursuant to said orders, there shall be issued bonds of the Issuer in an aggregate principal amount of \$96,000,000 designated "Water and Sewer Bonds, Series 1998" and dated as of such day and such month in 1998 not earlier than July 1, 1998, as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance of the Issuer or the City Treasurer of the Issuer, acting on behalf of the Issuer (the "Water and Sewer Bonds, Series 1998"). Said bonds shall be stated to mature annually, on such day of such month as shall be

designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and in such years as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, beginning not earlier than 1999 and not later than three years after the dated date of said bonds and ending not earlier than 2021 and not later than 2025. The principal amount of said bonds to mature at each annual installment shall be set (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, such that no annual installment shall be more than four times as great in amount as the smallest prior annual installment. Said bonds shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time said bonds are sold, which interest to the respective maturities thereof shall be payable on such day of such month in 1998 or 1999 as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and semiannually thereafter on such day of such months of each year as shall be so designated (or adjusted) until payment of such principal sum.

Section 5. The City Council has determined and does hereby find, declare and represent:

(a) That an order authorizing \$25,000,000 Storm Water Drainage Bonds (the "Storm Water Drainage Bonds") was adopted by the City Council on August 22, 1994, which order was approved by the vote of a majority of the qualified voters of the Issuer who voted thereon at a referendum duly called and held on November 8, 1994.

(b) That \$3,600,000 of the Storm Water Drainage Bonds have been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds and that it is necessary at this time to issue the \$21,400,000 balance of said bonds.

(c) That an order authorizing \$66,375,000 Street Bonds (the "Street Bonds") was adopted by the City Council on August 26, 1996, which order was approved by the vote of a majority of the qualified voters of the Issuer who voted thereon at a referendum duly called and held on November 5, 1996.

(d) That none of the Street Bonds have been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds and that it is necessary at this time to issue \$20,000,000 of said bonds.

(e) That an order authorizing \$32,000,000 Neighborhood Improvement Bonds (the "Neighborhood Improvement Bonds") was adopted by the City Council on August 26, 1996, which order was approved by the vote of a majority of the qualified voters of the Issuer who voted thereon at a referendum duly called and held on November 5, 1996.

(f) That none of the Neighborhood Improvement Bonds have been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds and that it is necessary at this time to issue \$20,000,000 of said bonds.

(g) That it is desirable to consolidate the bonds hereinabove referred to in this Section 5 for purposes of sale to be in the aggregate principal amount of \$61,400,000 and to be designated "Public Improvement Bonds, Series 1998A."

(h) That the weighted average maximum period of usefulness of the capital projects to be financed with the proceeds of said Public Improvement Bonds, Series 1998A, to be issued as described above in this Section 5 is estimated as a period of not less than 27 years from the date of said bonds, and that such period expires no earlier than July 1, 2025.

Section 6. Pursuant to said orders, there shall be issued bonds of the Issuer in an aggregate principal amount of \$61,400,000, designated, "Public Improvement Bonds, Series 1998A" and dated

as of such day and such month in 1998 not earlier than July 1, 1998, as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance of the Issuer or the City Treasurer of the Issuer, acting on behalf of the Issuer (the "Public Improvement Bonds, Series 1998A"). Said bonds shall be stated to mature annually, on such day of such month as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and in such years as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, beginning not earlier than 1999 and not later than three years after the dated date of said bonds and ending not earlier than 2021 and not later than 2025. The principal amount of said bonds to mature at each annual installment shall be set (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, such that no annual installment shall be more than four times as great in amount as the smallest prior annual installment. Said bonds shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time said bonds are sold, which interest to the respective maturities thereof shall be payable on such day of such month in 1998 or 1999 as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and semiannually thereafter on such day of such months of each year as shall be so designated (or adjusted) until payment of such principal sum.

Section 7. The Public Improvement Bonds, Series 1998 described in Sections 1 and 2 above, the Water and Sewer Bonds, Series 1998 described in Sections 3 and 4 above, and the Public Improvement Bonds, Series 1998A described in Sections 5 and 6 above are consolidated for purposes of sale and hereinafter may be referred to collectively as the "Bonds."

Notwithstanding the foregoing provisions of this resolution, since interest rates on a proposed sale date are unpredictable, at any time before the Bonds are awarded, the Director of Finance or the City Treasurer, acting on behalf of the Issuer, may from time to time defer sale of all or any portion of the Bonds (including postponement to a later date, to a subsequently announced date or indefinitely) and may designate the bond orders and amounts of the Bonds authorized by those orders for which sale is deferred.

In connection with issuance of the Bonds, there are proposed to be issued bonds of the Issuer (i) in an aggregate principal amount up to \$275,000,000, designated "Refunding Bonds, Series 1998" (the "General Government Refunding Bonds"), and (ii) in an aggregate principal amount up to \$16,000,000, designated "Airport General Obligation Refunding Bonds, Series 1998" (the "Airport General Obligation Refunding Bonds"). The General Government Refunding Bonds are to be issued to refund all or a portion of one or more designations of outstanding bonds of the Issuer which were included in various issues of bonds of the Issuer, the proceeds of which were used, together with any other funds necessary, for various water and sanitary sewer system improvements and various other public improvements of the Issuer. The Airport General Obligation Refunding Bonds are to be issued to refund all or a portion of the Issuer's outstanding Airport General Obligation Refunding Bonds, Series 1990, the proceeds of which were used, together with other funds necessary, to refund the Issuer's outstanding Airport Bonds, Series 1980A, the proceeds of which were used, together with other funds necessary, for the construction of portions of the terminal complex and certain appurtenant facilities at the Charlotte/Douglas International Airport, which is owned and governed by the City. The General Government Refunding Bonds and the Airport Refunding Bonds are referred to herein collectively as the "Refunding Bonds."

Section 8. Each Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated unless it is (a) authenticated upon an interest payment date in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, such Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest and any redemption premium on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

Section 9. The Bonds initially will be issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as hereinafter provided. Initially one fully registered Bond certificate for each stated maturity of the Bonds, for each designation, in the aggregate principal amount of the Bonds of such stated maturity and registered in the name of the Securities Depository Nominee (defined below), a nominee of the Securities Depository (defined below), will be issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system of the Securities Depository will evidence positions held in the Bonds by the Securities Depository's participants, with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of beneficial ownership will be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants.

The Issuer and the Bond Registrar will recognize the Securities Depository Nominee or the Securities Depository, as the case may be, while the registered owner of Bonds, as the owner of

Bonds for all purposes, including payments of principal of, and redemption premium, if any, and interest on the Bonds, notices and voting. The principal of and any redemption premium on each Bond shall be payable to the Securities Depository Nominee or any other person appearing on the registration books of the Issuer hereinafter provided for as the registered owner of such Bond or the registered assigns or legal representative of such registered owner at the office of the Bond Registrar mentioned hereinafter or such other place as the Issuer may determine upon the presentation and surrender thereof as the same shall become due and payable. Payment of the interest on each Bond shall be made by the Bond Registrar on each interest payment date to the registered owner of such Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by such Bond) at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at such person's address as it appears on such registration books or, during the continuation of the book-entry system, by such other method of payment as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. Transfer of principal and interest and any redemption premium payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. Such transfers of interest by the Securities Depository and by such participants and other nominees of such beneficial owners may be made to the owners of Bonds shown on their records on a date on or after said record date for such interest, pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing

records maintained by the Securities Depository, its participants or persons acting through such participants.

In the event that (a) any Securities Depository determines not to continue to act as securities depository for the Bonds or (b) the Director of Finance of the Issuer determines to discontinue the book-entry system with such Securities Depository, the Issuer may identify another qualified Securities Depository to replace the predecessor Securities Depository, and, in such event, the Issuer will make arrangements with the predecessor Securities Depository and such other Securities Depository to effect such replacement and deliver replacement Bonds registered in the name of such other depository or its nominee in exchange for the outstanding Bonds, and all references in this resolution to any predecessor Securities Depository or Securities Depository Nominee shall thereupon be deemed to mean such other depository or its nominee. If the Issuer does not identify another qualified Securities Depository to replace the predecessor Securities Depository, the Issuer will deliver replacement Bonds in the form of fully registered certificates in the denomination of \$5,000 or any multiple thereof ("Certificated Bonds") in exchange for the outstanding Bonds as required by the predecessor Securities Depository and others. Upon the request of the Securities Depository, the Issuer may also deliver one or more Certificated Bonds to any participant of the Securities Depository in exchange for Bonds credited to its account with the Securities Depository. The Issuer and the Bond Registrar shall be entitled to rely upon the instructions of the Securities Depository as to the appropriate parties entitled to receive Certificated Bonds.

For purposes of this resolution "Securities Depository" means The Depository Trust Company, New York, New York, or other recognized securities depository selected by the Issuer, which maintains the book-entry system in respect of the Bonds authorized by this resolution, and shall include any substitute for or successor to the securities depository initially acting as Securities

Depository. For purposes of this resolution "Securities Depository Nominee" means, as to any Securities Depository, such Securities Depository or the nominee, if any, of such Securities Depository in whose name the Bond certificates shall be registered on the registration books maintained by the Bond Registrar during the continuation with such Securities Depository of the book-entry system authorized by this Resolution. The Depository Trust Company, New York, New York, is hereby appointed as the initial Securities Depository, and Cede & Co., a nominee thereof, is hereby appointed as the initial Securities Depository Nominee, for the Bonds.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to all Bonds issued or issuable hereunder, whether initially or in replacement thereof.

Section 10. The Bonds shall be executed with the manual or facsimile signatures of the Mayor and the City Clerk of the Issuer, and the seal or a facsimile of the seal of the Issuer shall be impressed or imprinted, as the case may be, on the Bonds.

The certificate of the Local Government Commission of North Carolina shall be endorsed on all Bonds and shall bear the manual or facsimile signature of the Secretary of said Commission or on behalf of the Secretary by a Designated Assistant and the certificate of authentication of the Bond Registrar to be endorsed on all Bonds shall be executed as provided hereinafter.

