

DISTRIBUTION LIST
CITY OF CHARLESTON, WV
CIVIC CENTER IMPROVEMENT BONDS
SERIES 1998

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1 Bill No. 6510
2 August 17,1998
3

Adopted by Council:
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4 Introduced in Council
5 August 3,1998
6
7

Referred to
Council Committee on Finance

8 Introduced by.
9 David Hardy
10
11

12 ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF
13 IMPROVEMENTS TO A PUBLIC FACILITY AND ISSUANCE OF CIVIC CENTER
14 IMPROVEMENT BONDS, SERIES 1998, OF THE CITY OF CHARLESTON, IN THE
15 AMOUNT OF \$3,500,000, TO FINANCE THE ACQUISITION, CONSTRUCTION,
16 EQUIPPING AND IMPROVEMENTS TO A PUBLIC FACILITY; DEFINING AND
17 PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING
18 GENERALLY FOR THE RIGHTS AND REMEDIES AND SECURITY OF THE
19 HOLDERS OF THE BONDS; PROVIDING A STATUTORY MORTGAGE LIEN ON
20 SPECIFIED TAX REVENUES DEDICATED FOR SUCH PURPOSES AND
21 PROVIDING GENERAL TERMS AND PROVIDING WHEN THIS ORDINANCE
22 SHALL TAKE EFFECT.
23

24 BE IT ORDAINED AND ENACTED BY THE COUNCIL OF CITY OF
25 CHARLESTON, WEST VIRGINIA:
26

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ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance is adopted pursuant to the provisions of Chapter 8, Article 16 of the West Virginia Code, as amended (the "Act") and other applicable provisions of law.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

A. The City of Charleston (the "City" or "Issuer") is a municipal corporation and political subdivision of the State of West Virginia located in Kanawha County, West Virginia.

B. The Issuer now has a public facility known as the Charleston Civic Center which it desires to improve and expand. It is deemed essential, convenient and desirable for the welfare, safety, advantage and convenience of the inhabitants of the Issuer and, accordingly, it is hereby ordered, that there be acquired and constructed certain additions, betterments and improvements to the Charleston Civic Center (sometimes referred to herein as the "Facility") so as to improve the public comfort and convenience of residents of the City, including the construction and installation of all necessary appurtenant facilities (the "Project"), and generally described as and necessary appurtenances particularly described in and according to the plans and specifications prepared by the Consulting Engineer for the Project and heretofore filed in the office of the City Clerk of the City Council (the "Governing Body") of the Issuer. The construction and acquisition of the Project and the financing hereby authorized and provided for are public purposes of the Issuer.

C. It is necessary for the Issuer to issue its bond in the aggregate principal amounts of \$3,500,000 to finance the costs of such construction and improvements in the manner hereinafter provided.

D. The estimated cost of the construction of the Project is \$3,500,000, which will be obtained from the proceeds of sale of the Series 1998 Bonds herein authorized. The cost of such construction shall be deemed to include, without being limited to, the construction or acquisition

135 construction shall be deemed to include, without being limited to, the construction or acquisition
136 of the Project, the acquisition of any necessary property, real or personal, or any interest therein;
137 engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans,
138 specifications and surveys; and such other expenses as may be necessary or incidental to the
139 construction of the Project and the financing authorized hereby.
140

141 E. The period of usefulness of the Facility after completion of the Project is not less
142 than twenty-five (25) years.
143

144 F. There are currently no outstanding obligations of the Issuer with which the Bonds
145 will rank on a parity as to lien on and source of and security for payment.
146

147 G. The Issuer is not in default under the terms of any document and has complied
148 with all requirements with respect to the issuance of Bonds.
149

150 H. The estimated revenues to be derived in each year from hotel-motel occupancy
151 taxes (as limited by the amount payable by the Issuer under the provisions of Chapter 7, Article
152 18, Section 14(b) of the Code of West Virginia of 1931, as amended) and coal severance taxes
153 will be sufficient to pay all the principal of and interest on the Bonds (as hereinafter defined) and
154 all debt service, reserve fund, if any, and other payments provided for herein.
155

156 I. The Issuer has complied with all requirements of West Virginia law relating to
157 authorization of the construction, acquisition and operation of the Project and issuance of the
158 Bonds; or will have so complied prior to issuance of the Bonds.
159

160 J. It is in the best interests of the Issuer that the Bonds be sold to Crews &
161 Associates, Inc. (the "Purchaser"), pursuant to the terms and provisions of a Bond Purchase
162 Agreement dated September 8, 1998.
163

164 Section 1.03. Ordinance to Constitute Contract. In consideration of the acceptance of
165 the Bonds by the Purchaser, this Ordinance (the "Ordinance") shall be deemed to be and shall
166 constitute a contract between the Issuer and the Purchaser, and the covenants and agreements set
167 forth herein to be performed by the Issuer shall be for the benefit, protection and security of the
168 Registered Owner of the Bonds.
169

170 Section 1.04. Definitions. The following terms shall have the following meanings herein
171 unless the text otherwise expressly requires:
172

173 "Act" means Chapter 8, Article 16 of the West Virginia Code, as amended.
174

175 "1998 Bonds", "1998 Series Bonds" or "Bonds" means the \$3,500,000 City of Charleston
176 Civic Center Improvement Bonds, Series 1998, authorized by this ordinance.
177

178 "City Clerk" means the City Clerk of the Governing Body.

179
180 "Commission" means the West Virginia Municipal Bonds Commission or any other
181 agency of the State of West Virginia that succeeds to the functions of the Commission.
182

183 "Consulting Engineer" means _____, Charleston, West Virginia, or any
184 qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer
185 as Consulting Engineer for the Project.
186

187 "Costs" or "Costs of the Project" means those costs described in Section 1.02 hereof to be
188 a part of the cost of acquisition, construction and equipping of the Project.
189

190 "Depository Bank" means Bank One, West Virginia, N.A., Charleston, West Virginia, a
191 bank or trust company which is a member of FDIC and its successors and assigns or such other
192 qualified bank or trust company designated now or hereafter by Issuer.
193

194 "Facilities" or "facilities" means all the land and tangible properties of the Charleston
195 Civic Center Coliseum and also any tangible properties which may hereafter be added to the
196 Facility by addition, betterments, extensions and improvements thereto and properties, furniture,
197 fixtures or equipment therefor, hereafter at any time constructed or acquired.
198

199 "FDIC" means the Federal Deposit Insurance Corporation.
200

201 "Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.
202

203 "Governing Body" means the City Council of the Issuer.
204

205 "Government Obligations" means direct obligations of, or obligations the principal of and
206 interest on which are guaranteed by, the United States of America.
207

208 "Herein" means in this Ordinance.
209

210 "Holder of the Bonds" or any similar term means any person who shall be the registered
211 owner of the Bonds.
212

213 "Issuer" or "City" means City of Charleston, Kanawha County, West Virginia, and, where
214 appropriate, also means the Governing Body.
215

216 "Mayor" means the Mayor or the Acting Mayor of the Governing Body.
217

218 "Ordinance" means this Ordinance and all resolutions supplemental hereto.
219

220 "Project" shall have the meaning stated in Section 1.02 B. above.
221

222 "Purchaser" means Crews & Associates, Inc. and any successor thereto.

223
224 "Qualified Investments" means and include any of the following:
225

226 (a) Government Obligations;
227

228 (b) Government Obligations which have been stripped of their unmatured
229 interest coupons, interest coupons stripped from Government Obligations, and receipts or
230 certificates evidencing payments from Government Obligations or interest coupons stripped from
231 Government Obligations;
232

233 (c) Bonds, debentures, notes or other evidence of indebtedness issued by any
234 of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal
235 Home Loan Bank Facility; Export-Import Bank of the United States; Federal Land Banks;
236 Government National Mortgage Association; Tennessee Valley Authority; or Washington
237 Metropolitan Area Transit Authority;
238

239 (d) Any Bonds, debenture, note, participation certificate or other similar
240 obligations issued by the Federal National Mortgage Association to the extent such obligation is
241 guaranteed by the Government National Mortgage Association or issued by any other federal
242 agency and backed by the full faith and credit of the United States of America;
243

244 (e) Time accounts (including accounts evidenced by time certificates of
245 deposit, time deposits or other similar banking arrangements) which, to the extent not insured by
246 the FDIC or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of
247 Government Obligations, provided, that said Government Obligations pledged either must mature
248 as nearly as practicable coincident with the maturity of said time accounts or must be replaced or
249 increased so that the market value thereof is always at least equal to the principal amount of said
250 time accounts;
251

252 (f) Money market funds or similar funds whose only assets are investments of
253 the type described in paragraphs (a) through (e) above;
254

255 (g) Repurchase agreements, fully secured by investments of the types described
256 in paragraphs (a) through (e) above, with banks or national banking associations which are
257 members of FDIC or with government bond dealers recognized as primary dealers by the Federal
258 Reserve Bank of New York, provided, that said investments securing said repurchase agreements
259 either must mature as nearly as practicable coincident with the maturity of said repurchase
260 agreements or must be replaced or increased so that the market value thereof is always at least
261 equal to the principal amount of said repurchase agreements, and provided further that the holder
262 of such repurchase agreement shall have a prior perfected security interest in the collateral
263 therefor, must have (or its agent must have) possession of such collateral, and such collateral must
264 be free of all claims by third parties;
265

266 (h) The West Virginia "consolidated fund" managed by the West Virginia State
267 Board of Investments pursuant to Chapter 12, Article 6, of the West Virginia Code of 1931, as
268 amended; and
269

270 (i) Obligations of states or political subdivisions or agencies thereof, the
271 interest on which is excluded from gross income for federal income tax purposes, and which are
272 rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.
273

274 "Registrar" or "Bond Registrar" means Bank One, West Virginia, N.A., Charleston, West
275 Virginia, or any successor thereto.
276

277 "Tax Revenues" means the receipt or collection of coal severance taxes and hotel-motel
278 occupancy taxes (as limited by the amount payable by the Issuer under the provisions of Chapter
279 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended) which shall be
280 used to pay the debt service on the Series 1998 Bonds.
281

282 Words importing singular number shall include the plural number in each case and vice
283 versa, and words importing persons shall include firms and corporations; words importing the
284 masculine, feminine or neuter genders shall include any other gender; and any requirement for
285 execution, sealing and/or attestation of the Bonds or any certificate or other document by the City
286 Clerk shall mean that such Bond certificate or other document which may be executed, sealed
287 and/or attested by an Acting City Clerk.
288

289 ARTICLE II

290 291 AUTHORIZATION OF ACQUISITION, CONSTRUCTION 292 AND EQUIPPING OF THE PROJECT 293

294 Section 2.01. Authorization of Acquisition, Construction and Equipping of the Project.
295 There is hereby authorized the acquisition, construction and equipping of the Project, at an
296 estimated cost of \$3,500,000, in accordance with the plans and specifications which have been or
297 will be prepared by the Consulting Engineers, heretofore filed in the office of the Governing
298 Body. The proceeds of the Bonds hereby authorized shall be applied as provided in Article IV
299 hereof.
300

301 ARTICLE III

302 303 AUTHORIZATION, TERMS, EXECUTION, REGISTRATION 304 AND ISSUANCE OF BONDS 305

306 Section 3.01. Authorization of Bonds. Subject and pursuant to the provisions hereof, the
307 Bonds of the Issuer to be known as "City of Charleston, Civic Center Improvement Bonds, Series
308 1998" in the principal amount of \$3,500,000, is hereby authorized to be issued for the purpose of
309 financing the cost of the acquisition, construction and equipping of the Project.
310

311 Section 3.02. Description of Bonds. The Bonds shall be issued in registered form, from
312 No. R-1 upward, and shall be dated on the date of delivery. The Bonds shall bear interest from
313 date, payable semi-annually at the rates per annum and shall be sold for the par value thereof as

314 set forth herein or in a Supplemental Resolution.
315

316 The Bonds shall be subject to prepayment of scheduled monthly installments, or any
317 portion thereof, at the option of the Issuer and shall be payable as provided in the Bond form
318 hereinafter set forth.
319

320 Section 3.03. Execution of Bonds. The Bonds shall be executed in the name of the
321 Issuer by the Mayor or and its corporate seal shall be affixed thereto and attested by the City
322 Clerk, and the Mayor or and the City Clerk are hereby authorized to execute the Bonds and such
323 other documents as are necessary to finalize this transaction. In case any one or more of the
324 officers who shall have signed or sealed the Bonds shall cease to be such officer of the Issuer
325 before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may
326 nevertheless be sold and delivered as herein provided and may be issued as if the person who
327 signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and
328 sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds
329 shall hold the proper office in the Issuer, although at the date of such Bonds such person may not
330 have held such office or may not have been so authorized.
331

