

NOTICE TO TAXPAYERS AND ELECTORS OF THE
VILLAGE OF ARMADA AND TO USERS OF THE
VILLAGE'S SEWER SYSTEM
OF INTENT TO ISSUE REVENUE BONDS AND THE
RIGHT OF REFERENDUM RELATING THERETO

PLEASE TAKE NOTICE that the Village Council of the Village of Armada, Macomb County, Michigan, intends to issue and sell revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in one or more series in a total amount not to exceed Three Million Two Hundred Thousand Dollars (\$3,200,000), for the purpose of paying all or part of the cost to acquire, construct, furnish and equip improvements to the Sewer System of the Village (the "System"), , including wastewater treatment plant improvements, together with all related appurtenances and attachments.

SOURCE OF PAYMENT OF REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON THE REVENUE BONDS SHALL BE PAYABLE from the revenues received by the Village from the operations of the Sewer System except as provided below in the case of bonds sold to the Michigan Finance Authority in connection with the State of Michigan's State Revolving Fund program. The revenues will consist of rates and charges billed to the users of the system, a schedule of which is presently on file in the office of the Village Clerk. The rates and charges may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the system, to pay the principal of and interest on the bonds and to pay other obligations of the system.

BOND DETAILS

THE REVENUE BONDS will be payable in annual installments not to exceed twenty (20) in number and will bear interest at the rate or rates to be determined at public or private sale but in no event to exceed such rates as may be permitted by law on the unpaid balance from time to time remaining outstanding on said bonds.

ADDITIONAL SOURCES OF PAYMENTS FOR BONDS
SOLD TO MICHIGAN FINANCE AUTHORITY

IN THE EVENT THAT THE REVENUE BONDS ARE SOLD TO THE MICHIGAN FINANCE AUTHORITY, THE VILLAGE MAY PLEDGE FOR THE PAYMENT OF THE BONDS MONEY RECEIVED OR TO BE RECEIVED BY THE VILLAGE DERIVED FROM IMPOSITION OF TAXES BY THE STATE AND RETURNED OR TO BE RETURNED TO THE VILLAGE AS PROVIDED BY LAW, except for money the use of which is prohibited for such purposes by the State Constitution. The Village may enter into an agreement providing for the payment of taxes, which taxes are collected by the State and returned to the Village as provided by law, to the Michigan Finance Authority or a trustee, and such funds may be pledged for the payment of the revenue bonds.

IN THE EVENT THAT THE REVENUE BONDS ARE SOLD TO THE MICHIGAN FINANCE AUTHORITY, THE VILLAGE MAY PLEDGE ITS LIMITED TAX FULL FAITH AND CREDIT AS SECURITY FOR THE REVENUE BONDS, IN WHICH EVENT DEBT SERVICE ON THE BONDS SHALL BE PAYABLE EITHER FROM REVENUES OF THE SYSTEM OR FROM AD VALOREM TAXES THAT MAY BE LEVIED ON ALL TAXABLE

PROPERTY IN THE VILLAGE, SUBJECT HOWEVER, TO CONSTITUTIONAL AND STATUTORY TAX RATE LIMITATIONS.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS OF THE VILLAGE IS FILED WITH THE VILLAGE CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS OF THE VILLAGE VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 33, Act 94, Public Acts of Michigan, 1933, as amended.

ADDITIONAL INFORMATION will be furnished at the office of the Village Clerk upon request.

Michelle Poulos, CMMC
Village Clerk, Village of Armada