In case any officer of the Issuer or the Local Government Commission of North Carolina whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and any Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

Section 11. The Public Improvement Bonds, Series 1998 and the endorsements thereon shall be in substantially the following form:

[Front Side of Printed Bonds]

No. R- _____ \$ _____

United States of America
State of North Carolina
County of Mecklenburg

CITY OF CHARLOTTE

Public Improvement Bonds, Series 1998

<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>CUSIP</u>
_____	_____	_____

The City of Charlotte, a municipal corporation in Mecklenburg County, North Carolina (the "Issuer"), is justly indebted and for value received hereby promises to pay to

or registered assigns or legal representative on the date specified above [(or earlier as hereinafter referred to)], upon the presentation and surrender hereof, at the office of the Director of Finance of the Issuer (the "Bond Registrar"), the principal sum of

_____ DOLLARS

and to pay interest on such principal sum from the date hereof or from the _____ or _____ next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is a _____ or _____ to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on _____, 199_ and semiannually thereafter on _____ and _____ in each year, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by this Bond) is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at such person's address as it appears on the bond registration books of the Issuer. Both the principal of and the interest on this Bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of the Issuer are hereby irrevocably pledged.

[Printed Bonds are to include
the following paragraph]

ADDITIONAL PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE
HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH
HERE.

[Reverse Side of Printed Bonds]

This Bond is one of an issue of Bonds designated "Public Improvement Bonds, Series 1998" (the "Bonds") and issued by the Issuer for the purpose of providing funds, with any other available funds, for undertaking various public improvements for the Issuer. This Bond is issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, orders adopted by the City Council of the Issuer which have taken effect as provided by law, and a resolution duly passed by the City Council of the Issuer (the "Resolution").

The Bonds [maturing prior to _____, ____] are not subject to redemption prior to maturity. [The Bonds maturing on _____, ____ and thereafter may be redeemed, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than _____, ____, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of 1/2 of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.]

[If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions

thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.]

[Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys for payment of such redemption price and the accrued interest have been deposited by the Issuer as provided in the Resolution, interest on the Bonds or the portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under the Resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof plus accrued interest to the date of redemption. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner hereof or the legal representative of said owner upon the surrender hereof.]

[The following four paragraphs are to be included in the form of Bond so long as the Bonds are being issued pursuant to a book-entry system.]

The Bonds initially are being issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as provided in the Resolution. Initially one fully

registered Bond certificate for each stated maturity of the Bonds, in the aggregate principal amount of the Bonds of such stated maturity and registered in the name of the Securities Depository Nominee (as defined in the Resolution), a nominee of the Securities Depository (as defined in the Resolution), is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system of the Securities Depository will evidence positions held in the Bonds by the Security Depository's participants, with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of beneficial ownership will be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants.

The Issuer and the Bond Registrar will recognize the Securities Depository Nominee or the Securities Depository, as the case may be, while the registered owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of [, and redemption premium, if any,] and interest on, this Bond, notices and voting. Transfer of principal and interest [and any redemption premium] payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest [and any redemption premium] payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by the Securities Depository, its participants or persons acting through such participants.

While the Securities Depository Nominee or the Securities Depository, as the case may be, is the owner of this Bond, notwithstanding the provisions hereinabove contained, payments of

principal of [, redemption premium, if any,] and interest on this Bond shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of said holder as may be specified in the bond registration books maintained by the Bond Registrar or by such other method of payment as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. [Further, so long as a book-entry system is used for determining beneficial ownership of Bonds, redemption notices shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. In addition, so long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Bonds of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in the Bonds within such maturity to be redeemed.]

In certain events, the Issuer may replace the Securities Depository at the time with another qualified Securities Depository. In certain events, the Issuer may discontinue the book-entry system and deliver replacement Bonds in the form of fully registered certificates in the denomination of \$5,000 or any multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its office the books of the Issuer for the registration of transfer of Bonds. The transfer of this Bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or the attorney or legal representative

of such registered owner in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the [unredeemed] principal amount of this Bond, of the same maturity and bearing interest at the same rate.

[The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.]

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within the geographic boundaries of the Issuer sufficient to pay the principal of and the interest on this Bond as the same shall become due; and that the total indebtedness of the Issuer, including this Bond, does not exceed any constitutional or statutory limitation thereon.

[The following paragraphs through the Certificate of Authentication are to appear on the front side of printed Bonds]

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this Bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, said City of Charlotte, by resolution duly adopted by its City Council, has caused this Bond to be executed with the manual or facsimile signatures of its Mayor

and its City Clerk and its seal to be impressed or imprinted hereon, all as of the 22nd day of
June, 1998.

CITY OF CHARLOTTE

[Manual or Facsimile Signature]
Mayor

[Seal]

[Manual or Facsimile Signature]
City Clerk

CERTIFICATE OF AUTHENTICATION

This is a true and correct copy of the original as the same appears in the records of the City of Charlotte, North Carolina.

CITY OF CHARLOTTE
as Local Government

Director of Finance

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Manual or Facsimile Signature]
Secretary, Local Government
Commission

[By: _____]
[Designated Assistant]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

CITY OF CHARLOTTE,
as Bond Registrar

By: _____
Director of Finance

Date of Authentication: _____

ASSIGNMENT

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

the within bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Assignor's Signature

Signature Guaranteed: _____

NOTICE: The assignor's signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Certificated Bonds issuable hereunder shall be in substantially the form of the Bonds registered in the name of the Securities Depository Nominee with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 12. The Public Improvement Bonds, Series 1998 maturing prior to the annual principal payment date in such year, or all of said Bonds, as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, will not be subject to redemption prior to maturity. Said Bonds

maturing on the date, if any, designated pursuant to the preceding sentence and thereafter will be redeemable, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than the annual principal payment date in such year as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.

If less than all of the Public Improvement Bonds, Series 1998 of any one maturity shall be called for redemption then, subject to the immediately following sentence, the particular Public Improvement Bonds, Series 1998 or portions of Public Improvement Bonds, Series 1998 of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Public Improvement Bonds, Series 1998 of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in said Bonds within such maturity to be redeemed. If less than all of the Public Improvement Bonds, Series 1998 stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.

Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer; provided, however, so long as a book-entry system is used for determining beneficial ownership of Bonds, such notice shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. Each such notice shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. In the event that Certificated Bonds are outstanding, each such notice to the registered owners thereof shall also set forth, if less than all of said Bonds of any maturity then outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond will be issued.

If any Bonds or portions thereof are to be redeemed, the Bond Registrar shall open a separate account for the sole benefit of the bondholders whose Bonds are being redeemed, which account may be maintained by the Bond Registrar or by an agent. On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar in its capacity as such for deposit in such account

to pay the principal of and the redemption premium, if any, on the Bonds or portions thereof called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, have been deposited by the Issuer to be held in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or the attorney or legal representative of such registered owner shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof called for redemption and the redemption premium, if any, on such principal amount, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or the legal representative of such registered owner, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

Section 13. The Water and Sewer Bonds, Series 1998 and the endorsements thereon shall be in substantially the following form:

[Front Side of Printed Bonds]

No. R- _____ \$ _____

United States of America
State of North Carolina
County of Mecklenburg

CITY OF CHARLOTTE

Water and Sewer Bonds, Series 1998

<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>CUSIP</u>
_____	_____	_____

The City of Charlotte, a municipal corporation in Mecklenburg County, North Carolina (the "Issuer"), is justly indebted and for value received hereby promises to pay to

or registered assigns or legal representative on the date specified above [(or earlier as hereinafter referred to)], upon the presentation and surrender hereof, at the office of the Director of Finance of the Issuer (the "Bond Registrar"), the principal sum of

_____ DOLLARS

and to pay interest on such principal sum from the date hereof or from the _____ or _____ next preceding the date of authentication to which interest shall have been paid unless such date of authentication is a _____ or _____ to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on _____ 199_ and semiannually thereafter on _____ and _____ in each year, at the rate per annum

specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by this Bond) is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at such person's address as it appears on the bond registration books of the Issuer. Both the principal of and the interest on this Bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of the Issuer are hereby irrevocably pledged.

[Printed Bonds are to include
the following paragraph]

ADDITIONAL PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE
HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH
HERE.

[Reverse Side of Printed Bonds]

This Bond is one of an issue of Bonds designated "Water and Sewer Bonds, Series 1998" (the "Bonds") and issued by the Issuer for the purpose of providing funds, with any other available funds, for improving the water and sanitary sewer systems of the Issuer. This Bond is issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, orders adopted by the City Council of the Issuer which have taken effect as provided by law, and a resolution duly passed by the City Council of the Issuer (the "Resolution").

The Bonds [maturing prior to _____, ____] are not subject to redemption prior to maturity. [The Bonds maturing on _____, ____ and thereafter may be redeemed, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than _____, ____, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.]

[If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.]

[Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for

which such notice was given as required hereby. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys for payment of such redemption price and the accrued interest have been deposited by the Issuer as provided in the Resolution, interest on the Bonds or the portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under the Resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner hereof or the legal representative of said owner upon the surrender hereof.]

[The following four paragraphs are to be included in the form of Bond so long as the Bonds are being issued pursuant to a book-entry system.]

The Bonds initially are being issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as provided in the Resolution. Initially one fully registered Bond certificate for each stated maturity of the Bonds, in the aggregate principal amount of the Bonds of such stated maturity and registered in the name of the Securities Depository Nominee (as defined in the Resolution), a nominee of the Securities Depository (as defined in the Resolution), is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system of the Securities Depository will evidence positions held in the Bonds by the Security Depository's participants, with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of beneficial ownership will be effected on the records of the Securities

Depository and its participants pursuant to rules and procedures established by the Securities

Depository and its participants.

The Issuer and the Bond Registrar will recognize the Securities Depository Nominee or the Securities Depository, as the case may be, while the registered owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of [, and redemption premium, if any,] and interest on, this Bond, notices and voting. Transfer of principal and interest [and any redemption premium] payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest [and any redemption premium] payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by the Securities Depository, its participants or persons acting through such participants.

While the Securities Depository Nominee or the Securities Depository, as the case may be, is the owner of this Bond, notwithstanding the provisions hereinabove contained, payments of principal of [, redemption premium, if any,] and interest on this Bond shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of said holder as may be specified in the bond registration books maintained by the Bond Registrar or by such other method of payment as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. [Further, so long as a book-entry system is used for determining beneficial ownership of Bonds, redemption notices shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities

Depository. In addition, so long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Bonds of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in the Bonds within such maturity to be redeemed.]