332 Section 3.04. Negotiability, Registration, Transfer and Exchange of Bonds. The Bonds
333 shall be and have all the qualities and incidents of negotiable instruments under the Uniform
334 Commercial Code of the State of West Virginia, but the Bonds may only be transferred by
335 transfer of the registration thereof upon the books required to be kept pursuant to Section 3.05
336 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in
337 writing, upon surrender of the Bonds for cancellation, accompanied by delivery of a written
338 instrument of transfer, duly executed in a form acceptable to the Registrar. No interest in the
339 Bonds shall be transferable except by means of transfer of registration of the Bonds representing
340 such interest and delivery of a new Bond or Bonds in exchange therefor in accordance with this
341 Bond Ordinance.
342

343 Whenever the Bonds shall be surrendered for registration of transfer, the Issuer shall
344 execute and deliver a new Bond or Bonds in authorized denominations, for a like aggregate
345 principal amount. The Registrar shall require the payment by the new owner requesting such
346 transfer of any tax or other governmental charge required to be paid with respect to such transfer,
347 but the Issuer shall pay any other expenses incurred by the Registrar with respect to such transfer.
348

349 No registration of transfer of a Bond shall be permitted to be made after the 15th day next
350 preceding any installment payment date on that Bond.
351

352 Section 3.05. Registrar. The Registrar will keep or cause to be kept by its agent at its
353 office, sufficient books for the registration and transfer of the Bonds, and upon presentation for
354 such purpose, the Registrar shall, under such reasonable regulations as it may prescribe, register
355 the Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its
356 agent, on such books, the transfer of the Bonds as hereinbefore provided.
357

358 The Registrar shall accept the Bonds for registration or transfer only if ownership thereof
359 is to be registered in the name of an individual (including joint ownership), a corporation, a
360 partnership or a trust, and only upon receipt of the social security number of each individual, the
361 federal employer identification number of each corporation or partnership or social security
362 numbers of the settlor and beneficiaries of each trust and the name of the trustee of each trust
363 and/or such other identifying number and information as may be required by law.
364

365 Section 3.06. Bond Mutilated, Destroyed, Stolen or Lost. In case any of the Bonds shall
366 become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver
367 a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and
368 substitution for such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen
369 or lost, and upon the holder's furnishing the Issuer proof of his, her or its ownership thereof and
370 complying with such other reasonable regulations and conditions as the Issuer may require. The
371 Bond so surrendered shall be canceled and held for the account of the Issuer. If the Bond shall
372 have matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the
373 same, and if such Bond be destroyed, stolen or lost, without surrender thereof.
374

375 Section 3.07. Bonds Secured by Pledge of Revenues. The payment of the debt service of
376 the Bonds shall be secured forthwith by a lien on the Tax Revenues derived from and a statutory
377 mortgage lien on the hotel-motel occupancy taxes (as limited by the amount payable by the Issuer
378 under the provisions of Chapter 7, Article 18, Section 14 (b) of the Code of West Virginia of
379 1931, as amended) and coal severance taxes pledged therefor.
380

381 Section 3.08. Form of Bond. Subject to the provisions hereof, the text of the Bond and
382 the other details thereof shall be of substantially the following tenor, with such omissions,
383 insertions and variations as may be authorized or permitted hereby or any supplemental resolution
384 adopted after the date of adoption hereof and prior to the issuance thereof.
385

(FORM OF BOND)

No. R-__

\$ _____

CITY OF CHARLESTON (WEST VIRGINIA)
CIVIC CENTER IMPROVEMENT BONDS, SERIES 1998

INTEREST RATE	BOND DATE	MATURITY DATE	CUSIP
---------------	-----------	---------------	-------

_____%	September 1, 1998	September 1, _____	_____
--------	-------------------	--------------------	-------

REGISTERED OWNER: THE DEPOSITORY TRUST COMPANY

PRINCIPAL AMOUNT: \$ _____

FOR VALUE RECEIVED, the CITY OF CHARLESTON, a municipal corporation and political subdivision of the State of West Virginia, in Kanawha County of said State (herein called "Issuer"), hereby promises to pay to the order of The Depository Trust Company, or its registered assigns, at New York, New York, or at such other place as may hereafter be designated in writing, the principal sum of _____ and 00/100 Dollars (\$ _____), plus interest on the unpaid principal balance at the rate of _____ (%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Semiannual installments of principal and interest on March 1 and September 1 of each year, beginning March 1, 1999, except that the final installment shall be paid on the Maturity Date, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

Every payment made on any indebtedness evidenced by this Bonds shall be applied first to interest computed to the effective date of the payment and then to the principal. Payments shall be made at the office of the Municipal Bond Commission, Charleston, West Virginia, and shall be mailed to the registered owner hereof at the address as it appears on the books of the Registrar.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Issuer. Refunds and extra payments according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Issuer to pay the remaining installments as scheduled herein.

If the Registered Owner at any time assigns this Bond and insures the payment thereof, Issuer shall continue to make payments to the Registered Owner as collection agent for the holder.

This Bond, together with any additional Bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction of

430 improvements to the Facility (the "Facility") of the Issuer, is payable solely from the City's receipt
431 or collection of hotel-motel occupancy taxes (as limited by the amount payable by the Issuer
432 under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of
433 1931, as amended) and coal severance taxes dedicated for such purposes. This Bond does not in
434 any manner constitute an indebtedness of the Issuer within the meaning of any constitutional or
435 statutory provision or limitation.
436

437 Registration of this Bond is transferable by the registered owner hereof in person or by his,
438 her or its attorney duly authorized in writing, at the office of the Bond Registrar, but only in the
439 manner, subject to the limitations and upon payment of the charges, if any, provided in the herein
440 defined Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a
441 new Bond or Bonds, of authorized denomination or denominations, for the like principal amount,
442 will be issued to the transferee in exchange herefor.
443

444 This Bond, under the provisions of the Act, is and has all the qualities and incidents of a
445 negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may
446 only be transferred by transfer of registration hereof with the Bond Registrar.
447

448 This Bond has been issued under and in full compliance with the Constitution and statutes
449 of the State of West Virginia, including, among others, Chapter 8, Article 16 of the West Virginia
450 Code (herein called the "Act").
451

452 IN WITNESS WHEREOF, the CITY OF CHARLESTON has caused this Bond to be
453 executed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and
454 attested by its City Clerk, all as of the date hereinabove written.
455

456 CITY OF CHARLESTON

457 (SEAL)

458 By: _____
459 Mayor
460

461 ATTEST:

462
463 By: _____
464 City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Bond Ordinance and has been duly registered in the name of the registered owner set forth above.

Dated: _____

Bank One, West Virginia, N.A.,
as Registrar

By: _____
Authorized Officer

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

DATED: _____

In the presence of:

499 ARTICLE IV
500

501 REVENUES AND APPLICATION THEREOF;
502 DISPOSITION OF BOND PROCEEDS; FUNDS AND ACCOUNTS
503

504 Section 4.01. Establishment of Funds and Accounts with Depository Bank. The
505 following special funds or accounts are created and established with and shall be held by the
506 Depository Bank, separate, distinct and apart from all other funds or accounts of the Depository
507 Bank and from each other:
508

- 509 (1) Revenue Fund; and
510
511 (2) Project Construction Account.
512

513 Section 4.02. Establishment of Funds and Accounts with Commission. The following
514 special fund is hereby created and established with the Commission:
515

- 516 (1) Series 1998 Bonds Sinking Fund.
517

518 Section 4.03. Bond Proceeds; Project Construction Account. All moneys received from
519 the sale of the Bonds shall be deposited upon receipt by the Issuer in the Depository Bank, a
520 member of Federal Deposit Insurance Corporation (FDIC), in a special account hereby now
521 established and designated as "City of Charleston Civic Center Facility Construction Account
522 (herein called the "Project Construction Account"). The moneys in the Project Construction
523 Account in excess of the amount insured by FDIC shall be secured at all times by such bank by
524 securities or in a manner lawful for the securing of deposits of state and municipal funds under
525 West Virginia law. Moneys in the Project Construction Account shall be expended by the Issuer
526 solely for the purposes provided herein.
527

528 If the Issuer shall determine at any time that all funds on deposit in the Project
529 Construction Account exceed the estimated disbursements on account of the Project for the
530 ensuing ninety (90) days, the Issuer may invest such excess funds in Qualified Investments.
531

532 Pending application as provided in this Section 4.03, money and funds in the Project
533 Construction Account shall be invested and reinvested at the direction of the Issuer, to the extent
534 possible in accordance with applicable law, in Qualified Investments.
535

536 When construction and improvements of the Project have been completed and all costs
537 thereof have been paid or provision for such payment has been made, any balance remaining in the
538 Project Construction Account shall be promptly transmitted to the Commission with directions
539 that such funds be used immediately to redeem or prepay the 1998 Bonds from which
540 construction account the funds derived.
541
542

543 Section 4.04. Covenants of the Issuer as to Revenues and Funds. So long as any of the
544 Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 1998
545 Bonds Sinking Fund a sum sufficient to pay, when due or at the earliest practical prepayment
546 date, the entire principal of the Bonds remaining unpaid, together with interest accrued and to
547 accrue thereon, the Issuer further covenants with the holder of the Bonds as follows:
548

549 (A) Revenue Fund. The Tax Revenues shall be deposited as collected by the Issuer in
550 a special fund in a bank or trust company in the State of West Virginia which is a member of
551 FDIC, which Fund, known as the "Revenue Fund" established with the Depository Bank. The
552 Revenue Fund shall constitute a trust fund for the purposes provided herein and shall be kept
553 separate and distinct from all other funds of the Issuer and used only for the purposes and in the
554 manner provided herein. Provided, however, the amount of Tax Revenues on deposit in the
555 Revenue Fund shall be sufficient to make the next deposit of interest and/or principal into the
556 Series 1998 Bonds Sinking Fund, with any excess Tax Revenues available to the Issuer.
557

558 (B) Disposition of Revenues. The Tax Revenues at any time of interest and/or
559 principal on deposit in the Revenue Fund shall be disposed of as follows:
560

561 The Issuer shall on or before the due date of payment of each installment of interest and/or
562 principal on the Bonds, transfer from the Revenue Fund and deposit into the Series 1998 Bonds
563 Sinking Fund (or such other place as may be provided pursuant to the Bonds), the amount
564 required to pay the interest on the Bonds, and to amortize the principal of the Bonds over the life
565 of the Bonds.
566

567 The Commission is hereby designated as the Fiscal Agent for the administration of the
568 Series 1998 Bonds Sinking Fund, and the Depository Bank is hereby designated as the Fiscal
569 Agent for the administration of the other accounts herein provided, and all amounts required the
570 other accounts will be deposited therein by the Issuer upon transfers of funds from the Revenue
571 Fund at the times provided herein, together with written advice stating the amount remitted for
572 deposit into each such fund.
573

574 All the funds provided for in this Section shall constitute trust funds and shall be used only
575 for the purposes and in the order provided herein, and until so used, the Bondholder shall have a
576 lien thereon for further securing payment of the Bonds and the interest thereon, but the
577 Commission and the Depository Bank shall not be a trustee as to such funds.
578

579 The Commission and the Depository Bank, at the direction of the Issuer, shall keep all
580 funds invested and reinvested to the fullest extent possible in accordance with applicable law, and
581 to the extent practicable, in Qualified Investments having maturities consonant with the required
582 use thereof. Investments in any fund or account under this Bond Ordinance shall, unless
583 otherwise provided herein or required by law, be valued at the lower of cost or the then current
584 market value, or at the redemption price thereof if then redeemable at the option of the holder,
585 including value of accrued interest and giving effect to the amortization of discount, or at par if
586 such investment is held by the "consolidated fund" managed by the West Virginia State Board of

Investments. Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account.

(C) Change of Depository Agent and Fiscal Agent. The Issuer may designate another bank or trust company insured by FDIC as Fiscal Agent and Depository Bank if the aforesaid Bank should cease for any reason to serve or if the Governing Body determines by ordinance that said Bank or its successor should no longer serve as Fiscal Agent or Depository Bank. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser.

(D) Charges and Fees. The Issuer shall remit from the Revenue Fund to the Commission and to the Depository Bank such additional sums as shall be necessary to pay the charges and fees of the Commission and the Depository Bank then due.

(E) Investment of Excess Balances. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in any of such funds or accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, in a lawful manner for securing deposits of state and municipal funds under the laws of the State.

(F) Remittances. All remittances made by the Issuer to the Commission and to the Depository Bank shall clearly identify the fund or account into which each amount is to be deposited.

ARTICLE V

GENERAL COVENANTS

Section 5.01. General Statement. So long as the Bonds shall be outstanding and unpaid, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Purchaser.

Section 5.02. Issuance of Additional Parity Bonds or Obligations. Additional bonds or obligations payable out of the Tax Revenues pledged toward repayment of the Series 1998 Bonds may be issued at any time upon the Issuer's completion, execution and tender of its certificate demonstrating a debt service coverage ratio of 120% of Tax Revenues to pay debt service on the Series 1998 Bonds during the most recent fiscal year and a projected debt service coverage ratio of 120% of Tax Revenues to pay debt service on the Series 1998 Bonds and the additional parity bonds over the next 3 years.

Section 5.03. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the Facility, procure, carry and maintain, so long as the Bonds remains outstanding, insurance with a reputable insurance carrier

or carriers covering the following risks and in the following amounts:

(a) Real Property Insurance, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the Facility now in use, in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the Facility, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the Facility, such insurance to be procured not later than the date of delivery of the Bonds.

(c) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the Facility, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(d) Workers' Compensation Coverage for all Employees of the City Eligible Therefor and Performance and Payment Bonds, such Bonds to be in the amounts of one hundred percent (100%) of the construction contract, will be required of each prime contractor, and such payment Bonds will be filed with the Clerk of the County Commission of Kanawha County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation insurance will be maintained as required by the laws of the State of West Virginia.

(e) Fidelity Bonds will be provided as to every member of the Governing Body and every officer and employee of the City having custody of the Revenue Fund or of any revenues or other funds of the Facility in an amount at least equal to the total annual debt service requirements for all outstanding loans.

(f) Flood Insurance to be procured, to the extent available at reasonable cost to the Issuer.

(g) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Bonds are outstanding, the Issuer will carry insurance and Bonds or cause insurance and Bonds to be carried for the

675 protection of the Issuer, and during such construction will require each contractor and
676 subcontractor to carry insurance, of such types and in such amounts as the Purchaser may specify,
677 with insurance carriers or Bonding companies acceptable to the Purchaser.
678

679 Section 5.04. Statutory Mortgage. For the further protection of the holders of the
680 Bonds, a statutory mortgage lien upon the Tax Revenues is granted and created by the Act, which
681 statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take
682 effect immediately upon delivery of the Bonds.
683

684 Section 5.05. Events of Default. Each of the following events is hereby declared an
685 "Event of Default":
686

687 (A) Failure to make payment of any monthly amortization installment at the date
688 specified for payment thereof and/or;
689

690 (B) Failure duly and punctually to observe or perform any of the covenants, conditions
691 and agreements on the part of the Issuer contained in the Bonds or herein, or violation of or
692 failure to observe any provision of any pertinent law or of this Bond Ordinance.
693

694 Section 5.06. Enforcement. Upon the happening of any Event of Default specified
695 above, then, and in every such case, the Registered Owner may proceed to protect and enforce its
696 rights by an appropriate action in any court of competent jurisdiction, either for the specific
697 performance of any covenant or agreement, or execution of any power, or for the enforcement of
698 any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce
699 such rights and shall have all rights prescribed by the Act, W.Va. Code and other applicable law.
700

701 Section 5.07. Covenant to Proceed and Complete. The Issuer hereby covenants to
702 proceed as promptly as possible with the construction of the Project to completion thereof in
703 accordance with the plans and specifications prepared by the Consulting Engineer and on file with
704 the City Clerk on the date of adoption hereof, subject to permitted changes.
705

706 Section 5.08. Tax Covenants as to Tax Exempt Status of Bonds.
707

708 1. The Issuer covenants that (a) it shall not permit or cause to be done any act or
709 thing which would result in the loss of exemption from tax of interest on the Bonds under Section
710 103(a) of the Internal Revenue Code and the regulations thereunder, or under any successor or
711 similar provision of the Internal Revenue Code hereinafter enacted and applicable to the Bonds
712 and regulations thereunder; (b) it shall not invest or otherwise use or permit or cause to be
713 invested or used, any of the proceeds of the Bonds, or moneys deemed to be proceeds of the
714 Bonds under the Internal Revenue Code, directly or indirectly, in any manner which would result
715 in such Bonds being classified as an "arbitrage bond" within the meaning of Section 148 of the
716 Internal Revenue Service Code or regulations thereunder, and each shall comply with the
717 requirements of such Section and (c) no part of the proceeds of the Bonds or any funds held
718 under the Ordinance shall at any time be used directly or indirectly for any purpose for which

would cause the Bonds to be subject to treatment as a "private activity bond" under the Internal Revenue Code or regulations thereunder and to that end the Issuer will comply with the applicable law as long as the Bonds are outstanding.

2. The Issuer hereby further covenants and agrees as follows:

A. **PRIVATE BUSINESS USE LIMITATION.** The Issuer shall assure that (i) not in excess of ten percent (10%) of the Net Proceeds of the Bonds are used for private business use if, in addition, the payment of more than ten percent (10%) of the principal or ten percent (10%) of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a private business use or in payments in respect of property used or to be used for a private business use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a private business use, and that (ii) in the event that both (A) in excess of five percent (5%) of the Net Proceeds of the Bonds are used for a private business use, and (B) an amount in excess of five percent (5%) of the principal or five percent (5%) of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said private business use or in payments in respect of property used or to be used for the Issuer, in respect of property or borrowed money used or to be used for said private business use, then said excess over said five percent (5%) of Net Proceeds of the Bonds used for a private business use shall be used for a Private Business Use related to the governmental use of the Project, or if the Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such private business use is related.

B. **PRIVATE LOAN LIMITATION.** The Issuer shall assure that not in excess of five percent (5%) of the Net Proceeds of the Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local Purchaser units.

C. **FEDERAL GUARANTEE PROHIBITION.** The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149 (b) of the Code and Regulations promulgated thereunder.

D. **INFORMATION RETURN.** The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. **FURTHER ACTIONS.** The Issuer will take any and all actions that may be required of it (including those deemed necessary by the Holder) so that the interest on the Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including those determined by the Holder) which

would adversely affect such exclusion.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Defeasance of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holder of the Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bonds Ordinance, then with respect to the Bonds, the pledge of Tax Revenues and other moneys and securities pledged under this Bonds Ordinance and all covenants, agreements and other obligations of the Issuer to the Registered Owner of the Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied.

Section 6.02. Filing Under Uniform Commercial Code. Contemporaneously with the delivery of the Bonds, the Issuer shall execute Financing Statements meeting the requirements of the Uniform Commercial Code of West Virginia and promptly thereafter shall file such Financing Statements in the offices of the Secretary of State of West Virginia and of the Clerk of the County Commission of Kanawha County.

Section 6.03. Delivery of Bonds. The Mayor and City Clerk of the Governing Body are hereby authorized and directed to cause the Series 1998 Bonds to be delivered to the Registered Holder as soon as the Purchaser will accept such delivery.

Section 6.04. Severability of Invalid Provision. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Bonds.

Section 6.05. Conflicting Provisions Repealed. All ordinances and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed.

Section 6.06. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 6.07. Modification or Amendment. The Bond Ordinance may not be modified or amended in any material manner after final passage without the prior written consent of the Purchaser and/or holder of the Bonds.

807 Section 6.08. Covenant of Due Procedure, Etc. The Issuer covenants that all acts,
808 conditions, things and procedures required to exist, to happen, to be performed or to be taken
809 precedent to and in the adoption of this Ordinance do exist, have happened, have been performed
810 and have been taken in regular and due time, form and manner as required by and in full
811 compliance with the laws and Constitution of the State applicable thereto; and that the Mayor,
812 City Clerk and members of the Governing Body were at all times when any actions in connection
813 with this Ordinance occurred and are duly in office and duly qualified for such office.
814

815 Section 6.09. Supplemental Resolutions. The Issuer may pass such supplemental
816 resolutions, if necessary, to effectuate the purposes and intent of this Ordinance.
817

818 Section 6.10. Effective Time. This Ordinance shall take effect immediately upon its
819 adoption.
820

821 Section 6.11 Statutory Notice and Public Hearing. A notice of public hearing and
822 abstract of this Bond Ordinance determined by the Governing Body to contain sufficient
823 information as to give notice of the contents hereof was published once a week for two (2)
824 successive weeks within a period of fourteen (14) consecutive days, with at least six (6) full days
825 intervening between each publication, in a qualified newspaper published and of general
826 circulation in the City of Charleston, together with a notice stating that this Bond Ordinance will
827 be adopted and that the Issuer contemplates the issuance of the Bonds, and that any person
828 interested may appear before the City Council upon a date certain, not less than ten (10) days
829 subsequent to the date of the first publication of such notice and abstract of this Bond Ordinance,
830 and present protests, and that a certified copy of the Ordinance is on file with the Governing Body
831 for review by interested persons during office hours of the Governing Body. At such hearing, all
832 objections and suggestions will be heard, and the Governing Body shall take such action as it shall
833 deem proper in the premises.
834

835 Passed on First Reading ~ August 3, 1998.
836

837 Passed on Second Reading ~ August 17, 1998.
838

839 Passed Following Public Hearing – August 17, 1998.
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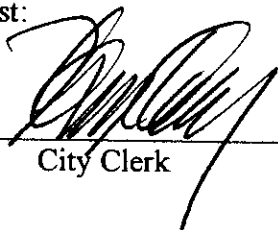
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[SEAL]

CITY OF CHARLESTON

By: 
Mayor

Attest:

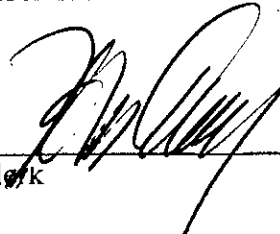
By: 
City Clerk

CERTIFICATION

I, Fred N. Frisk, Jr., City Clerk of the City of Charleston, hereby certify that the foregoing is a true and correct copy of an Ordinance approved at a meeting of the City Council of the City of Charleston held on August 17, 1998, and effective following a public hearing thereon held on August 17, 1998. I further hereby certify that the action of said City Council set forth therein remains in full force and effect and has not been amended or repealed.

WITNESS my signature on this 17th day of September 1998.

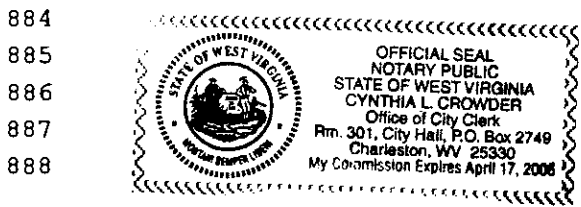
City Clerk



873 STATE OF WEST VIRGINIA,
874
875 COUNTY OF KANAWHA, to-wit:
876

877 The foregoing instrument was acknowledged before me this 17th day of September,
878 1998, by G. Kemp Melton, the Mayor of the City of Charleston, a municipal corporation and a
879 political subdivision of the State of West Virginia, on behalf of said municipality.
880

881 My commission expires April 17, 2004
882
883



Cynthia L. Crowder
NOTARY PUBLIC

The question being on the adoption of the resolution a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Barron, Barth, Connell, Gilmer, Haddad, Hardy, Hicks, Huffman, Kimberling, Lane, Lanham, Layne, Leary, Loeb, Lopez, Malone, McClaskie, Morton, Nielsen, Quick, Redman, Smith, Snodgrass, Snuffer, Thompson and Mayor Melton.

NAYS: None.

ABSENT: Horan.

So, a majority of all members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 967-98 adopted unanimously.

ENVIRONMENT AND RECYCLING

Councilwoman Linda Nielsen, Chairman of the Council Committee on Environment and Recycling, submitted the following report.

1. Your Committee on Environment and Recycling has had under consideration Bill No. 6497, an Ordinance establishing a stormwater management operation within the City of Charleston. In accordance with the Charter of the City of Charleston and under the municipal powers of the City, the following ordinance is prescribed to establish a stormwater management operation. This ordinance shall establish a means to organize, operate, and manage such an operation; shall establish and provide for collection of stormwater service charges or user fees; shall provide for rates applicable thereto, and a method of calculation of such rates; and, shall delineate all things necessary for the full implementation of a stormwater management operation which shall include a comprehensive stormwater administrative code.

And reports the same to Council with the recommendation that the bill do pass.

Mayor Melton referred Bill No. 6497 to the Council Committee on Finance.

FINANCE

Councilman David J. Hardy, Chairman of the Council Committee on Finance, submitted the following reports.