In certain events, the Issuer may replace the Securities Depository at the time with another qualified Securities Depository. In certain events, the Issuer may discontinue the book-entry system and deliver replacement Bonds in the form of fully registered certificates in the denomination of \$5,000 or any multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its office the books of the Issuer for the registration of transfer of Bonds. The transfer of this Bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations in an aggregate principal amount equal to the [unredeemed] principal amount of this Bond, of the same maturity and bearing interest at the same rate.

[The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice

of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.]

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within the geographic boundaries of the Issuer sufficient to pay the principal of and the interest on this Bond as the same shall become due; and that the total indebtedness of the Issuer, including this Bond, does not exceed any constitutional or statutory limitation thereon.

[The following paragraphs through the Certificate of Authentication are to appear on the front side of printed Bonds]

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this Bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, said City of Charlotte, by resolution duly adopted by its City Council, has caused this Bond to be executed with the manual or facsimile signatures of its Mayor and its City Clerk and its seal to be impressed or imprinted hereon, all as of the 22nd day of June, 1998.

CITY OF CHARLOTTE

[Manual or Facsimile Signature]
Mayor

[Seal]

[Manual or Facsimile Signature]
City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Manual or Facsimile Signature]
Secretary, Local Government
Commission

[By: _____]
[Designated Assistant]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

CITY OF CHARLOTTE,
as Bond Registrar

By: _____
Director of Finance

Date of Authentication: _____

ASSIGNMENT

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

the within bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Assignor's Signature

Signature Guaranteed: _____

NOTICE: The assignor's signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Certificated Bonds issuable hereunder shall be in substantially the form of the Bonds registered in the name of the Securities Depository Nominee with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 14. The Water and Sewer Bonds, Series 1998 maturing prior to the annual principal payment date in such year, or all of said Bonds, as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, will not be subject to redemption prior to maturity. Said Bonds maturing on the

date, if any, designated pursuant to the preceding sentence and thereafter will be redeemable, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than the annual principal payment date in such year as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.

If less than all of the Water and Sewer Bonds, Series 1998, of any one maturity shall be called for redemption then, subject to the immediately following sentence, the particular Water and Sewer Bonds, Series 1998 or portions of Water and Sewer Bonds, Series 1998 of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Water and Sewer Bonds, Series 1998 of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in said Bonds within such maturity to be redeemed. If less than all of the Water and Sewer Bonds, Series 1998 stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.

Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer; provided, however, so long as a book-entry system is used for determining beneficial ownership of Bonds, such notice shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. Each such notice shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. In the event that Certificated Bonds are outstanding, each such notice to the registered owners thereof shall also set forth, if less than all of said Bonds of any maturity then outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond will be issued.

If any Bonds or portions thereof are to be redeemed, the Bond Registrar shall open a separate account for the sole benefit of the bondholders whose Bonds are being redeemed, which account may be maintained by the Bond Registrar or by an agent. On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar in its capacity as such for deposit in such account

to pay the principal of and the redemption premium, if any, on the Bonds or portions thereof called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, have been deposited by the Issuer to be held in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or the attorney or legal representative of such registered owner shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof called for redemption and the redemption premium, if any, on such principal amount, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or the legal representative of such registered owner, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

Section 15. The Public Improvement Bonds, Series 1998A and the endorsements thereon shall be in substantially the following form:

[Front Side of Printed Bonds]

No. R- _____ \$ _____

United States of America
State of North Carolina
County of Mecklenburg

CITY OF CHARLOTTE

Public Improvement Bonds, Series 1998A

MATURITY DATE INTEREST RATE CUSIP

The City of Charlotte, a municipal corporation in Mecklenburg County, North Carolina (the "Issuer"), is justly indebted and for value received hereby promises to pay to

or registered assigns or legal representative on the date specified above [(or earlier as hereinafter referred to)], upon the presentation and surrender hereof, at the office of the Director of Finance of the Issuer (the "Bond Registrar"), the principal sum of

_____ DOLLARS

and to pay interest on such principal sum from the date hereof or from the _____ or _____ next preceding the date of authentication to which interest shall have been paid unless

such date of authentication is a _____ or _____ to which interest shall have been paid,

in which case from such date, such interest to the maturity hereof being payable on _____

199_ and semiannually thereafter on _____ and _____ in each year, at the rate per annum

specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by this Bond) is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at such person's address as it appears on the bond registration books of the Issuer. Both the principal of and the interest on this Bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of the Issuer are hereby irrevocably pledged.

[Printed Bonds are to include
the following paragraph]

**ADDITIONAL PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE
HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH
HERE.**

[Reverse Side of Printed Bonds]

This Bond is one of an issue of Bonds designated "Public Improvement Bonds, Series 1998A" (the "Bonds") and issued by the Issuer for the purpose of providing funds, with any other available funds, for undertaking various public improvements for the Issuer. This Bond is issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, orders adopted by the City Council of the Issuer which have taken effect as provided by law, and a resolution duly passed by the City Council of the Issuer (the "Resolution").

The Bonds [maturing prior to _____, ____] are not subject to redemption prior to maturity. [The Bonds maturing on _____, ____ and thereafter may be redeemed, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than _____, ____, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.]

[If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.]

[Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for

which such notice was given as required hereby. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys for payment of such redemption price and the accrued interest have been deposited by the Issuer as provided in the Resolution, interest on the Bonds or the portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under the Resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner hereof or the legal representative of said owner upon the surrender hereof.]

[The following four paragraphs are to be included in the form of Bond so long as the Bonds are being issued pursuant to a book-entry system.]

The Bonds initially are being issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as provided in the Resolution. Initially one fully registered Bond certificate for each stated maturity of the Bonds, in the aggregate principal amount of the Bonds of such stated maturity and registered in the name of the Securities Depository Nominee (as defined in the Resolution), a nominee of the Securities Depository (as defined in the Resolution), is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system of the Securities Depository will evidence positions held in the Bonds by the Security Depository's participants, with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of beneficial ownership will be effected on the records of the Securities

Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants.

The Issuer and the Bond Registrar will recognize the Securities Depository Nominee or the Securities Depository, as the case may be, while the registered owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of [, and redemption premium, if any,] and interest on, this Bond, notices and voting. Transfer of principal and interest [and any redemption premium] payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest [and any redemption premium] payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by the Securities Depository, its participants or persons acting through such participants.

While the Securities Depository Nominee or the Securities Depository, as the case may be, is the owner of this Bond, notwithstanding the provisions hereinabove contained, payments of principal of [, redemption premium, if any,] and interest on this Bond shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of said holder as may be specified in the bond registration books maintained by the Bond Registrar or by such other method of payment as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. [Further, so long as a book-entry system is used for determining beneficial ownership of Bonds, redemption notices shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities

Depository. In addition, so long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Bonds of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in the Bonds within such maturity to be redeemed.]

In certain events, the Issuer may replace the Securities Depository at the time with another qualified Securities Depository. In certain events, the Issuer may discontinue the book-entry system and deliver replacement Bonds in the form of fully registered certificates in the denomination of \$5,000 or any multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its office the books of the Issuer for the registration of transfer of Bonds. The transfer of this Bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations in an aggregate principal amount equal to the [unredeemed] principal amount of this Bond, of the same maturity and bearing interest at the same rate.

[The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice

of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.]

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within the geographic boundaries of the Issuer sufficient to pay the principal of and the interest on this Bond as the same shall become due; and that the total indebtedness of the Issuer, including this Bond, does not exceed any constitutional or statutory limitation thereon.

[The following paragraphs through the Certificate of Authentication are to appear on the front side of printed Bonds]

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this Bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, said City of Charlotte, by resolution duly adopted by its City Council, has caused this Bond to be executed with the manual or facsimile signatures of its Mayor and its City Clerk and its seal to be impressed or imprinted hereon, all as of the 22nd day of June, 1998.

CITY OF CHARLOTTE

[Manual or Facsimile Signature]
Mayor

[Seal]

[Manual or Facsimile Signature]
City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Manual or Facsimile Signature]
Secretary, Local Government
Commission

[By: _____]
[Designated Assistant]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

CITY OF CHARLOTTE,
as Bond Registrar

By: _____
Director of Finance

Date of Authentication: _____

redeemable, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than the annual principal payment date in such year as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.

If less than all of the Public Improvement Bonds, Series 1998A of any one maturity shall be called for redemption then, subject to the immediately following sentence, the particular Public Improvement Bonds, Series 1998A or portions of Public Improvement Bonds, Series 1998A of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Public Improvement Bonds, Series 1998A of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in said Bonds within such maturity to be redeemed. If less than all of the Public Improvement Bonds, Series 1998A stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.

Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer; provided, however, so long as a book-entry system is used for determining beneficial ownership of Bonds, such notice shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. Each such notice shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. In the event that Certificated Bonds are outstanding, each such notice to the registered owners thereof shall also set forth, if less than all of said Bonds of any maturity then outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond will be issued.

If any Bonds or portions thereof are to be redeemed, the Bond Registrar shall open a separate account for the sole benefit of the bondholders whose Bonds are being redeemed, which account may be maintained by the Bond Registrar or by an agent. On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar in its capacity as such for deposit in such account

to pay the principal of and the redemption premium, if any, on the Bonds or portions thereof called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, have been deposited by the Issuer to be held in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or the attorney or legal representative of such registered owner shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof called for redemption and the redemption premium, if any, on such principal amount, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or the legal representative of such registered owner, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

Section 17. The provisions of this Section relating to the exchange and transfer of Bonds are subject to the provisions for operation of the book-entry system provided in Section 9 of this resolution, including the immobilization of Bond certificates with a Securities Depository during the

continuation of the book-entry system. Bonds, upon surrender thereof at the office of the Bond Registrar together with an assignment duly executed by the registered owner or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

The transfer of any Bond may be registered only upon the registration books of the Issuer upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The Issuer or the Bond Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for shipping charges, out-of-pocket costs and any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made by the Issuer or the Bond Registrar for exchanging or registering the transfer of Bonds under this resolution. The Bond Registrar shall not be required to exchange or register the

transfer of any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to Sections 12, 14 or 16 of this resolution.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond and the interest on any such Bond shall be made only to or upon the order of the registered owner thereof or the legal representative of such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The Issuer shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of Bonds within a reasonable time according to then current commercial standards and for the timely payment of principal, interest and any redemption premium with respect to the Bonds. The Issuer is to act as the initial registrar, transfer agent and paying agent for the Bonds (collectively, the "Bond Registrar"), subject to the right of the governing body of the Issuer to appoint another Bond Registrar. The Director of Finance (or such other officer who shall from time to time perform the duties of finance officer within the meaning of N.C.G.S. Section 159-24, as it may be amended from time to time, or any successor statute) is hereby designated to act on behalf of the Issuer in carrying out its responsibilities as Bond Registrar, subject to the right of the governing body of the Issuer to designate another officer to act on its behalf, and as such shall keep at the office of the Director of Finance the books of the Issuer for the registration, registration of transfer, exchange and payment of the Bonds.