1. Your Committee on Finance has had under consideration Bill No. 6431, as amended, closing, abandoning and discontinuing as public streets: That certain portion of 30th Street, SE, lying between Virginia Avenue, SE; and that certain portion of Hart Street, west of 30th Street, SE, for a distance of 50' m/l; and reserving sewer easements for the City of Charleston; and authorizing the Mayor to execute, acknowledge and deliver a proper deed conveying to the Charleston Area Medical Center, Inc., all right, title and interest in and to said above-described rights-of-way upon payment of One dollar (\$1.00) by the petitioner.

And reports the same to Council with the recommendation that the bill, as amended, pass.

Bill No. 6431, as amended,--"A bill closing, abandoning and discontinuing as public streets: That certain portion of 30th Street, SE lying between Virginia Avenue, SE; and that certain portion of Hart Street west of 30th Street, SE for a distance of 50 ft.; said streets situate in the City of Charleston, West Virginia, and reserving sewer easements for the City of Charleston.

Be it Ordained by the Council of the City of Charleston, West Virginia:

1a. That certain portion of 30th Street, SE right-of-way lying between Virginia Avenue, SE and Hart Street is hereby closed, abandoned and discontinued.

1b. That portion of Hart Street right-of-way west of 30th Street, SE for a distance of 50 ft. to the common property corner of Lots 14 and 15 of Block "E" of Kanawha City, is hereby closed, abandoned and discontinued.

2. The City of Charleston hereby reserves a sewer easement for the full length and width of the above-described rights-of-way for the purpose of construction, maintenance, repair and removal of storm and sanitary sewer lines. No person shall construct improvements, plant trees or other vegetation, or take any other action which would interfere with this easement, nor alter the present surface profile or contour of the subject rights-of-way by more than one (1) foot without the written permission of the Charleston Sanitary Board and Charleston City Engineer.

3. The Mayor of the City of Charleston be, and is hereby, authorized and directed to execute, acknowledge and deliver a proper deed conveying to the Charleston Area Medical Center, Inc., all right, title and interest in and to said above-described rights-of-way, except as described in Section 2 of this bill, and provided a restrictive covenant limiting use of the above described right-of-way to surface parking and/or landscaping.

4. All prior ordinances, or parts of ordinances, inconsistent with this bill are hereby repealed to the extent of such inconsistency.

The question being on the passage of the bill a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Barron, Barth, Connell, Gilmer, Haddad, Hardy, Hicks, Huffman, Kimberling, Lane, Lanham, Layne, Leary, Loeb, Lopez, Malone, McClaskie, Morton, Nielsen, Quick, Redman, Smith, Snodgrass, Snuffer, Thompson and Mayor Melton.

NAYS: None.

ABSENT: Horan.

So, a majority of all members elected recorded thereon as voting in the affirmative the Mayor declared Bill No. 6431, as amended, passed unanimously.

2. Your Committee on Finance has had under consideration Bill No. 6510, authorizing the acquisition and construction of improvements to a public facility and the issuance of Civic Center Improvement Bonds, Series 1998, Of The City of Charleston, in the amount of \$3,500,000, to finance the acquisition, construction, equipping and improvements to a public facility; defining and prescribing the terms and provisions of the Bonds; providing generally for the rights and remedies and security of the holders of the Bonds; providing a statutory mortgage

lien on specified tax revenues dedicated for such purposes and providing general terms and providing when this Ordinance shall take effect.

And reports the same to Council with the recommendation that the bill pass.

Bill No. 6510--" Ordinance authorizing the acquisition and construction of improvements to a public facility and issuance of Civic Center Improvement Bonds, Series 1998, Of The City of Charleston, in the amount of \$3,500,000, to finance the acquisition, construction, equipping and improvements to a public facility; defining and prescribing the terms and provisions of the Bonds; providing generally for the rights and remedies and security of the holders of the Bonds; providing a statutory mortgage lien on specified tax revenues dedicated for such purposes and providing general terms and providing when this ordinance shall take effect.

Be it Ordained and Enacted by the Council of the City of Charleston, West Virginia:

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ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance is adopted pursuant to the provisions of Chapter 8, Article 16 of the West Virginia Code, as amended (the "Act") and other applicable provisions of law.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

A. The City of Charleston (the "City" or "Issuer") is a municipal corporation and political subdivision of the State of West Virginia located in Kanawha County, West Virginia.

B. The Issuer now has a public facility known as the Charleston Civic Center Coliseum which it desires to improve and expand. It is deemed essential, convenient and desirable for the welfare, safety, advantage and convenience of the inhabitants of the Issuer and, accordingly, it is hereby ordered, that there be acquired and constructed certain additions, betterments and improvements to the Charleston Civic Center Coliseum (sometimes referred to herein as the "Facility") so as to improve the public comfort and convenience of residents of the City, including the construction and installation of all necessary appurtenant facilities (the "Project"), and generally described as and necessary appurtenances particularly described in and according to the plans and specifications prepared by the Consulting Engineer for the Project and heretofore filed in the office of the City Clerk of the City Council (the "Governing Body") of the Issuer. The construction and acquisition of the Project and the financing hereby authorized and provided for are public purposes of the Issuer.

C. It is necessary for the Issuer to issue its revenue bond in the aggregate principal amounts of \$3,500,000 to finance the costs of such construction and improvements in the manner hereinafter provided.

D. The estimated cost of the construction of the Project is \$3,500,000, which will be obtained from the proceeds of sale of the Series 1998 Bonds herein authorized. The cost of such

135 construction shall be deemed to include, without being limited to, the construction or acquisition of
136 the Project, the acquisition of any necessary property, real or personal, or any interest therein;
137 engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans,
138 specifications and surveys; and such other expenses as may be necessary or incidental to the
139 construction of the Project and the financing authorized hereby.
140

141 E. The period of usefulness of the Facility after completion of the Project is not less
142 than twenty-five (25) years.
143

144 F. There are currently no outstanding obligations of the Issuer with which the Bonds
145 will rank on a parity as to lien on and source of and security for payment.
146

147 G. The Issuer is not in default under the terms of any document and has complied with
148 all requirements with respect to the issuance of Bonds.
149

150 H. The estimated revenues to be derived in each year from hotel and motel taxes,
151 amusement taxes and coal severance taxes will be sufficient to pay all the principal of and interest
152 on the Bonds (as hereinafter defined) and all debt service, reserve fund, if any, and other payments
153 provided for herein.
154

155 I. The Issuer has complied with all requirements of West Virginia law relating to
156 authorization of the construction, acquisition and operation of the Project and issuance of the
157 Bonds, or will have so complied prior to issuance of the Bonds.
158

159 J. It is in the best interests of the Issuer that the Bonds be sold to Crews & Associates,
160 Inc. (the "Purchaser"), pursuant to the terms and provisions of a Bond Purchase Agreement dated
161 _____, 1998.
162

163 Section 1.03. Ordinance to Constitute Contract. In consideration of the acceptance of the
164 Bonds by the Purchaser, this Ordinance (the "Ordinance") shall be deemed to be and shall
165 constitute a contract between the Issuer and the Purchaser, and the covenants and agreements set
166 forth herein to be performed by the Issuer shall be for the benefit, protection and security of the
167 Registered Owner of the Bonds.
168

169 Section 1.04. Definitions. The following terms shall have the following meanings herein
170 unless the text otherwise expressly requires:
171

172 "Act" means Chapter 8, Article 16 of the West Virginia Code, as amended.
173

174 "1998 Bonds", "1998 Series Bonds" or "Bonds" means the \$3,500,000 City of Charleston
175 Civic Center Improvement Bonds, Series 1998, authorized by this ordinance.
176

177 "City Clerk" means the City Clerk of the Governing Body.
178

179 "Commission" means the West Virginia Municipal Bonds Commission or any other agency
180 of the State of West Virginia that succeeds to the functions of the Commission.
181

182 "Consulting Engineer" means _____, Charleston, West Virginia, or any
183 qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as
184 Consulting Engineer for the Project.
185

186 "Costs" or "Costs of the Project" means those costs described in Section 1.02 hereof to be a
187 part of the cost of acquisition, construction and equipping of the Project.
188

189 "Depository Bank" means _____ Bank, Charleston, West Virginia, a bank or trust
190 company which is a member of FDIC and its successors and assigns or such other qualified bank or
191 trust company designated now or hereafter by Issuer.
192

193 "Facilities" or "facilities" means all the land and tangible properties of the Charleston Civic
194 Center Coliseum and also any tangible properties which may hereafter be added to the Facility by
195 addition, betterments, extensions and improvements thereto and properties, furniture, fixtures or
196 equipment therefor, hereafter at any time constructed or acquired.
197

198 "FDIC" means the Federal Deposit Insurance Corporation.
199

200 "Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.
201

202 "Governing Body" means the City Council of the Issuer.
203

204 "Government Obligations" means direct obligations of, or obligations the principal of and
205 interest on which are guaranteed by, the United States of America.
206

207 "Herein" means in this Ordinance.
208

209 "Holder of the Bonds" or any similar term means any person who shall be the registered
210 owner of the Bonds.
211

212 "Issuer" or "City" means City of Charleston, Kanawha County, West Virginia, and, where
213 appropriate, also means the Governing Body.
214

215 "Mayor" means the Mayor or the Acting Mayor of the Governing Body.
216

217 "Net Revenues" means the collection of a sufficient amount of hotel and motel taxes,
218 amusement taxes, and coal severance taxes to pay the debt service on the Series 1998 Bonds.
219

220 "Ordinance" means this Ordinance and all resolutions supplemental hereto.
221

222 "Project" shall have the meaning stated in Section 1.02 B. above.

223
224 "Purchaser" means Crews & Associates, Inc. and any successor thereto.
225

226 "Qualified Investments" means and include any of the following:
227

228 (a) Government Obligations;
229

230 (b) Government Obligations which have been stripped of their unmatured
231 interest coupons, interest coupons stripped from Government Obligations, and receipts or
232 certificates evidencing payments from Government Obligations or interest coupons stripped
233 from Government Obligations;
234

235 (c) Bonds, debentures, notes or other evidence of indebtedness issued by any of
236 the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal
237 Home Loan Bank Facility; Export-Import Bank of the United States; Federal Land Banks;
238 Government National Mortgage Association; Tennessee Valley Authority; or Washington
239 Metropolitan Area Transit Authority;
240

241 (d) Any Bonds, debenture, note, participation certificate or other similar
242 obligations issued by the Federal National Mortgage Association to the extent such
243 obligation is guaranteed by the Government National Mortgage Association or issued by
244 any other federal agency and backed by the full faith and credit of the United States of
245 America;
246

247 (e) Time accounts (including accounts evidenced by time certificates of deposit,
248 time deposits or other similar banking arrangements) which, to the extent not-insured by the
249 FDIC or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of
250 Government Obligations, provided, that said Government Obligations pledged either must
251 mature as nearly as practicable coincident with the maturity of said time accounts or must
252 be replaced or increased so that the market value thereof is always at least equal to the
253 principal amount of said time accounts;
254

255 (f) Money market funds or similar funds whose only assets are investments of
256 the type described in paragraphs (a) through (e) above;
257

258 (g) Repurchase agreements, fully secured by investments of the types described
259 in paragraphs (a) through (e) above, with banks or national banking associations which are
260 members of FDIC or with government bond dealers recognized as primary dealers by the
261 Federal Reserve Bank of New York, provided, that said investments securing said
262 repurchase agreements either must mature as nearly as practicable coincident with the
263 maturity of said repurchase agreements or must be replaced or increased so that the market
264 value thereof is always at least equal to the principal amount of said repurchase agreements,
265 and provided further that the holder of such repurchase agreement shall have a prior
266 perfected security interest in the collateral therefor, must have (or its agent must have)
267 possession of such collateral, and such collateral must be free of all claims by third parties;
268

269 (h) The West Virginia "consolidated fund" managed by the West Virginia State

Board of Investments pursuant to Chapter 12, Article 6, of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registrar" or "Bond Registrar" means _____ Bank, Charleston, West Virginia, or any successor thereto.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations; words importing the masculine, feminine or neuter genders shall include any other gender; and any requirement for execution, sealing and/or attestation of the Bonds or any certificate or other document by the City Clerk shall mean that such Bond certificate or other document which may be executed, sealed and/or attested by an Acting City Clerk.

ARTICLE II

AUTHORIZATION OF ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT

Section 2.01. Authorization of Acquisition, Construction and Equipping of the Project. There is hereby authorized the acquisition, construction and equipping of the Project, at an estimated cost of \$3,500,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Bonds hereby authorized shall be applied as provided in Article IV hereof.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUANCE OF BONDS

Section 3.01. Authorization of Bonds. Subject and pursuant to the provisions hereof, the Bonds of the Issuer to be known as "City of Charleston, Civic Center Improvement Bonds, Series 1998" in the principal amount of \$3,500,000, is hereby authorized to be issued for the purpose of financing the cost of the acquisition, construction and equipping of the Project.

Section 3.02. Description of Bonds. The Bonds shall be issued in registered form, from No. R-1 upward, and shall be dated on the date of delivery. The Bonds shall bear interest from date, payable monthly at the rates per annum and shall be sold for the par value thereof as set forth herein or in a Supplemental Resolution.

The Bonds shall be subject to prepayment of scheduled monthly installments, or any portion

thereof, at the option of the Issuer and shall be payable as provided in the Bond form hereinafter set forth.

Section 3.03. Execution of Bonds. The Bonds shall be executed in the name of the Issuer by the Mayor or and its corporate seal shall be affixed thereto and attested by the City Clerk, and the Mayor or and the City Clerk are hereby authorized to execute the Bonds and such other documents as are necessary to finalize this transaction. In case any one or more of the officers who shall have signed or sealed the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Negotiability, Registration, Transfer and Exchange of Bonds. The Bonds shall be and have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, but the Bonds may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 3.05 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in writing, upon surrender of the Bonds for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Registrar. No interest in the Bonds shall be transferable except by means of transfer of registration of the Bonds representing such interest and delivery of a new Bond or Bonds in exchange therefor in accordance with this Bond Ordinance.

Whenever the Bonds shall be surrendered for registration of transfer, the Issuer shall execute and deliver a new Bond or Bonds in authorized denominations, for a like aggregate principal amount. The Registrar shall require the payment by the new owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, but the Issuer shall pay any other expenses incurred by the Registrar with respect to such transfer.

No registration of transfer of a Bond shall be permitted to be made after the 15th day next preceding any installment payment date on that Bond.

Section 3.05. Registrar. The Registrar will keep or cause to be kept by its agent at its office, sufficient books for the registration and transfer of the Bonds, and upon presentation for such purpose, the Registrar shall, under such reasonable regulations as it may prescribe, register the Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Bonds as hereinbefore provided.

The Registrar shall accept the Bonds for registration or transfer only if ownership thereof is to be registered in the name of an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or social security

358 numbers of the settlor and beneficiaries of each trust and the name of the trustee of each trust and/or
359 such other identifying number and information as may be required by law.
360

361 Section 3.06. Bond Mutilated, Destroyed, Stolen or Lost. In case any of the Bonds shall
362 become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a
363 new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and
364 substitution for such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or
365 lost, and upon the holder's furnishing the Issuer proof of his, her or its ownership thereof and
366 complying with such other reasonable regulations and conditions as the Issuer may require. The
367 Bond so surrendered shall be canceled and held for the account of the Issuer. If the Bond shall have
368 matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the same,
369 and if such Bond be destroyed, stolen or lost, without surrender thereof.
370

371 Section 3.07. Bonds Secured by Pledge of Net Revenues. The payment of the debt service
372 of the Bonds shall be secured forthwith by a lien on the Net Revenues derived from and a statutory
373 mortgage lien on the hotel and motel taxes (as limited by the amount payable by the Issuer under
374 the provisions of Chapter 7, Article 18, Section 14 (b) of the Code of West Virginia of 1931, as
375 amended), amusement taxes and coal severance taxes pledged therefor.
376

377 Section 3.08. Form of Bond. Subject to the provisions hereof, the text of the Bond and the
378 other details thereof shall be of substantially the following tenor, with such omissions, insertions
379 and variations as may be authorized or permitted hereby or any supplemental resolution adopted
380 after the date of adoption hereof and prior to the issuance thereof.
381

(FORM OF BOND)

No. R-__

\$ _____

CITY OF CHARLESTON (WEST VIRGINIA)
CIVIC CENTER IMPROVEMENT BONDS, SERIES 1998

INTEREST RATE	BOND DATE	MATURITY DATE	CUSIP
_____%	_____, 1998	_____, _____	_____

REGISTERED OWNER: THE DEPOSITORY TRUST COMPANY

PRINCIPAL AMOUNT: \$ _____

FOR VALUE RECEIVED, the CITY OF CHARLESTON, a municipal corporation and political subdivision of the State of West Virginia, in Kanawha County of said State (herein called "Issuer"), hereby promises to pay to the order of The Depository Trust Company, or its registered assigns, at New York, New York, or at such other place as may hereafter be designated in writing, the principal sum of _____ and 00/100 Dollars (\$ _____), plus interest on the unpaid principal balance at the rate of _____ (____%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Semiannual installments of principal and interest on _____ 1 and _____ 1 of each year, beginning _____ 1, 1998, except that the final installment shall be paid on the Maturity Date, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

Every payment made on any indebtedness evidenced by this Bonds shall be applied first to interest computed to the effective date of the payment and then to the principal. Payments shall be made at the office of the Municipal Bond Commission, Charleston, West Virginia, and shall be mailed to the registered owner hereof at the address as it appears on the books of the Registrar.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Issuer. Refunds and extra payments according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Issuer to pay the remaining installments as scheduled herein.

If the Registered Owner at any time assigns this Bond and insures the payment thereof, Issuer shall continue to make payments to the Registered Owner as collection agent for the holder.

This Bond, together with any additional Bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction of improvements to the Facility (the "Facility") of the Issuer, is payable solely from the revenues to be

426 derived from the collection of hotel and motel taxes, amusement taxes and coal severance taxes.
427 This Bond does not in any manner constitute an indebtedness of the Issuer within the meaning of
428 any constitutional or statutory provision or limitation.
429

430 Registration of this Bond is transferable by the registered owner hereof in person or by his,
431 her or its attorney duly authorized in writing, at the office of the Bond Registrar, but only in the
432 manner, subject to the limitations and upon payment of the charges, if any, provided in the herein
433 defined Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a
434 new Bond or Bonds, of authorized denomination or denominations, for the like principal amount,
435 will be issued to the transferee in exchange herefor.
436

437 This Bond, under the provisions of the Act, is and has all the qualities and incidents of a
438 negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may
439 only be transferred by transfer of registration hereof with the Bond Registrar.
440

441 This Bond has been issued under and in full compliance with the Constitution and statutes
442 of the State of West Virginia, including, among others, Chapter 8, Article 16 of the West Virginia
443 Code (herein called the "Act").
444

445 IN WITNESS WHEREOF, the CITY OF CHARLESTON has caused this Bond to be
446 executed by its Mayor and its corporate seal to be hereunto affixed or imprinted heron and attested
447 by its City Clerk, all as of the date hereinabove written.
448

449
450 (SEAL)

CITY OF CHARLESTON

451
452 By: _____
453 Mayor
454

455 ATTEST:

456
457 By: _____
458 City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Bond Ordinance and has been duly registered in the name of the registered owner set forth above.

Dated: _____

as Registrar

By: _____
Authorized Officer

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

DATED: _____

In the presence of:

493 ARTICLE IV

494
495 REVENUES AND APPLICATION THEREOF;
496 DISPOSITION OF BOND PROCEEDS; FUNDS AND ACCOUNTS
497

498 Section 4.01. Establishment of Funds and Accounts with Depository Bank. The following
499 special funds or accounts are created and established with and shall be held by the Depository
500 Bank, separate, distinct and apart from all other funds or accounts of the Depository Bank and from
501 each other:

- 502
503 (1) Revenue Fund; and
504
505 (2) Project Construction Account.
506

507 Section 4.02. Establishment of Funds and Accounts with Commission. The following
508 special fund is hereby created and established with the Commission:
509

- 510 (1) Series 1998 Bonds Sinking Fund.
511

512 Section 4.03. Bond Proceeds; Project Construction Account. All moneys received from
513 the sale of the Bonds shall be deposited upon receipt by the Issuer in the Depository Bank, a
514 member of Federal Deposit Insurance Corporation (FDIC), in a special account hereby now
515 established and designated as "City of Charleston Civic Center Facility Construction Account
516 (herein called the "Project Construction Account"). The moneys in the Project Construction
517 Account in excess of the amount insured by FDIC shall be secured at all times by such bank by
518 securities or in a manner lawful for the securing of deposits of state and municipal funds under
519 West Virginia law. Moneys in the Project Construction Account shall be expended by the Issuer
520 solely for the purposes provided herein.
521

522 If the Issuer shall determine at any time that all funds on deposit in the Project Construction
523 Account exceed the estimated disbursements on account of the Project for the ensuing ninety (90)
524 days, the Issuer may invest such excess funds in Qualified Investments.
525

526 Pending application as provided in this Section 4.03, money and funds in the Project
527 Construction Account shall be invested and reinvested at the direction of the Issuer, to the extent
528 possible in accordance with applicable law, in Qualified Investments.
529

530 When construction and improvements of the Project have been completed and all costs
531 thereof have been paid or provision for such payment has been made, any balance remaining in the
532 Project Construction Account shall be promptly transmitted to the Commission with directions that
533 such funds be used immediately to redeem or prepay the 1998 Bonds from which construction
534 account the funds derived.
535
536

537 Section 4.04. Covenants of the Issuer as to Revenues and Funds. So long as any of the
538 Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 1998
539 Bonds Sinking Fund a sum sufficient to pay, when due or at the earliest practical prepayment date,
540 the entire principal of the Bonds remaining unpaid, together with interest accrued and to accrue
541 thereon, the Issuer further covenants with the holder of the Bonds as follows:
542

543 (A) Revenue Fund. The Net Revenues shall be deposited as collected by the Issuer in a
544 special fund in a bank or trust company in the State of West Virginia which is a member of FDIC,
545 which Fund, known as the "Revenue Fund" established with the Depository Bank. The Revenue
546 Fund shall constitute a trust fund for the purposes provided herein and shall be kept separate and
547 distinct from all other funds of the Issuer and used only for the purposes and in the manner
548 provided herein.
549

550 (B) Disposition of Revenues. The Net Revenues at any time on deposit in the Revenue
551 Fund shall be disposed of as follows:
552

553 The Issuer shall on or before the due date of payment of each installment on the
554 Bonds, transfer from the Revenue Fund and deposit into the Series 1998 Bonds Sinking
555 Fund (or such other place as may be provided pursuant to the Bonds), the amount required
556 to pay the interest on the Bonds, and to amortize the principal of the Bonds over the life of
557 the Bonds.
558

559 The Commission is hereby designated as the Fiscal Agent for the administration of the
560 Series 1998 Bonds Sinking Fund, and the Depository Bank is hereby designated as the Fiscal Agent
561 for the administration of the other accounts herein provided, and all amounts required the other
562 accounts will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at
563 the times provided herein, together with written advice stating the amount remitted for deposit into
564 each such fund.
565

566 All the funds provided for in this Section shall constitute trust funds and shall be used only
567 for the purposes and in the order provided herein, and until so used, the Bondholder shall have a
568 lien thereon for further securing payment of the Bonds and the interest thereon, but the Commission
569 and the Depository Bank shall not be a trustee as to such funds.
570

571 The Commission and the Depository Bank, at the direction of the Issuer, shall keep all
572 funds invested and reinvested to the fullest extent possible in accordance with applicable law, and
573 to the extent practicable, in Qualified Investments having maturities consonant with the required
574 use thereof. Investments in any fund or account under this Bond Ordinance shall, unless otherwise
575 provided herein or required by law, be valued at the lower of cost or the then current market value,
576 or at the redemption price thereof if then redeemable at the option of the holder, including value of
577 accrued interest and giving effect to the amortization of discount, or at par if such investment is
578 held by the "consolidated fund" managed by the West Virginia State Board of Investments. Any
579 investment shall be held in and at all times deemed a part of the fund or account in which such
580 moneys were originally held, and interest accruing thereon and any profit or loss realized from such

investment shall be credited or charged to the appropriate fund or account.

(C) Change of Depository Agent and Fiscal Agent. The Issuer may designate another bank or trust company insured by FDIC as Fiscal Agent and Depository Bank if the aforesaid Bank should cease for any reason to serve or if the Governing Body determines by ordinance that said Bank or its successor should no longer serve as Fiscal Agent or Depository Bank. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser.

(D) Charges and Fees. The Issuer shall remit from the Revenue Fund to the Commission and to the Depository Bank such additional sums as shall be necessary to pay the charges and fees of the Commission and the Depository Bank then due.

(E) Investment of Excess Balances. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in any of such funds or accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, in a lawful manner for securing deposits of state and municipal funds under the laws of the State.

(F) Remittances. All remittances made by the Issuer to the Commission and to the Depository Bank shall clearly identify the fund or account into which each amount is to be deposited.

(G) Gross Revenues. The Gross Revenues of the Facility shall only be used for purposes of the Facility.

ARTICLE V

GENERAL COVENANTS

Section 5.01. General Statement. So long as the Bonds shall be outstanding and unpaid, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Purchaser.