Section 18. The actions of the Director of Finance of the Issuer and the City Treasurer of the Issuer in applying to the Local Government Commission of North Carolina to advertise and sell the Bonds are hereby ratified and approved. The Local Government Commission of North Carolina is hereby requested to ask for sealed bids for the Bonds by publishing notices and printing and distributing an Official Statement, including any supplement thereto, relating to the sale of the Bonds. The Official Statement, proposed to be dated July 2, 1998, substantially in the form presented at this meeting, is hereby approved and the Mayor, the City Manager and the Director of Finance of the Issuer are each hereby authorized to approve changes in such Official Statement, to approve any supplement to such Official Statement and to execute such Official Statement and any supplement to such Official Statement for and on behalf of the Issuer.

Section 19. There may be printed on the reverse of each of any printed Bonds the legal opinion of Smith Helms Mulliss & Moore, L.L.P., bond counsel to the Issuer, with respect to the validity of the Bonds, and there may be printed immediately following such legal opinion a certificate bearing the manual or facsimile signature of the Mayor of the Issuer, said certificate to be in substantially the following form:

I HEREBY CERTIFY that the foregoing is a true and correct copy of the legal opinion on the bonds therein described which was manually signed by Smith Helms Mulliss & Moore, L.L.P., Charlotte, North Carolina, and was dated as of the date of delivery of and payment for said bonds.

[Manual or Facsimile Signature]

Mayor of the City of Charlotte,
North Carolina

Section 20. The Issuer covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will do and perform all acts and things to comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and any related

regulations and procedures in order to assure that interest paid on the Bonds will not be includable in the gross income of the owners thereof for purposes of federal income taxation, except to the extent that the Issuer obtains an opinion of bond counsel to the effect that noncompliance would not result in interest on the Bonds being includable in the gross income of the owners of the Bonds for purposes of federal income taxation.

As necessary or appropriate in connection with the issuance of the Bonds and the Refunding Bonds, all officers, employees and agents of the Issuer are authorized and directed to provide certifications of material facts and estimates as to the reasonable expectations of the Issuer as of the date(s) the Bonds and the Refunding Bonds and the Airport General Obligation Refunding Bonds are delivered and on behalf of the Issuer to sign agreements or acknowledge instructions regarding compliance with the requirements of the Code and any related regulations and procedures relating to the Bonds and the Refunding Bonds.

Section 21. There are hereby created appropriate capital project funds and accounts of the Issuer for the receipt and expenditure of the proceeds of the Bonds and appropriate debt service funds and accounts of the Issuer for the receipt and disbursement of debt service payments on the Bonds.

Section 22. The Issuer hereby undertakes, for the benefit of the beneficial owners of the Bonds and the Refunding Bonds, to provide:

(a) by not later than seven months from the end of each fiscal year of the Issuer, to each nationally recognized municipal securities information repository ("NRMSIR") and to the state information depository for the State of North Carolina ("SID"), if any, audited financial statements of the Issuer for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the Issuer are not available by seven months from the end

of such fiscal year, unaudited financial statements of the Issuer for such fiscal year to be replaced subsequently by audited financial statements of the Issuer to be delivered within 15 days after such audited financial statements become available for distribution;

(b) by not later than seven months from the end of each fiscal year of the Issuer, to each NRMSIR, and to the SID, if any, (i) the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information included under headings "The City - Debt Information" and "- Tax Information" in the Official Statement relating to the Bonds (excluding any information on overlapping or underlying units) and (ii) the combined budget of the Issuer for the current fiscal year, to the extent such items are not included in the audited financial statements referred to in (a) above;

(c) in a timely manner, to each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB"), and to the SID, if any, notice of any of the following events with respect to the Bonds or the Refunding Bonds, if material:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (7) modification to rights of the beneficial owners of the Bonds;
- (8) Bond calls;
- (9) defeasances;

- (10) release, substitution or sale of any property securing repayment of the Bonds;
and
(11) rating changes; and

(d) in a timely manner, to each NRMSIR or to the MSRB, and to the SID, if any, notice of a failure of the Issuer to provide required annual financial information described in (a) or (b) above on or before the date specified.

If the Issuer fails to comply with the undertaking described above, any beneficial owner of the Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of payment of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Bonds.

The Issuer reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the Issuer, provided that:

(a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12") as of the date of the Official Statement relating to the Bonds, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(c) any such modification does not materially impair the interests of the beneficial owners, as determined either by parties unaffiliated with the Issuer (such as bond counsel), or by the

approving vote of the registered owners of a majority in principal amount of the Bonds and the Refunding Bonds pursuant to the terms of this bond resolution and the bond resolution relating to the Refunding Bonds, as each may be amended from time to time, at the time of the amendment.

Any annual financial information containing modified operating data or financial information shall explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Bonds and the Refunding Bonds.

Section 23. The Mayor, the City Clerk, the City Manager, the Director of Finance and the City Treasurer, and the other officers of the Issuer are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any and all financing statements, certificates, documents or other papers, including, without limitation, Letter(s) of Representations to Securities Depositories and agreements relating to investment of proceeds of the Bonds (including repurchase agreements), and to perform any and all acts they may deem necessary or appropriate in order to carry out the intent of this resolution and the matters herein authorized.

Section 24. This resolution shall take effect upon its passage.

Upon motion of Councilmember Rousso, seconded by Councilmember Sellers, the foregoing resolution entitled: "RESOLUTION PROVIDING FOR THE ISSUANCE OF \$177,880,000 GENERAL OBLIGATION BONDS CONSISTING OF \$20,480,000 PUBLIC IMPROVEMENT BONDS, SERIES 1998, \$96,000,000 WATER AND SEWER BONDS, SERIES 1998, AND \$61,400,000 PUBLIC IMPROVEMENT BONDS, SERIES 1998A" was passed by the following vote:

Ayes: Councilmembers Unanimous

Noes: None

* * * * *

I, Brenda R. Freeze, City Clerk of the City of Charlotte, North Carolina, DO
HEREBY CERTIFY that the foregoing is a true copy of so much of the recorded proceedings of the
City Council of said City at a regular meeting held on June 22, 1998, as relates in any way to the
passage of a resolution providing for the issuance of \$177,880,000 General Obligation Bonds
consisting of \$20,480,000 Public Improvement Bonds, Series 1998, \$96,000,000 Water and Sewer
Bonds, Series 1998, and \$61,400,000 Public Improvement Bonds, Series 1998A, of said City, and
that references regarding said proceedings are recorded in Minute Book No. 112 of said City Council
beginning at page and ending at page and a full copy of the foregoing resolution is recorded
in Resolution Book No. 35 of said City Council beginning at page 119 and ending at page 176.

I HEREBY FURTHER CERTIFY that a schedule of regular meetings of said City Council,
stating that regular meetings of said City Council are held (with certain exceptions not applicable to
said meeting) at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in
Charlotte, North Carolina, in the Conference Center on the first Monday of each month at 5:00 P.M.
(workshop); and in the Meeting Chamber on the second Monday of each month at 7:00 P.M., the
third Monday of each month at 6:00 P.M. (zoning), and the fourth Monday of each month at 7:00

P.M., has been on file in the office of the City Clerk as of a date not less than seven days before the date of said meeting in accordance with G.S. § 143-318.12.

WITNESS my hand and the seal of said City, this 23rd day of June, 1998.

Brenda R. Freeze, CMC, City Clerk

(SEAL)

RESOLUTION PROVIDING FOR THE ISSUANCE OF UP TO
\$25,000,000 GENERAL OBLIGATION REFUNDING BONDS
CONSISTING OF UP TO \$12,500,000 REFUNDING BONDS,
SERIES 1998, AND UP TO \$12,500,000 AIRPORT GENERAL
OBLIGATION REFUNDING BONDS, SERIES 1998

BE IT RESOLVED by the City Council (the "City Council") of the City of Charlotte (the

EXTRACT FROM MINUTES OF
MEETING OF THE CITY COUNCIL OF THE
CITY OF CHARLOTTE, NORTH CAROLINA

A regular meeting of the City Council of the City of Charlotte, North Carolina, was held in the Meeting Chamber at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina, the regular place of meeting, at 7:00 P.M. on June 22, 1998.

Present: Mayor Pat McCrory, presiding, and

Councilmembers: Baker, Greene, Jackson, Majeed, Reid, Rousso, Sellers,
Spencer, and Wheeler

Absent: Councilmember Autrey and Councilmember Cannon

Also Present: Pam Syfert, City Manager, DeWitt McCarley, City Attorney,
and Brenda R. Freeze, City Clerk

* * * * *

Councilmember Rousso introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk and which was read by title:

RESOLUTION PROVIDING FOR THE ISSUANCE OF UP TO \$291,000,000 GENERAL OBLIGATION REFUNDING BONDS CONSISTING OF UP TO \$275,000,000 REFUNDING BONDS, SERIES 1998, AND UP TO \$16,000,000 AIRPORT GENERAL OBLIGATION REFUNDING BONDS, SERIES 1998

BE IT RESOLVED by the City Council (the "City Council") of the City of Charlotte (the "Issuer"):

Section 1. The City Council has determined and does hereby find, declare and represent:

(a) That an order (the "General Government Refunding Bond Order") authorizing \$275,000,000 Refunding Bonds (the "General Government Refunding Bonds") was adopted by the City Council at this meeting on June 22, 1998, which order has taken effect.