Section 5.02. Issuance of Additional Parity Bonds or Obligations. Additional bonds or obligations payable out of the Net Revenues pledged toward repayment of the Series 1998 Bonds may be issued at any time upon the Issuer's completion, execution and tender of its certificate demonstrating a debt service coverage ratio of 135% of Net Revenues to pay debt service on the Series 1998 Bonds during the most recent fiscal year and a projected debt service coverage ratio of 120% of Net Revenues to pay debt service on the Series 1998 Bonds and the additional parity bonds over the next 3 years.

Section 5.03. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the Facility, procure, carry and maintain, so long as the Bonds remains outstanding, insurance with a reputable insurance carrier or carriers

625 covering the following risks and in the following amounts:

626
627 (a) Real Property Insurance, to be procured upon acceptance of any part of the Project
628 from the contractor, and immediately upon any portion of the Facility now in use, in an amount
629 equal to the full insurable value thereof. In the event of any damage to or destruction of any portion
630 of the Facility, the Issuer will promptly arrange for the application of the insurance proceeds for the
631 repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require
632 each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the
633 interests of the Issuer during construction of the Project in the full insurable value thereof.
634

635 (b) Public Liability Insurance, with limits of not less than \$500,000 for one or more
636 persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or
637 death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others
638 which may arise from the operation of the Facility, such insurance to be procured not later than the
639 date of delivery of the Bonds.
640

641 (c) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any
642 vehicle in the operation of the Facility, or in the event that any vehicle not owned by the Issuer is
643 operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for
644 one or more persons injured or killed in one accident to protect the Issuer from claims for bodily
645 injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to
646 property of others which may arise from such operation of vehicles, such insurance to be procured
647 prior to acquisition or commencement of operation of any such vehicle for the Issuer.
648

649 (d) Workers' Compensation Coverage for all Employees of the City Eligible Therefor
650 and Performance and Payment Bonds, such Bonds to be in the amounts of one hundred percent
651 (100%) of the construction contract, will be required of each prime contractor, and such payment
652 Bonds will be filed with the Clerk of the County Commission of Kanawha County prior to
653 commencement of construction of the Project in compliance with West Virginia Code Section
654 38-2-39. Workers' compensation insurance will be maintained as required by the laws of the State
655 of West Virginia.
656

657 (e) Fidelity Bonds will be provided as to every member of the Governing Body and
658 every officer and employee of the City having custody of the Revenue Fund or of any revenues or
659 other funds of the Facility in an amount at least equal to the total annual debt service requirements
660 for all outstanding loans.
661

662 (f) Flood Insurance to be procured, to the extent available at reasonable cost to the
663 Issuer.
664

665 (g) Provided, however, and in lieu of and notwithstanding the foregoing provisions of
666 this Section, during construction of the Project and so long as the Bonds are outstanding, the Issuer
667 will carry insurance and Bonds or cause insurance and Bonds to be carried for the protection of the
668 Issuer, and during such construction will require each contractor and subcontractor to carry

insurance, of such types and in such amounts as the Purchaser may specify, with insurance carriers or Bonding companies acceptable to the Purchaser.

Section 5.04. Statutory Mortgage. For the further protection of the holders of the Bonds, a statutory mortgage lien upon the Net Revenues is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take effect immediately upon delivery of the Bonds.

Section 5.05. Events of Default. Each of the following events is hereby declared an "Event of Default":

(A) Failure to make payment of any monthly amortization installment at the date specified for payment thereof and/or;

(B) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer contained in the Bonds or herein, or violation of or failure to observe any provision of any pertinent law or of this Bond Ordinance.

Section 5.06. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the Registered Owner may proceed to protect and enforce its rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights and shall have all rights prescribed by the Act, W.Va. Code and other applicable law.

Section 5.07. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer and on file with the City Clerk on the date of adoption hereof, subject to permitted changes.

Section 5.08. Tax Covenants as to Tax Exempt Status of Bonds.

1. The Issuer covenants that (a) it shall not permit or cause to be done any act or thing which would result in the loss of exemption from tax of interest on the Bonds under Section 103(a) of the Internal Revenue Code and the regulations thereunder, or under any successor or similar provision of the Internal Revenue Code hereinafter enacted and applicable to the Bonds and regulations thereunder; (b) it shall not invest or otherwise use or permit or cause to be invested or used, any of the proceeds of the Bonds, or moneys deemed to be proceeds of the Bonds under the Internal Revenue Code, directly or indirectly, in any manner which would result in such Bonds being classified as an "arbitrage Bonds" within the meaning of Section 148 of the Internal Revenue Service Code or regulations thereunder, and each shall comply with the requirements of such Section and (c) no part of the proceeds of the Bonds or any funds held under the Ordinance shall at any time be used directly or indirectly for any purpose for which would cause the Bonds to be subject to treatment as a "private activity Bonds" under the Internal Revenue Code or regulations

thereunder and to that end the Issuer will comply with the applicable law as long as the Bonds is outstanding.

2. The Issuer hereby further covenants and agrees as follows:

A. **PRIVATE BUSINESS USE LIMITATION.** The Issuer shall assure that (i) not in excess of ten percent (10%) of the Net Proceeds of the Bonds are used for private business use if, in addition, the payment of more than ten percent (10%) of the principal or ten percent (10%) of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a private business use or in payments in respect of property used or to be used for a private business use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a private business use, and that (ii) in the event that both (A) in excess of five percent (5%) of the Net Proceeds of the Bonds are used for a private business use, and (B) an amount in excess of five percent (5%) of the principal or five percent (5%) of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said private business use or in payments in respect of property used or to be used for the Issuer, in respect of property or borrowed money used or to be used for said private business use, then said excess over said five percent (5%) of Net Proceeds of the Bonds used for a private business use shall be used for a Private Business Use related to the governmental use of the Project, or if the Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such private business use is related.

B. **PRIVATE LOAN LIMITATION.** The Issuer shall assure that not in excess of five percent (5%) of the Net Proceeds of the Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local Purchaser units.

C. **FEDERAL GUARANTEE PROHIBITION.** The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149 (b) of the Code and Regulations promulgated thereunder.

D. **INFORMATION RETURN.** The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. **FURTHER ACTIONS.** The Issuer will take any and all actions that may be required of it (including those deemed necessary by the Holder) so that the interest on the Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including those determined by the Holder) which would adversely affect such exclusion.

757
758 ARTICLE VI
759
760
761

762 MISCELLANEOUS
763

764 Section 6.01. Defeasance of Bonds. If the Issuer shall pay or there shall otherwise be
765 paid, to the Holder of the Bonds, the principal of and interest due or to become due thereon, at the
766 times and in the manner stipulated therein and in this Bonds Ordinance, then with respect to the
767 Bonds, the pledge of Net Revenues and other moneys and securities pledged under this Bonds
768 Ordinance and all covenants, agreements and other obligations of the Issuer to the Registered
769 Owner of the Bonds, shall thereupon cease, terminate and become void and be discharged and
770 satisfied.

771 Section 6.02. Filing Under Uniform Commercial Code. Contemporaneously with the
772 delivery of the Bonds, the Issuer shall execute Financing Statements meeting the requirements of
773 the Uniform Commercial Code of West Virginia and promptly thereafter shall file such Financing
774 Statements in the offices of the Secretary of State of West Virginia and of the Clerk of the County
775 Commission of Kanawha County.

776 Section 6.03. Delivery of Bonds. The Mayor and City Clerk of the Governing Body are
777 hereby authorized and directed to cause the Series 1998 Bonds to be delivered to the Registered
778 Holder as soon as the Purchaser will accept such delivery.
779

780 Section 6.04. Severability of Invalid Provision. If any one or more of the covenants,
781 agreements or provisions hereof should be held contrary to any express provision of law or contrary
782 to the policy of express law, although not expressly prohibited, or against public policy, or shall for
783 any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null
784 and void and shall be deemed separable from the remaining covenants, agreements or provisions
785 hereof, and shall in no way affect the validity of all the other provisions hereof or the Bonds.
786

787 Section 6.05. Conflicting Provisions Repealed. All ordinances and orders, or parts
788 thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed.
789

790 Section 6.06. Table of Contents and Headings. The Table of Contents and headings of the
791 articles, sections and subsections hereof are for convenience only and shall neither control nor
792 affect in any way the meaning or construction of any of the provisions hereof.
793

794 Section 6.07. Modification or Amendment. The Bonds Ordinance may not be modified or
795 amended in any material manner after final passage without the prior written consent of the
796 Purchaser and/or holder of the Bonds.
797

798 Section 6.08. Covenant of Due Procedure, Etc. The Issuer covenants that all acts,
799 conditions, things and procedures required to exist, to happen, to be performed or to be taken
800 precedent to and in the adoption of this Ordinance do exist, have happened, have been performed

801 and have been taken in regular and due time, form and manner as required by and in full
802 compliance with the laws and Constitution of the State applicable thereto; and that the Mayor, City
803 Clerk and members of the Governing Body were at all times when any actions in connection with
804 this Ordinance occurred and are duly in office and duly qualified for such office.
805

806 Section 6.09. Supplemental Resolutions. The Issuer may pass such supplemental
807 resolutions, if necessary, to effectuate the purposes and intent of this Ordinance.
808

809 Section 6.10. Effective Time. This Ordinance shall take effect immediately upon its
810 adoption.
811

812 Section 6.11 Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of
813 this Bond Ordinance determined by the Governing Body to contain sufficient information as to give
814 notice of the contents hereof shall be published once a week for two (2) successive weeks within a
815 period of fourteen (14) consecutive days, with at least six (6) full days intervening between each
816 publication, in a qualified newspaper published and of general circulation in the City of Charleston,
817 together with a notice stating that this Bond Ordinance has been adopted and that the Issuer
818 contemplates the issuance of the Bonds, and that any person interested may appear before the City
819 Council upon a date certain, not less than ten (10) days subsequent to the date of the first
820 publication of such abstract of this Bond Ordinance and notice, and present protests, and that a
821 certified copy of the Ordinance is on file with the Governing Body for review by interested persons
822 during office hours of the Governing Body. At such hearing, all objections and suggestions shall
823 be heard, and the Governing Body shall take such action as it shall deem proper in the premises.
824

325 Passed on First Reading – August 3, 1998.

826
827 Passed on Second Reading – August __, 1998.

828
829 Passed on Final Reading

830 Following Public Hearing – August __, 1998.
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CITY OF CHARLESTON

By: _____
Mayor

[SEAL]

Attest:

By: _____
City Clerk

CERTIFICATION

I, _____, City Clerk of the City of Charleston, hereby certify that the foregoing is a true and correct copy of an Ordinance approved at a meeting of the City Council of the City of Charleston held on August ____, 1998. I further hereby certify that the action of said City Council set forth therein remains in full force and effect and has not been amended or repealed.

WITNESS my signature on this ____ day of August 1998.

City Clerk

863 STATE OF WEST VIRGINIA,
864
865 COUNTY OF KANAWHA, to-wit:
866

867 The foregoing instrument was acknowledged before me this ____ day of August, 1998, by
868 G. Kemp Melton, the Mayor of the City of Charleston, a municipal corporation and a political
869 subdivision of the State of West Virginia, on behalf of said municipality.
870

871 My commission expires _____
872

873
874
875
876 _____
877 NOTARY PUBLIC

NEW ISSUE-Full Book Entry

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, and subject to compliance by the City with certain conditions, representations and certifications, interest on the Bonds is excludable from the gross income of the holders thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and such interest will not be treated as a preference item for purposes of the alternative minimum tax imposed under the Code with respect to individuals and corporations. Under the Code, however, such interest is included in the adjusted current earnings of a corporation for the purposes of computing the alternative minimum tax. In addition, under the Act, the Bonds and the interest thereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof (see "TAX EXEMPTION" herein).

\$3,590,000*

**CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS,
SERIES 1998**

Dated: September 1, 1998

Due: September 1, as shown below

The Bonds will be issued in fully registered form only and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only in the principal amount of five thousand dollars (\$5,000) or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. See "DESCRIPTION OF BONDS—Book-Entry Only System" herein.

The Bonds will be issued, together with other funds available therefore, for the purpose of acquiring, constructing, equipping and making improvements to the Charleston Civic Center. The Bonds will be secured by a lien on specified tax revenues dedicated for such purposes (the "Tax Revenues") by the City of Charleston (the "City"). See "FINANCING PLAN" herein.

The City has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

Interest on the Bonds will accrue from September 1, 1998, and will be payable March 1, 1999, and semi-annually thereafter on September 1 and March 1 in each year to maturity. The principal of and interest on the Bonds are payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

The Bonds are subject to optional and mandatory redemption as more fully described herein (see "DESCRIPTION OF BONDS").

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain an informative investment decision.

THE BONDS ARE PAYABLE FROM AND SECURED BY A LIEN ON SPECIFIED TAX REVENUES DEDICATED FOR SUCH PURPOSES BY THE CITY, AND DO NOT CONSTITUTE A DEBT OR GENERAL OBLIGATION OF THE CITY OF CHARLESTON, WEST VIRGINIA WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS OR LIMITATIONS.

MATURITY SCHEDULE

\$1,480,000	___%	Term Bond Due _____, 2012	Price _____%
\$1,005,000	___%	Term Bond Due _____, 2018	Price _____%
\$1,105,000	___%	Term Bond Due _____, 2023	Price _____%

(accrued interest to be added)

The Bonds are offered when, as and if issued and received, subject to the approval of their legality by Goodwin & Goodwin, LLP, Charleston, West Virginia, Bond Counsel, and to certain other conditions. Certain legal matters will be passed on for the City by Vaughan & Withrow, Charleston, West Virginia, and for the Underwriter by Goodwin & Goodwin, LLP, Charleston, West Virginia. It is expected that the Bonds will be available for delivery at DTC, New York, New York, on or about September 22, 1998.

CREWS & ASSOCIATES, INC.

Dated: September __, 1998

*Preliminary. Subject to Change.

This Preliminary Official Statement is not a contract. It is subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

THE CITY OF CHARLESTON, WEST VIRGINIA

MAYOR

G. Kemp Melton

CITY COUNCIL

J. E. "Skeeter" Barron
Carl Hicks
James "Mose" Lanham
Bob E. Redman
Ernest A. "Ernie" Layne
Ivalou H. Barth
Paul A. Gilmer, Jr.
George W. McClaskie
Betty Morton
Chester F. Thompson
Fred Snuffer
Joyce Horan
Linda M. Nielson

Jody Connell
Lawrence J. Malone
William Ward Huffman, II
Brendan S. Leary
William R. "Bill" Kimberling
Loren E. Snodgrass
David J. "Dave" Hardy
Sam Haddad
J. Thomas Lane
Charles W. Loeb, Jr.
Mary Jane Lopez
Y. Howard Quick, Jr.
Chris Smith

CITY ADMINISTRATION

Fred N. Frisk, Jr., City Clerk
Chris Wickham and Jill Jerabek, City Attorneys
Ron Eddy, Finance Director
Andrew A. Payne, III, Treasurer

The Bonds are exempt from registration under the Securities Act of 1933. As obligations of a political subdivision of the State of West Virginia, the Bonds are also exempt from registration under the securities laws of West Virginia. No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein have been obtained from the City and other sources deemed to be reliable but are not guaranteed as to accuracy or completeness by, and are not to be construed as representations of, the Underwriter. The information herein is subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City or the Facility since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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\$3,590,000*
THE CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS,
SERIES 1998

INTRODUCTION

This Official Statement, including the cover page (excluding prices), and Appendices hereto, is provided for the purpose of setting forth certain information concerning The City of Charleston, West Virginia (the "City"), certain tax revenues of the City pledged and available for payment of debt service, the Charleston Civic Center (the "Facility") and the \$3,590,000* The City of Charleston, West Virginia Civic Center Improvement Bonds, Series 1998 (the "Bonds"). The Bonds are being issued pursuant to the constitution and laws of the State of West Virginia (the "State"), specifically Chapter 8, Article 16 (the "Act"), of the Code of West Virginia, 1931, as amended, and an Ordinance passed by City Council of the City on August 17, 1998, and effective on August 17, 1998, following a public hearing thereon (together, the "Ordinance" or "Bond Ordinance").

The Bonds are being issued to provide funds to acquire, construct, equip and make improvements to the Charleston Civic Center located in the City of Charleston, West Virginia (the "Project") and to pay certain costs of issuance. See "FINANCING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS".

The Bonds are payable from and secured by the specified Tax Revenues dedicated for such purposes, as defined and provided in the Ordinance, to be derived from coal severance taxes and hotel-motel occupancy taxes (as limited by the amount payable by the Issuer under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended) received by the City (the "Tax Revenues"). The Bonds do not constitute a corporate indebtedness to the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Bonds or any premium or the interest thereon except from such Tax Revenues. Pursuant to the Ordinance, the City has covenanted and agreed to maintain such collected tax revenues to always provide revenues in each fiscal year at least sufficient to pay one hundred ten percent (110%) of the largest amount of principal and interest maturing and becoming due on the Bonds then outstanding in any succeeding fiscal year, and all obligations or indebtedness other than the Bonds payable from the Tax Revenues in such fiscal year. See "Additional Security for the Bonds – Tax Collection Covenant."

In 1996, the City Council of the City appointed a committee to prepare a Facility improvement feasibility study (the "Study") to identify improvements which needed to be made to the Facility to ensure its future viability and to assist the City in competing with other cities in attracting conventions, concerts, theatrical productions and sporting events. In 1997, the Study, prepared by Silling Associates, Architects and Planners, was delivered to the City. A copy of the Study is on file and available through the City Manager at City Hall. The Study made a number of

*Preliminary, subject to change.

recommendations including a variety of improvements to the Facility. Based upon the Study and the committee's recommendations, the City concluded that certain improvements had to be made to the Facility.

Under certain conditions, the City may issue additional bonds for the purpose of (i) financing the cost of the construction or acquisition of additions, improvements and betterments to the Facility, (ii) refunding all or a portion of one or more series of bonds issued pursuant to the Ordinance, or (iii) all of such purposes, subject, in each case, to certain tests and conditions provided for by the Ordinance (the Bonds and any such additional parity bonds are hereinafter referred to as the "Bonds"). See "DESCRIPTION OF BONDS - Issuance of Additional Bonds".

Brief descriptions of the Bonds, the Ordinance, the Project, the Facility, Financial Operations, the City and certain provisions of the Act are set forth in this Official Statement as well as other information contained in the appendices hereto. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ordinance, provisions of the Act, or other applicable laws of the State are qualified in their entirety by reference to each such document. Reference herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Ordinance and the information with respect thereto included in the aforesaid documents.

FINANCING PLAN

The Project

The Project consists of the acquisition, construction, equipping and improvements to certain portions of the Charleston Civic Center (the "Facility"). The property to be acquired includes certain equipment to be installed in the Facility.

The Financing

The City estimates the cost of the Project to be \$3,500,000. In the event the actual costs are less than the estimated costs, the excess funds will be used to make other capital renovations or improvements to the Facility.

The proceeds of the Bonds will be deposited with Bank One, West Virginia, N.A., Charleston, West Virginia, as Depository Bank, and will be advanced, along with funds to be contributed by the City, as requisitioned to complete the acquisition and creation of the Project.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds are estimated to be as follows:

Sources of Funds

Principal Amount of Bonds	\$ _____
Accrued Interest from September 1, 1998 to September __, 1998	_____
Original Issue Discount	(_____)
Total	\$ _____

Uses of Funds

Construction Fund (1)	\$ _____
Original Issue Discount	_____
Underwriter's Discount	_____
Cost of Issuance	_____
Accrued Interest from September 1, 1998 to September __, 1998	_____
Total	\$ _____

- (1) The Construction Fund will be held by Bank One, West Virginia, N.A. and disbursed as required by the Ordinance for the payment of the costs of the Project.

DESCRIPTION OF BONDS

The Bonds

The Bonds are available in book-entry form only. See "Book-Entry Only System" below. So long as Cede & Co. is the registered owner of the Bonds as nominee of The Depository Trust Company, New York, New York, references herein to the Bondholders or registered owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds. The West Virginia Municipal Bond Commission, Charleston, West Virginia, shall be the Paying Agent ("Paying Agent") and Bank One, West Virginia, N.A., Charleston, West Virginia, shall be the Registrar for the Bonds (the "Registrar").

The principal of, premium, if any, and interest on the Bonds will be payable at the office of the Paying Agent.

The Bonds will be dated September 1, 1998. The Bonds will bear interest at the rates and mature in the amounts set forth on the cover page of this Official Statement. Principal on the Bonds is payable September 1 of each year, commencing on September 1, 1999. Interest on the

Bonds will accrue from September 1, 1998 and will be payable on March 1, 1999, and semi-annually thereafter on September 1 and March 1 in each year to maturity.

The Bonds will be issued as fully registered bonds without coupons in denominations of \$5,000 and integral multiples thereof. Interest on the Bonds is payable by check or draft made payable and mailed to the owners thereof at the addresses appearing in the books (the "Register") kept by the Registrar for the registration and transfer of Bonds as of the first (1st) day of the month preceding such interest payment date or, in the event of a default in the payment of the Bonds, that special record date to be fixed by the Registrar by notice given to the owners not less than 10 days prior to said special record date (the "Record Date").

Redemption*

Optional Redemption

The Bonds are not subject to optional redemption prior to September 1, 2008. At the option of the City, the Bonds maturing on and after September 1, 2009, will be subject to redemption prior to maturity on or after September 1, 2008, as a whole at any time and in part on any interest payment date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) set forth below, plus interest accrued to the date fixed for redemption:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
September 1, 2008 through August 31, 2009	102%
September 1, 2009 through August 31, 2010	101
September 1, 2010 and thereafter	100

Mandatory Sinking Fund Redemption

The Bonds maturing on September 1, 2012, September 1, 2018 and September 1, 2023 (the "Term Bonds") are subject to mandatory redemption by lot from Sinking Fund Installments on September 1 of the years set forth below at a Redemption Price equal to the principal amount thereof plus accrued interest to the dates fixed for redemption and in the amounts set forth below:

*Preliminary, subject to change.

Term Bonds Maturing September 1, 2012

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1999	\$ 75,000	2006	\$105,000
2000	80,000	2007	110,000
2001	85,000	2008	115,000
2002	90,000	2009	125,000
2003	95,000	2010	130,000
2004	95,000	2011	135,000
2005	100,000	2012(Maturity)	140,000

Term Bonds Maturing September 1, 2018

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$145,000	2016	\$170,000
2014	155,000	2017	180,000
2015	165,000	2018(Maturity)	190,000

Term Bonds Maturing September 1, 2023

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2019	\$200,000	2022	\$230,000
2020	210,000	2023(Maturity)	245,000
2021	220,000		

Notice of Redemption

The Registrar shall cause notice of any redemption of Bonds to be mailed by first class mail to the Owners of all Bonds to be redeemed at the addresses thereof appearing in the Registration Books. Each such notice shall (i) be mailed not more than 60 days nor less than 30 days prior to the redemption date, (ii) identify the Bonds to be redeemed (specifying the CUSIP numbers, if any, assigned to the Bonds), (iii) specify the redemption date and the Redemption Price, and (iv) state that on the redemption date the Bonds called for redemption will be payable at the principal corporate trust office of the Paying Agent, that from that date the Bonds called for redemption will be deemed to be paid, and interest will cease to accrue, and that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein. Failure to give such notice of redemption (including any failure to mail such notice) shall not affect the validity of the redemption proceedings for any other Bonds for which notice was properly given.

Under the requirements of the Ordinance, the City cannot redeem all or any part of the Bonds unless funds are available to make such payment prior to the notice of redemption.

Book-Entry Only System

The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Bond certificate will be issued for each maturity of each respective series of Bonds in the aggregate principal amount of each maturity and will be deposited with DTC.

DTC is a limited-purpose trust company organized under New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the United States Securities and Exchange Commission.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the Bonds within a series are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, or redemption of, and interest payments on the Bonds will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to DTC is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

NEITHER THE CITY, THE UNDERWRITER NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OR ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT

OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON, THE BONDS; (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN BY DTC TO BONDHOLDERS; (IV) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER; OR (V) THE SELECTION BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS.

So long as the Bonds are held by DTC under a book-entry system, the Paying Agent will send any notice of redemption or other notices with respect to the Bonds required or permitted to be given under the Ordinance only to DTC. Any failure of DTC to advise any Participant, or of any Participant to notify any Indirect Participant or any Beneficial Owner of any such notice and its content or effect will not affect the validity of the proceedings for the redemption of the Bonds or of any other action permitted upon such notice. If fewer than all of the Bonds are selected for redemption, DTC will select the particular account of Participants to which the amount of such redemption will be credited in accordance with DTC's own rules or other agreements with Participants; Participants may then credit such redemption to the particular accounts of Beneficial Owners for whom such Participants act as nominee accordingly. Any such selection of Participants and Beneficial Owners to which any such partial redemption will be credited will not be governed by the Ordinance and will not be made by the City or the Paying Agent.