(b) That none of the General Government Refunding Bonds have been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of any of the General Government Refunding Bonds and that it is necessary at this time to issue all or a portion of said General Government Refunding Bonds and to use the proceeds thereof, together with any other funds necessary, to refund all or a portion of one or more of the following designations of outstanding bonds of the Issuer as shall be determined as provided in Section 2 of this Resolution (as so determined, collectively, the "General Government Bonds To Be Refunded"): (i) Water and Sewer Bonds, Series 1994, dated April 1, 1994, (ii) Public Improvement Bonds, Series 1994, dated April 1, 1994, (iii) Water and Sewer Bonds, Series 1996, dated April 15, 1996, and (iv) Public Improvement Bonds, Series 1996, dated April 15, 1996.

(c) That the prospective General Government Bonds To Be Refunded were included in various issues of bonds of the Issuer, the proceeds of which were used, together with any other funds necessary, for various water and sanitary sewer system improvements and various other public improvements of the Issuer.

(d) That the shortest period of time in which the General Government Bonds To Be Refunded can be finally paid without making it unduly burdensome on the taxpayers of the Issuer is a period which expires within the fiscal year including the latest maturity date of any installment of the General Government Bonds To Be Refunded; and that the end of the unexpired periods of usefulness of the improvements financed by the proceeds of the prospective General Government Bonds To Be Refunded are estimated as periods from the respective dates of the prospective General

Government Bonds To Be Refunded of not less than 40 years with respect to said Water and Sewer Bonds, Series 1994, 30 years with respect to said Public Improvement Bonds, Series 1994, not less than 40 years with respect to said Water and Sewer Bonds, Series 1996, and 40 years with respect to said Public Improvement Bonds, Series 1996, and that such periods expire no earlier than April 1, 2034, April 1, 2024, April 15, 2036 and April 15, 2036, respectively.

Section 2. Pursuant to the General Government Refunding Bond Order, there shall be issued bonds of the Issuer in an aggregate principal amount, not to exceed \$275,000,000, to be set and subject to adjustment as hereinafter set forth, designated "Refunding Bonds, Series 1998" and dated as of such day and such month in 1998 not earlier than July 1, 1998, as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance of the Issuer or the City Treasurer of the Issuer, acting on behalf of the Issuer (the "Refunding Bonds, Series 1998"). The Director of Finance or the City Treasurer, acting on behalf of the Issuer, shall determine the General Government Bonds To Be Refunded (including the designations, maturities and amounts of maturities) from the designations of prospective General Government Bonds To Be Refunded identified in the General Government Refunding Bond Order. The Director of Finance or the City Treasurer, acting on behalf of the Issuer, shall set and may increase or decrease the aggregate principal amount of the Refunding Bonds, Series 1998 so long as such amount shall not exceed \$275,000,000, as either determines to be in the best interest of the Issuer, and may make any such increase or decrease either before or after the bids are opened. Said bonds shall be stated to mature annually, on such day of such month as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and in such years as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer,

beginning not earlier than 1999 and not later than three years after the dated date of said bonds and ending not later than the fiscal year including the latest maturity of any installment of any of the General Government Bonds To Be Refunded and not earlier than the fiscal year preceding that including the latest maturity of any installment of any of the General Government Bonds To Be Refunded. The principal amount of said bonds to mature at each annual installment shall be set by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, prior to the sale of said bonds such that no annual installment shall be more than four times as great in amount as the smallest prior annual installment. The Director of Finance or the City Treasurer, acting on behalf of the Issuer, may increase or decrease the principal amount of said bonds maturing at each maturity either before or after the opening of bids, provided that the aggregate principal amount of said bonds shall not exceed \$275,000,000 and that no annual installment shall be more than four times as great in amount as the smallest prior annual installment. Said bonds shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time said bonds are sold, which interest to the respective maturities thereof shall be payable on such day of such month in 1998 or 1999 as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and semiannually thereafter on such day of such months of each year as shall be so designated (or adjusted) until payment of such principal sum.

Section 3. The City Council has determined and does hereby find, declare and represent:

(a) That an order (the "Airport Refunding Bond Order") authorizing \$16,000,000 Airport General Obligation Refunding Bonds (the "Airport Refunding Bonds") was adopted by the City Council at this meeting on June 22, 1998, which order has taken effect.

(b) That none of the Airport Refunding Bonds have been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of any of the Airport Refunding Bonds and that it is necessary at this time to issue all or a portion of said Airport Refunding Bonds and to use the proceeds thereof, together with any other funds necessary, to refund all or a portion of the Issuer's outstanding Airport General Obligation Refunding Bonds, Series 1990, as shall be determined as provided in Section 4 of this Resolution (as so determined, the " Airport Bonds To Be Refunded").

(c) That the proceeds of the prospective Airport Bonds To Be Refunded were used, together with any other funds necessary, to refund the Issuer's outstanding Airport Bonds, Series 1980A, the proceeds of which were used, together with other funds necessary, for the construction of portions of the terminal complex and certain appurtenant facilities at the Charlotte/Douglas International Airport, which is owned and operated by the City.

(d) That the shortest period of time in which the Airport Bonds To Be Refunded can be finally paid without making it unduly burdensome on the taxpayers of the Issuer is a period which expires within the fiscal year including the latest maturity date of any installment of the Airport Bonds To Be Refunded; and that the end of the unexpired period of usefulness of the improvements financed or refinanced by the proceeds of the prospective Airport Bonds To Be Refunded is estimated as a period of 40 years from September 1, 1980, the date of said Airport Bonds, Series 1980A, and that such period expires on September 1, 2020.

Section 4. Pursuant to the Airport Refunding Bond Order, there shall be issued bonds of the Issuer in an aggregate principal amount, not to exceed \$16,000,000, to be set and subject to adjustment as hereinafter set forth, designated "Airport General Obligation Refunding Bonds, Series 1998" and dated as of such day and such month in 1998 not earlier than July 1, 1998, as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of

Finance of the Issuer or the City Treasurer of the Issuer, acting on behalf of the Issuer (the "Airport Refunding Bonds, Series 1998"). The Director of Finance or the City Treasurer, acting on behalf of the Issuer, shall determine the Airport Bonds To Be Refunded (including the maturities and amounts of maturities) from the prospective Airport Bonds To Be Refunded identified in the Airport Refunding Bond Order. The Director of Finance or the City Treasurer, acting on behalf of the Issuer, shall set and may increase or decrease the aggregate principal amount of the Airport General Obligation Refunding Bonds, Series 1998 so long as such amount shall not exceed \$16,000,000, as either determines to be in the best interest of the Issuer, and may make any such increase or decrease either before or after the bids are opened. Said bonds shall be stated to mature annually, on such day of such month as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and in such years as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, beginning not earlier than 1999 and not later than three years after the dated date of said bonds and ending not later than the fiscal year including the latest maturity of any installment of any of the Airport Bonds To Be Refunded and not earlier than the fiscal year preceding that including the latest maturity of any installment of any of the Airport Bonds To Be Refunded. The principal amount of said bonds to mature at each annual installment shall be set by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, prior to the sale of said bonds such that no annual installment shall be more than four times as great in amount as the smallest prior annual installment. The Director of Finance or the City Treasurer, acting on behalf of the Issuer, may increase or decrease the principal amount of said bonds maturing at each maturity either before or after the opening of bids, provided that the aggregate principal amount of said bonds shall not exceed \$16,000,000 and that no annual installment

shall be more than four times as great in amount as the smallest prior annual installment. Said bonds shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time said bonds are sold, which interest to the respective maturities thereof shall be payable on such day of such month in 1998 or 1999 as shall be designated (or subsequently adjusted at any time before said bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, and semiannually thereafter on such day of such months of each year as shall be so designated (or adjusted) until payment of such principal sum.

Section 5. The Refunding Bonds, Series 1998 described in Sections 1 and 2 above, and the Airport General Obligation Refunding Bonds, Series 1998 described in Sections 3 and 4 above are consolidated for purposes of sale and hereinafter may be referred to collectively as the "Bonds," provided that the designations of Refunding Bonds may be sold with a single notice of sale and bid form or with separate notice of sale and bid forms or with separate bid forms.

Notwithstanding the foregoing provisions of this resolution, since interest rates on a proposed sale date are unpredictable, at any time before the Bonds are awarded, the Director of Finance or the City Treasurer, acting on behalf of the Issuer, may from time to time defer sale of all or any portion of the Bonds (including postponement to a later date, to a subsequently announced date or indefinitely) and may designate the bond orders and amounts of the Bonds authorized by those orders for which sale is deferred.

In connection with issuance of all or a portion of the Bonds there are proposed to be issued bonds of the Issuer in an aggregate principal amount of \$177,880,000, consisting of \$20,480,000 of bonds designated "Public Improvement Bonds, Series 1998," \$96,000,000 of bonds designated "Water and Sewer Bonds, Series 1998" and \$61,400,000 of bonds designated "Public Improvement Bonds, Series 1998A" (referred to herein collectively as the "New Money Bonds").

Section 6. Each Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated unless it is (a) authenticated upon an interest payment date in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, such Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest and any redemption premium on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

Section 7. The Bonds initially will be issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as hereinafter provided. Initially one fully registered Bond certificate for each stated maturity of the Bonds, in the aggregate principal amount of the Bonds of such stated maturity and registered in the name of the Securities Depository Nominee (defined below), a nominee of the Securities Depository (defined below), will be issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system of the Securities Depository will evidence positions held in the Bonds by the Securities Depository's participants, with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of beneficial ownership will be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants.

The Issuer and the Bond Registrar will recognize the Securities Depository Nominee in the Securities Depository, as the case may be, while the registered owner of Bonds, as the owner of Bonds for all purposes, including payments of principal of, and redemption premium, if any, and

interest on the Bonds, notices and voting. The principal of and any redemption premium on each Bond shall be payable to the Securities Depository Nominee or any other person appearing on the registration books of the Issuer hereinafter provided for as the registered owner of such Bond or the registered assigns or legal representative of such registered owner at the office of the Bond Registrar mentioned hereinafter or such other place as the Issuer may determine upon the presentation and surrender thereof as the same shall become due and payable. Payment of the interest on each Bond shall be made by the Bond Registrar on each interest payment date to the registered owner of such Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by such Bond) at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at such person's address as it appears on such registration books or, during the continuation of the book-entry system, by such other method of payment as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. Transfer of principal and interest and any redemption premium payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. Such transfers of interest by the Securities Depository and by such participants and other nominees of such beneficial owners may be made to the owners of Bonds shown on their records on a date on or after said record date for such interest, pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing

records maintained by the Securities Depository, its participants or persons acting through such participants.

In the event that (a) any Securities Depository determines not to continue to act as securities depository for the Bonds or (b) the Director of Finance of the Issuer determines to discontinue the book-entry system with such Securities Depository, the Issuer may identify another qualified Securities Depository to replace the predecessor Securities Depository, and, in such event, the Issuer will make arrangements with the predecessor Securities Depository and such other Securities Depository to effect such replacement and deliver replacement Bonds registered in the name of such other depository or its nominee in exchange for the outstanding Bonds, and all references in this resolution to any predecessor Securities Depository or Securities Depository Nominee shall thereupon be deemed to mean such other depository or its nominee. If the Issuer does not identify another qualified Securities Depository to replace the predecessor Securities Depository, the Issuer will deliver replacement Bonds in the form of fully registered certificates in the denomination of \$5,000 or any multiple thereof ("Certificated Bonds") in exchange for the outstanding Bonds as required by the predecessor Securities Depository and others. Upon the request of the Securities Depository, the Issuer may also deliver one or more Certificated Bonds to any participant of the Securities Depository in exchange for Bonds credited to its account with the Securities Depository. The Issuer and the Bond Registrar shall be entitled to rely upon the instructions of the Securities Depository as to the appropriate parties entitled to receive Certificated Bonds.

For purposes of this resolution "Securities Depository" means The Depository Trust Company, New York, New York, or other recognized securities depository selected by the Issuer, which maintains the book-entry system in respect of the Bonds authorized by this resolution, and shall include any substitute for or successor to the securities depository initially acting as Securities

Depository. For purposes of this resolution "Securities Depository Nominee" means, as to any Securities Depository, such Securities Depository or the nominee, if any, of such Securities Depository in whose name the Bond certificates shall be registered on the registration books maintained by the Bond Registrar during the continuation with such Securities Depository of the book-entry system authorized by this resolution. The Depository Trust Company, New York, New York, is hereby appointed as the initial Securities Depository, and Cede & Co., a nominee thereof, is hereby appointed as the initial Securities Depository Nominee for the Bonds.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to all Bonds issued or issuable hereunder, whether initially or in replacement thereof.

Section 8. The Bonds shall be executed with the manual or facsimile signatures of the Mayor and the City Clerk of the Issuer, and the seal or a facsimile of the seal of the Issuer shall be impressed or imprinted, as the case may be, on the Bonds.

The certificate of the Local Government Commission of North Carolina shall be endorsed on all Bonds and shall bear the manual or facsimile signature of the Secretary of said Commission or on behalf of the Secretary by a Designated Assistant and the certificate of authentication of the Bond Registrar to be endorsed on all Bonds shall be executed as provided hereinafter.

In case any officer of the Issuer or the Local Government Commission of North Carolina whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and any Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

Section 9. The Refunding Bonds, Series 1998 and the endorsements thereon shall be in substantially the following form:

[Front Side of Printed Bonds]

No. R- _____ \$ _____

United States of America
State of North Carolina
County of Mecklenburg

CITY OF CHARLOTTE

Refunding Bonds, Series 1998

MATURITY DATE	INTEREST RATE	CUSIP
_____	_____	_____

The City of Charlotte, a municipal corporation in Mecklenburg County, North Carolina (the "Issuer"), is justly indebted and for value received hereby promises to pay to

or registered assigns or legal representative on the date specified above [(or earlier as hereinafter referred to)], upon the presentation and surrender hereof, at the office of the Director of Finance of the Issuer (the "Bond Registrar"), the principal sum of

_____ DOLLARS

and to pay interest on such principal sum from the date hereof or from the _____ or _____ next preceding the date of authentication to which interest shall have been paid, unless

such date of authentication is a _____ or _____ to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on _____, 199_ and semiannually thereafter on _____ and _____ in each year, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by this Bond) is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at such person's address as it appears on the bond registration books of the Issuer. Both the principal of and the interest on this Bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of the Issuer are hereby irrevocably pledged.

[Printed Bonds are to include
the following paragraph]

ADDITIONAL PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE
HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH
HERE.

[Reverse Side of Printed Bonds]

This Bond is one of an issue of Bonds designated "Refunding Bonds, Series 1998" (the "Bonds") and issued by the Issuer for the purpose of providing funds, with any other funds necessary, for refunding the following principal amounts of the following bond issues of the Issuer:

[The amounts and designations of the
General Government Bonds To Be Refunded are to be listed
from the prospective General Government Bonds To Be
Refunded below.]

[(i) \$_____ Water and Sewer Bonds, Series 1994, dated April 1, 1994, (ii) \$_____
Public Improvement Bonds, Series 1994, dated April 1, 1994, (iii) \$_____ Water and Sewer
Bonds, Series 1996, dated April 15, 1996, and (iv) \$_____ Public Improvement Bonds, Series
1996, dated April 15, 1996.] This Bond is issued under and pursuant to The Local Government Bond
Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina,
an order adopted by the City Council of the Issuer which has taken effect as provided by law, and a
resolution duly passed by the City Council of the Issuer (the "Resolution").

The Bonds [maturing prior to _____, ____] are not subject to redemption prior to
maturity. [The Bonds maturing on _____, ____ and thereafter may be redeemed, at the option
of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part
on any date not earlier than _____, ____, at the principal amount of the Bonds to be redeemed,
together with interest accrued thereon to the date fixed for redemption, plus a redemption premium
of ½ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or
part thereof between the redemption date and the maturity date of such Bond, such premium not to
exceed 2% of such principal amount.]

[If less than all of the Bonds of any one maturity shall be called for redemption, the particular
Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner
as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be
redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting
Bonds for redemption, each Bond shall be considered as representing that number of Bonds which

is obtained by dividing the principal amount of such Bond by \$5,000. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.]

[Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys for payment of such redemption price and the accrued interest have been deposited by the Issuer as provided in the Resolution, interest on the Bonds or the portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under the Resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner hereof or the legal representative of said owner upon the surrender hereof.]

[The following four paragraphs are to be included in the form of Bond so long as the Bonds are being issued pursuant to a book-entry system.]

The Bonds initially are being issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as provided in the Resolution. Initially one fully registered Bond certificate for each stated maturity of the Bonds, in the aggregate principal amount of the Bonds of such stated maturity and registered in the name of the Securities Depository Nominee (as defined in the Resolution), a nominee of the Securities Depository (as defined in the Resolution), is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system of the Securities Depository will evidence positions held in the Bonds by the Securities Depository's participants, with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of beneficial ownership will be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants.

The Issuer and the Bond Registrar will recognize the Securities Depository Nominee or the Securities Depository, as the case may be, while the registered owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of [, and redemption premium, if any,] and interest on, this Bond, notices and voting. Transfer of principal and interest [and any redemption premium] payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest [and any redemption premium] payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining,

supervising or reviewing records maintained by the Securities Depository, its participants or persons acting through such participants.

While the Securities Depository Nominee or the Securities Depository, as the case may be, is the owner of this Bond, notwithstanding the provisions hereinabove contained, payments of principal of [, redemption premium, if any,] and interest on this Bond shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of said holder as may be specified in the bond registration books maintained by the Bond Registrar or by such other method of payment as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. [Further, so long as a book-entry system is used for determining beneficial ownership of Bonds, redemption notices shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. In addition, so long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Bonds of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in the Bonds within such maturity to be redeemed.]

In certain events, the Issuer may replace the Securities Depository at the time with another qualified Securities Depository. In certain events, the Issuer may discontinue the book-entry system and deliver replacement Bonds in the form of fully registered certificates in the denomination of \$5,000 or any multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its office the books of the Issuer for the registration of transfer of Bonds. The transfer of this Bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the [unredeemed] principal amount of this Bond, of the same maturity and bearing interest at the same rate.

[The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.]

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within the geographic boundaries of the Issuer sufficient to pay the principal of and the interest on this Bond as the same shall become due; and that the total indebtedness of the Issuer, including this Bond, does not exceed any constitutional or statutory limitation thereon.

[The following paragraphs through the Certificate of Authentication
are to appear on the front side of printed Bonds.]

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit
or security under the Resolution until this Bond shall have been authenticated by the execution by the
Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, said City of Charlotte, by resolution duly adopted by its City
Council, has caused this Bond to be executed with the manual or facsimile signatures of its Mayor
and its City Clerk and its seal to be impressed or imprinted hereon, all as of the _____ day of
_____, 1998.

CITY OF CHARLOTTE

[Manual or Facsimile Signature]
Mayor

[SEAL]

[Manual or Facsimile Signature]
City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Manual or Facsimile Signature]
Secretary, Local Government
Commission

[By: _____]
[Designated Assistant]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

CITY OF CHARLOTTE,
as Bond Registrar

By: _____
Director of Finance

Date of Authentication: _____

ASSIGNMENT

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

the within bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Assignor's Signature

Signature Guaranteed:

NOTICE: The assignor's signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Certificated Bonds issuable hereunder shall be in substantially the form of the Bonds registered in the name of the Securities Depository Nominee with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 10. The Refunding Bonds, Series 1998 maturing prior to the annual principal payment date in such year, or all of said Bonds, as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on

behalf of the Issuer, will not be subject to redemption prior to maturity. Said Bonds maturing on the date, if any, designated pursuant to the preceding sentence and thereafter will be redeemable, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than the annual principal payment date in such year as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.

If less than all of the Refunding Bonds, Series 1998 of any one maturity shall be called for redemption then, subject to the immediately following sentence, the particular Refunding Bonds, Series 1998 or portions of Refunding Bonds, Series 1998 of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Refunding Bonds, Series 1998 of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in said Bonds within such maturity to be redeemed. If less than all of the Refunding Bonds, Series 1998 stated to mature on different dates shall be called for redemption, the

particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.

Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer; provided, however, so long as a book-entry system is used for determining beneficial ownership of Bonds, such notice shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. Each such notice shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. In the event that Certificated Bonds are outstanding, each such notice to the registered owners thereof shall also set forth, if less than all of said Bonds of any maturity then outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond will be issued.

If any Bonds or portions thereof are to be redeemed, the Bond Registrar shall open a separate account for the sole benefit of the bondholders whose Bonds are being redeemed, which account may

be maintained by the Bond Registrar or by an agent. On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar in its capacity as such for deposit in such account to pay the principal of and the redemption premium, if any, on the Bonds or portions thereof called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, have been deposited by the Issuer to be held in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or the attorney or legal representative of such registered owner shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof called for redemption and the redemption premium, if any, on such principal amount, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or the legal representative of such registered owner, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

Section 11. The Airport General Obligation Refunding Bonds, Series 1998 and the endorsements thereon shall be in substantially the following form:

[Front Side of Printed Bonds]

No. R- _____ \$ _____

United States of America
State of North Carolina
County of Mecklenburg

CITY OF CHARLOTTE

Airport General Obligation Refunding Bonds, Series 1998

MATURITY DATE _____ INTEREST RATE _____ CUSIP _____

The City of Charlotte, a municipal corporation in Mecklenburg County, North Carolina (the "Issuer"), is justly indebted and for value received hereby promises to pay to

or registered assigns or legal representative on the date specified above [(or earlier as hereinafter referred to)], upon the presentation and surrender hereof, at the office of the Director of Finance of the Issuer (the "Bond Registrar"), the principal sum of

_____ DOLLARS

and to pay interest on such principal sum from the date hereof or from the _____ or _____ next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is a _____ or _____ to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on _____, 199_ and semiannually thereafter on _____ and _____ in each year, at the rate per annum

specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by this Bond) is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at such person's address as it appears on the bond registration books of the Issuer. Both the principal of and the interest on this Bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of the Issuer are hereby irrevocably pledged.

[Printed Bonds are to include
the following paragraph]

ADDITIONAL PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE
HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH
HERE.

[Reverse Side of Printed Bonds]

This Bond is one of an issue of Bonds designated "Airport General Obligation Refunding Bonds, Series 1998" (the "Bonds") and issued by the Issuer for the purpose of providing funds, with any other funds necessary, for refunding [the outstanding] \$_____ [of the outstanding] Airport General Obligation Refunding Bonds, Series 1990, dated July 1, 1990, of the Issuer. This Bond is issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, an order adopted by the City

Council of the Issuer which has taken effect as provided by law, and a resolution duly passed by the City Council of the Issuer (the "Resolution").

The Bonds [maturing prior to _____, ____] are not subject to redemption prior to maturity. [The Bonds maturing on _____, ____ and thereafter may be redeemed, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than _____, ____, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.]

[If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.]

[Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon

the registration books of the Issuer. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys for payment of such redemption price and the accrued interest have been deposited by the Issuer as provided in the Resolution, interest on the Bonds or the portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under the Resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner hereof or the legal representative of said owner upon the surrender hereof.]

[The following four paragraphs are to be included in the form of Bond so long as the Bonds are being issued pursuant to a book-entry system.]

The Bonds initially are being issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as provided in the Resolution. Initially one fully registered Bond certificate for each stated maturity of the Bonds, in the aggregate principal amount of the Bonds of such stated maturity and registered in the name of the Securities Depository Nominee (as defined in the Resolution), a nominee of the Securities Depository (as defined in the Resolution), is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system of the Securities Depository will evidence positions held in the

Bonds by the Securities Depository's participants, with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of beneficial ownership will be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants.

The Issuer and the Bond Registrar will recognize the Securities Depository Nominee or the Securities Depository, as the case may be, while the registered owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of [, and redemption premium, if any,] and interest on, this Bond, notices and voting. Transfer of principal and interest [and any redemption premium] payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest [and any redemption premium] payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by the Securities Depository, its participants or persons acting through such participants.

While the Securities Depository Nominee or the Securities Depository, as the case may be, is the owner of this Bond, notwithstanding the provisions hereinabove contained, payments of principal of [, redemption premium, if any,] and interest on this Bond shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of said holder as may be specified in the bond registration books maintained by the Bond Registrar or by such other method of payment as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. [Further, so long as

a book-entry system is used for determining beneficial ownership of Bonds, redemption notices shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. In addition, so long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Bonds of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in the Bonds within such maturity to be redeemed.]

In certain events, the Issuer may replace the Securities Depository at the time with another qualified Securities Depository. In certain events, the Issuer may discontinue the book-entry system and deliver replacement Bonds in the form of fully registered certificates in the denomination of \$5,000 or any multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its office the books of the Issuer for the registration of transfer of Bonds. The transfer of this Bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the [unredeemed] principal amount of this Bond, of the same maturity and bearing interest at the same rate.

[The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.]

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within the geographic boundaries of the Issuer sufficient to pay the principal of and the interest on this Bond as the same shall become due; and that the total indebtedness of the Issuer, including this Bond, does not exceed any constitutional or statutory limitation thereon.

[The following paragraphs through the Certificate of Authentication are to appear on the front side of printed Bonds.]

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this Bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, said City of Charlotte, by resolution duly adopted by its City Council, has caused this Bond to be executed with the manual or facsimile signatures of its Mayor

and its City Clerk and its seal to be impressed or imprinted hereon, all as of the 22nd day of
June, 1998.

CITY OF CHARLOTTE

[Manual or Facsimile Signature]
Mayor

[SEAL]

[Manual or Facsimile Signature]
City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Manual or Facsimile Signature]
Secretary, Local Government
Commission

[By: _____]
[Designated Assistant]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

CITY OF CHARLOTTE,
as Bond Registrar

By: _____
Director of Finance

Date of Authentication: _____

ASSIGNMENT

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

the within bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Assignor's Signature

Signature Guaranteed:

NOTICE: The assignor's signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Certificated Bonds issuable hereunder shall be in substantially the form of the Bonds registered in the name of the Securities Depository Nominee with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 12. The Airport General Obligation Refunding Bonds, Series 1998 maturing prior to the annual principal payment date in such year, or all of said Bonds, as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, will not be subject to redemption prior to maturity. Said Bonds maturing on the date, if any, designated pursuant to the preceding sentence and thereafter

will be redeemable, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than the annual principal payment date in such year as shall be designated (or subsequently adjusted at any time before said Bonds are awarded) by the Director of Finance or the City Treasurer, acting on behalf of the Issuer, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $\frac{1}{2}$ of 1% of the principal amount of each Bond to be redeemed for each period of 12 months or part thereof between the redemption date and the maturity date of such Bond, such premium not to exceed 2% of such principal amount.

If less than all of the Airport General Obligation Refunding Bonds, Series 1998 of any one maturity shall be called for redemption then, subject to the immediately following sentence, the particular Airport General Obligation Refunding Bonds, Series 1998 or portions of Airport General Obligation Refunding Bonds, Series 1998 of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system is used for determining beneficial ownership of Bonds, if less than all of the Airport General Obligation Refunding Bonds, Series 1998 of any one maturity shall be called for redemption, the Securities Depository shall determine by lot the amount of interest of each direct participant of the Securities Depository in said Bonds within such maturity to be redeemed. If less than all of the Airport General Obligation Refunding Bonds, Series 1998 stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such maturities and amounts of those maturities as shall be determined by the Issuer.

Not more than 60 days nor less than 30 days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at the address of said owner appearing upon the registration books of the Issuer; provided, however, so long as a book-entry system is used for determining beneficial ownership of Bonds, such notice shall be given to the Securities Depository Nominee by certified or registered mail or by such other method as the Issuer may determine to be necessary or advisable with the concurrence of the Securities Depository. Failure to mail such notice or any defect therein as to any Bond or portion thereof shall not affect the validity of the redemption as to any Bond or portion thereof for which such notice was given as required hereby. Each such notice shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. In the event that Certificated Bonds are outstanding, each such notice to the registered owners thereof shall also set forth, if less than all of said Bonds of any maturity then outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond will be issued.

If any Bonds or portions thereof are to be redeemed, the Bond Registrar shall open a separate account for the sole benefit of the bondholders whose Bonds are being redeemed, which account may be maintained by the Bond Registrar or by an agent. On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar in its capacity as such for deposit in such account

to pay the principal of and the redemption premium, if any, on the Bonds or portions thereof called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, have been deposited by the Issuer to be held in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or the attorney or legal representative of such registered owner shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof called for redemption and the redemption premium, if any, on such principal amount, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or the legal representative of such registered owner, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

Section 13. The provisions of this Section relating to the exchange and transfer of Bonds are subject to the provisions for operation of the book-entry system provided in Section 7 of this resolution, including the immobilization of Bond certificates with a Securities Depository during the

continuation of the book-entry system. Bonds, upon surrender thereof at the office of the Bond Registrar together with an assignment duly executed by the registered owner or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

The transfer of any Bond may be registered only upon the registration books of the Issuer upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or the attorney or legal representative of such registered owner in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The Issuer or the Bond Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for shipping charges, out-of-pocket costs and any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made by the Issuer or the Bond Registrar for exchanging or registering the transfer of Bonds under this resolution. The Bond Registrar shall not be required to exchange or register the

transfer of any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to Sections 10 or 12 of this resolution.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond and the interest on any such Bond shall be made only to or upon the order of the registered owner thereof or the legal representative of such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The Issuer shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of Bonds within a reasonable time according to then current commercial standards and for the timely payment of principal, interest and any redemption premium with respect to the Bonds. The Issuer is to act as the initial registrar, transfer agent and paying agent for the Bonds (collectively the "Bond Registrar"), subject to the right of the governing body of the Issuer to appoint another Bond Registrar. The Director of Finance or such other officer who shall from time to time perform the duties of finance officer within the meaning of N.C.G.S. Section 159-24, as it may be amended from time to time, or any successor statute is hereby designated to act on behalf of the Issuer in carrying out its responsibilities as Bond Registrar, subject to the right of the governing body of the Issuer to designate another officer to act on its behalf, and as such shall keep at the office of the Director of Finance the books of the Issuer for the registration, registration of transfer, exchange and payment of the Bonds.

Section 14. The actions of the Director of Finance of the Issuer and the City Treasurer of the Issuer in applying to the Local Government Commission of North Carolina to advertise and sell the Bonds are hereby ratified and approved. The Local Government Commission of North Carolina is hereby requested to ask for sealed bids for the Bonds by publishing notices and printing and distributing an Official Statement, including any supplement thereto, relating to the sale of the Bonds. The Official Statement, proposed to be dated July 2, 1998, substantially in the form presented at this meeting, is hereby approved and the Mayor, the City Manager and the Director of Finance of the Issuer are each hereby authorized to approve changes in such Official Statement, to approve any supplement to such Official Statement and to execute such Official Statement and any supplement to such Official Statement for and on behalf of the Issuer.

Section 15. First Union National Bank, in the City of Charlotte, North Carolina, is hereby appointed as escrow agent (the "Escrow Agent") in connection with the refunding of the General Government Bonds To Be Refunded and the Airport Bonds To Be Refunded (collectively the "Bonds To Be Refunded"), subject to the right of the governing body of the Issuer to appoint another Escrow Agent as provided in the Escrow Deposit Agreement (hereinafter mentioned), and as such shall have the responsibilities as provided in such Escrow Deposit Agreement. Such Escrow Deposit Agreement, substantially in the form presented at this meeting, and the creation of the Escrow Fund(s) and the other arrangements described therein to accomplish the refunding of the Bonds To Be Refunded, including the appointment of the Escrow Agent thereunder as agent of the Issuer and of the paying agent with respect to each designation of the Bonds To Be Refunded, are hereby approved. The Mayor, the City Manager, and the Director of Finance and the City Clerk of the Issuer are each hereby authorized to approve such changes in such Escrow Deposit Agreement as they,

upon the advice of counsel, deem necessary or appropriate, and to execute, deliver and perform such Escrow Deposit Agreement for and on behalf of the Issuer.

Section 16. The appointment of Porter, White & Company, Inc., Birmingham, Alabama, independent financial consultants, to verify the accuracy of certain mathematical computations in connection with the issuance of the Bonds and the refunding of the Bonds To Be Refunded is hereby ratified and approved.

Section 17. There may be printed on the reverse of each of any printed Bonds the legal opinion of Smith Helms Mulliss & Moore, L.L.P., bond counsel to the Issuer, with respect to the validity of the Bonds, and there may be printed immediately following such legal opinion a certificate bearing the manual or facsimile signature of the Mayor of the Issuer, said certificate to be in substantially the following form:

I HEREBY CERTIFY that the foregoing is a true and correct copy of the legal opinion on the bonds therein described which was manually signed by Smith Helms Mulliss & Moore, L.L.P., Charlotte, North Carolina, and was dated as of the date of delivery of and payment for said bonds.

[Manual or Facsimile Signature]
Mayor of the City of Charlotte,
North Carolina

Section 18. The Issuer covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will do and perform all acts and things to comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and any related regulations and procedures in order to assure that interest paid on the Bonds will not be includable in the gross income of the owners thereof for purposes of federal income taxation, except to the extent that the Issuer obtains an opinion of bond counsel to the effect that noncompliance would not

result in interest on the Bonds being includable in the gross income of the owners of the Bonds for purposes of federal income taxation.

As necessary or appropriate in connection with the issuance of the Bonds and the New Money Bonds, all officers, employees and agents of the Issuer are authorized and directed to provide certifications of material facts and estimates as to the reasonable expectations of the Issuer as of the date(s) the Bonds and the New Money Bonds are delivered and on behalf of the Issuer to sign agreements or acknowledge instructions regarding compliance with the requirements of the Code and any related regulations and procedures relating to the Bonds and the New Money Bonds.

Section 19. There are hereby created appropriate funds and accounts of the Issuer for the receipt and expenditure of the proceeds of the Bonds and appropriate debt service funds and accounts of the Issuer for the receipt and disbursement of debt service payments on the Bonds.

Section 20. The Issuer hereby undertakes, for the benefit of the beneficial owners of the Bonds and the New Money Bonds, to provide:

(a) by not later than seven months from the end of each fiscal year of the Issuer, to each nationally recognized municipal securities information repository ("NRMSIR") and to the state information depository for the State of North Carolina ("SID"), if any, audited financial statements of the Issuer for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the Issuer are not available by seven months from the end of such fiscal year, unaudited financial statements of the Issuer for such fiscal year to be replaced subsequently by audited financial statements of the Issuer to be delivered within 15 days after such audited financial statements become available for distribution;

(b) by not later than seven months from the end of each fiscal year of the Issuer, to each NRMSIR, and to the SID, if any, (i) the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information included under headings "The City - Debt Information" and "- Tax Information" in the Official Statement relating to the Bonds (excluding any information on overlapping or underlying units) and (ii) the combined budget of the Issuer for the current fiscal year, to the extent such items are not included in the audited financial statements referred to in (a) above;

(c) in a timely manner, to each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB"), and to the SID, if any, notice of any of the following events with respect to the Bonds or the New Money Bonds, if material:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (7) modification to rights of the beneficial owners of the Bonds;
- (8) Bond calls;
- (9) defeasances;
- (10) release, substitution or sale of any property securing repayment of the Bonds;

and

- (11) rating changes; and

(d) in a timely manner, to each NRMSIR or to the MSRB, and to the SID, if any, notice of a failure of the Issuer to provide required annual financial information described in (a) or (b) above on or before the date specified.

If the Issuer fails to comply with the undertaking described above, any beneficial owner of the Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of payment of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Bonds.

The Issuer reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the Issuer, provided that:

(a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12") as of the date of the Official Statement relating to the Bonds, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances, and

(c) any such modification does not materially impair the interests of the beneficial owners, as determined either by parties unaffiliated with the Issuer (such as bond counsel), or by the approving vote of the registered owners of a majority in principal amount of the Bonds and the New Money Bonds pursuant to the terms of this bond resolution and the bond resolution relating to the New Money Bonds, as each may be amended from time to time, at the time of the amendment

Any annual financial information containing modified operating data or financial information shall explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Bonds and the New Money Bonds.

Section 21. The Mayor, the City Clerk, the City Manager, the Director of Finance and the City Treasurer, and the other officers of the Issuer are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any and all financing statements, certificates, documents or other papers, including, without limitation, Letter(s) of Representations to Securities Depositories and agreements relating to investment of amounts in the escrow fund established under the Escrow Deposit Agreement (including float agreements), and to perform any and all acts they may deem necessary or appropriate in order to carry out the intent of this resolution and the matters herein authorized.

Section 22. This resolution shall take effect upon its passage.

Upon motion of Councilmember Rouso, seconded by Councilmember Sellers, the foregoing resolution entitled: "RESOLUTION PROVIDING FOR THE ISSUANCE OF UP TO \$291,000,000 GENERAL OBLIGATION REFUNDING BONDS CONSISTING OF UP TO \$275,000,000 REFUNDING BONDS, SERIES 1998, AND UP TO \$16,000,000 AIRPORT GENERAL OBLIGATION REFUNDING BONDS, SERIES 1998" was passed by the following vote:

Ayes: Councilmembers Unanimous

Noes: None

* * * * *

I, Brenda R. Freeze, _____ City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the recorded proceedings of the City Council of said City at a regular meeting held on June 22, 1998, as relates in any way to the passage of a resolution providing for the issuance of up to \$291,000,000 General Obligation Refunding Bonds consisting of up to \$275,000,000 Refunding Bonds, Series 1998, and up to \$16,000,000 Airport General Obligation Refunding Bonds, Series 1998 of said City, and that references regarding said proceedings are recorded in Minute Book No. 112 of said City Council beginning at page ___ and ending at page ___ and a full copy of the foregoing resolution is recorded in Resolution Book No. 35 of said City Council beginning at page 177 and ending at page 223

I HEREBY FURTHER CERTIFY that a schedule of regular meetings of said City Council stating that regular meetings of said City Council are held (with certain exceptions not applicable to said meeting) at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street, in Charlotte, North Carolina, in the Conference Center on the first Monday of each month at 5:00 P.M. (workshop); and in the Meeting Chamber on the second Monday of each month at 7:00 P.M., the third Monday of each month at 6:00 P.M. (zoning), and the fourth Monday of each month at 7:00

P.M., has been on file in the office of the City Clerk as of a date not less than seven days before the date of said meeting in accordance with G.S. § 143-318.12.

WITNESS my hand and the seal of said City this 23rd day of June, 1998.

Brenda R. Freeze, CMC
City Clerk

(SEAL)

RESOLUTION RELATING TO BOND REFERENDUM
FOR UP TO APPROXIMATELY \$98,300,000 GENERAL
OBLIGATION BONDS, TO INCLUDE UP TO
APPROXIMATELY \$98,300,000 STREET BONDS

RESOLVED, by the City Council (the "City Council") of the City of Charlotte (the "Issuer") that the appropriate officers of the Issuer be, and they hereby are, authorized to proceed with a general obligation bond referendum to authorize general obligation bonds in an estimated principal amount up to approximately \$98,300,000, to include up to approximately \$98,300,000 street bonds to finance street and sidewalk capital projects.

FURTHER RESOLVED, by the City Council that it is hereby determined that said capital projects and said bonds are necessary and expedient, the amount of the proposed general obligation bonds is adequate and not excessive to fund said capital projects, the debt management and the budgetary and fiscal management policies of the Issuer have been carried out in strict compliance with applicable law, and no increase in property taxes is contemplated to pay the debt service on said bonds; and

FURTHER RESOLVED, by the City Council that the appropriate officers of the Issuer be, and they hereby are, authorized to submit an Application for Approval of Issuance of General Obligation Bonds to the North Carolina Local Government Commission and that the Director of Finance, the Deputy Director of Finance and the City Treasurer of the Issuer be, and each of them hereby is, authorized to serve as a representative of the Issuer and to sign and file said application and that any actions taken by any of such persons to file said application are hereby ratified, approved and confirmed; and

FURTHER RESOLVED, by the City Council that the appropriate officers of the Issuer be, and they hereby are, authorized to publish a related Notice of Intent to Apply for Approval of Bonds; and

FURTHER RESOLVED, by the City Council that the appropriate officers of the Issuer be, and they hereby are, authorized and directed to do any and all things necessary, appropriate or convenient to carry into effect the foregoing resolution.

CERTIFICATION

I, Brenda R. Freeze, City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 22nd day of June, 1998, the reference having been made in Minute Book 112, and recorded in full in Resolution Book 35, Page(s) 224.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 23rd day of June, 1998.

Brenda R. Freeze, CMC, City Clerk