Issuance of Additional Bonds

Under certain conditions, the City may issue additional bonds for the purpose of (i) financing the cost of the construction or acquisition of additions, improvements and betterments to the Facility, (ii) refunding all or a portion of one or more series of bonds issued pursuant to the Ordinance, or (iii) all of such purposes, subject, in each case, to certain tests and conditions provided for by the Ordinance (the Bonds and any such additional parity bonds are hereinafter referred to as the "Bonds"). See Appendix B - "Summary of Certain Provisions of the Bond Ordinance".

Authorization for Issuance

The Bonds are being issued pursuant to the Act and the Ordinance. The Act authorizes the issuance of bonds of the City to pay for the cost of additions and improvements to the Facility. The issuance of revenue bonds by the City is not required by the Act or any other statute to be submitted to referendum for approval.

ADDITIONAL SECURITY FOR THE BONDS

The Bonds will be secured by the Bond Ordinance with a lien on specified Tax Revenues dedicated for such purposes. No lien is or may be created on any physical property of the Facility.

NEITHER THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE CITY, NOR ANY FUNDS OTHER THAN THE TAX REVENUES ARE PLEDGED TO THE PAYMENT OF THE BONDS, AND THE BONDS DO NOT CONSTITUTE A CORPORATE INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

Application of Tax Revenues

The revenues derived from specified Tax Revenues dedicated for such purposes must be deposited in the Civic Center Improvement Fund (the "Revenue Fund") established under the Ordinance, for disposition in the following manner and order of priority:

(i) for deposit in the Sinking Fund established with the Commission for paying interest and principal on the Bonds as follows: (a) a sum equal to one-sixth of the amount of interest which will become due on such Bonds on the next ensuing semi-annual interest payment date or, in the event there are less than six (6) months between the closing date and the next semi-annual interest payment date, such monthly payments shall be of such proportional sum as to provide the required amount of interest maturing on the next semi-annual interest payment date, (b) a sum equal to one-twelfth of the amount of principal which will mature and become due on such Bonds on the next ensuing principal payment date or, in the event there are less than twelve (12) months between the closing date and the next annual principal payment date, such monthly payments shall be of such proportional sum as to provide the required amount of principal maturing on the next annual principal payment date and (c) such additional sums as shall be necessary to pay the fiscal agency charges due for paying such Bonds and the interest thereon if a deficiency of revenue exists; and

(ii) any amount set forth in the Supplemental Resolution to be used to construct or acquire additions, extensions, improvements and replacements of capital assets or for debt service on the Bonds in the event monies in the Sinking Fund are insufficient therefor;

(iii) to make up any deficiency in the payments previously described.

Collection Covenant

The City covenants to collect the specified Tax Revenues dedicated for such purposes as will produce amounts sufficient to maintain a balance each year equal to at least one hundred ten percent (110%) of the maximum annual amount required to pay the interest on and principal of the Bonds and accomplish retirement of all Bonds for the payment of which such Tax Revenues have or shall have been pledged, charged or otherwise encumbered. The City also covenants in the Ordinance that it will segregate the Tax Revenues as provided in the Ordinance.

THE FACILITY

The Facility is one of the region's largest multipurpose meeting, convention and entertainment facilities. The complex includes a coliseum (seating 13,500), theater (seating 750),

eighteen meeting rooms, and exhibition and banquet facilities. The Facility hosts more than 800,000 persons annually at a varied schedule of events including basketball games, ice shows, circuses, touring concerts, Broadway shows and theatrical productions, exhibitions, banquets, meetings and conventions.

The Civic Center/Auditorium Board of Charleston was created in 1958 to supervise, operate and maintain the Charleston Civic Center and Municipal Auditorium. The Board, which is appointed by the Mayor with approval by City Council, meets monthly to develop policies and procedures appropriate for the management of the Facility, employ personnel required for the operation of the Facility, and determine fees for use of the Facility. The Board develops an annual operating budget which is submitted to City Council for approval. John D. Robertson, CFE, has served as General Manager of the Facility since 1983. He oversees twenty-five full time and several hundred part time employees and the daily operations of the Facility

FINANCIAL OPERATIONS

The accounts of the Facility are maintained as a part of the general accounts of the City and are maintained in accordance with generally accepted accounting principals. The firm of Gibbons & Kawash, Certified Public Accountants, Charleston, West Virginia, has audited the financial statements of the City for the year ended June 30, 1996. See APPENDIX C - Audited Financial Statements of City of Charleston. The financial statements contained in Appendix C are included merely to show the City's receipt and collection of the Tax Revenues. There are no other accounts, revenues or funds of the City available for the payment of such debt service, and the Bonds should not be construed to be a general obligation of the City.

LEGISLATIVE RISK

Although the City's receipt and collection of the Tax Revenues has generally trended upward for the past several years, there can be no guarantee that such trend will continue. The City's ability to receive and collect the Tax Revenues has been granted by the West Virginia Legislature. There can be no guarantee that the West Virginia Legislature will not modify or abolish the statutory authorities governing the City's ability to receive and collect the Tax Revenue, adjust the rates thereof or restrict the City's authority to use the Tax Revenues as provided in the Bond Ordinance.

BANKRUPTCY

The United States Bankruptcy Code permits political subdivisions that are insolvent or unable to meet their debts to file a petition for relief in federal bankruptcy courts if authorized by state law. Although no West Virginia legislation currently authorizes such a filing, prior decisions and future legislation may permit the City to undertake bankruptcy proceedings.

Bankruptcy proceedings by the City could have additional adverse effects on Bondholders, including (a) delay in the enforcement of Bondholders' remedies, (b) subordination of the Bondholders' liens to claims of those supplying goods and services to the City after the initiation

of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without the consent of all Bondholders of a reorganization plan reducing or delaying payment of the Bonds. The Bankruptcy Code contains provisions intended to insure that, in any reorganization plan not accepted by the holders of at least a majority in aggregate principal amount of the Bonds, Bondholders will have the benefit of their original lien or the "indubitable equivalent." The effect of these and other new provisions of the Bankruptcy Code cannot be predicted with any certainty and may be significantly affected by judicial interpretation.

LITIGATION

There are no actions, suits, proceedings, inquiries or investigations at law or in equity before or by any court, public board or body, now pending or, to the best knowledge of the City, threatened or affecting the City (or, to the City's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the validity of the Bonds, the Bond Ordinance, the Supplemental Resolution or any agreements to which the City is a party and which are a result of the issuance of the Bonds.

NEGOTIABLE INSTRUMENTS

Pursuant to state law, the Bonds are and have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia.

FINANCIAL STATEMENTS

Included in APPENDIX C are the audited financial statements of the City as of and for the year ended June 30, 1996, and the report with respect to the audited financial statements as of June 30, 1996, dated May 16, 1997, of Gibbons & Kawash, Certified Public Accountants for such period. The financial statements contained in Appendix C are included merely to show the City's receipt and collection of the Tax Revenues for the period set forth in the aforesaid report.

THERE ARE NO OTHER ACCOUNTS, REVENUES OR FUNDS OF THE CITY AVAILABLE FOR THE PAYMENT OF SUCH DEBT SERVICE, AND THE BONDS SHOULD NOT BE CONSTRUED TO BE A GENERAL OBLIGATION OF THE CITY.

TAX EXEMPTION

Opinion of Bond Counsel

Bond Counsel is of the opinion that under existing statutes and court decisions of the United States of America, as currently written and applied, the interest on the bonds will be excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In addition, such interest will not be treated as a preference item in calculating the alternative minimum tax that may be imposed with respect to individuals and corporations. Under the Code, however, interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of

computing the alternative minimum tax that may be imposed with respect to corporations. Bond Counsel is of the further opinion that, under the Act, the Bonds and the interest thereon are exempt from direct taxation by the State of West Virginia and by any political subdivision thereof. Except as provided herein, Bond Counsel expresses no opinion regarding other tax consequences arising with respect to the bonds.

The City has designated the Bonds as "qualified tax-exempt obligations" and has covenanted that it does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds) during the calendar year 1998. Therefore, the Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, and the provisions of the Code, and the provision of the Code which disallows all deductibility of interest expense incurred by financial institutions on debt incurred or to purchase or carry most tax-exempt obligations does not apply to the Bonds; accordingly, 80% of the interest expense of a financial institution incurred for the purpose of purchasing or carrying the Bonds is deductible for federal income tax purposes.

The Code establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excludable from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use, investment and expenditure of bond proceeds and the requirements that certain earnings be rebated to the federal government. The City has covenanted to comply with certain provisions and procedures, pursuant to which such requirements can be satisfied. Noncompliance with such requirements may cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance is ascertained.

UNDERWRITING

Crews & Associates, Inc. (the "Underwriter") has agreed, subject to certain conditions, to purchase the Bonds from the City at an aggregate discount from the initial public offering prices set forth on the cover page of this Official Statement. The obligation of the Underwriter to purchase the Bonds is subject to certain terms and conditions set forth in the purchase contract entered into between the Underwriter and the City. The Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial public offering prices may be changed, from time to time, by the Underwriter.

LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Bonds by the City are subject to the approval of Goodwin & Goodwin, LLP, Charleston, West Virginia, Bond Counsel. The proposed form of Bond Counsel's opinion is appended hereto as APPENDIX D.

Certain legal matters will be passed upon for the City by Vaughan & Withrow, Charleston, West Virginia, Counsel for the City, and for the Underwriter by Goodwin & Goodwin, LLP, Charleston, West Virginia.

CONTINUING DISCLOSURE

The City has agreed to an undertaking for the benefit of the Registered Owners of the Bonds to provide certain financial and operating information (the "Annual Information") not later than one hundred eighty (180) days following the end of the fiscal year of the City (currently June 30), commencing in 1998, and to provide the Annual Information to each National Recognized Municipal Securities Information Repository ("National Repository") and any State Information Depository ("State Depository") and to provide notice of the occurrence of the enumerated events to each National Repository or the Municipal Securities Rulemaking Board ("MSRB") and to any State Depository. This obligation shall be evidenced by the Continuing Disclosure Certificate from the City, the form of which is attached hereto as Appendix E.

The Annual Information will consist generally of information of the type contained herein in Appendix C of the Official Statement. Any of the foregoing information may be supplied by including by specific reference information previously supplied to each National Repository and any State Depository or the Securities and Exchange Commission ("SEC"). Information will not be included by reference from any final official statement unless such final official statement is available from the MSRB.

This continuing disclosure obligation is being undertaken by the City to assist the Underwriter in complying with Rule 15c-12 promulgated by the SEC. The City has agreed to give notice in a timely manner to each National Repository, or the MSRB, and to each State Depository of any failure to supply the requested information. However, any such failure will not constitute a default under the terms of the Bonds. Registered Owners may contact the Finance Director of the City at 501 Virginia Street, East, Charleston, WV 25301 (304) 348-8028 for more information.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the Owners of the Bonds.

Copies of the Ordinance, the Supplemental Resolution and other applicable documents may be obtained from the City at the following address or telephone number:

The City of Charleston
501 Virginia Street, East
Charleston, WV 25301
Attention: City Manager
(304) 348-8014

or, during the period of offering the Bonds, from the Underwriter. Ongoing financial information concerning the City and the Facility may be obtained from the above-referenced source.

The City has duly authorized the execution and distribution of this Official Statement.

THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Mayor

\$3,635,000
CITY OF CHARLESTON
CIVIC CENTER IMPROVEMENT BONDS
SERIES 1998

September 8, 1998

BOND PURCHASE AGREEMENT

City of Charleston
501 Virginia Street, East
Charleston, WV 25301

Gentlemen:

On the basis of the representations, warranties and covenants contained in this Bond Purchase Agreement, the undersigned, Crews & Associates, Inc. (the "Underwriter"), hereby offers to purchase from the City of Charleston (the "Issuer") its \$3,635,000 City of Charleston Civic Center Improvement Bonds, Series 1998 (the "Bonds").

SECTION 1. ISSUER'S REPRESENTATIONS, WARRANTIES AND AGREEMENT.

By the Issuer's acceptance hereof, the Issuer hereto represents and warrants to, and agrees with the Underwriter that:

(a) The Issuer is authorized by the Chapter 8, Article 16, of the Code of West Virginia of 1931, as amended (the "Act") to issue the Bonds and to pay costs of issuance.

(b) The Issuer is authorized by the Act to use the proceeds of the Bonds to acquire, construct, equip and make improvements to the Charleston Civic Center.

(c) The Issuer has complied with all provisions of the Constitution and laws of the State of West Virginia, including the Act, and has full power and authority to consummate all transactions contemplated by this Bond Purchase Agreement.

(d) The information describing the Issuer in the Official Statement dated September 8, 1998, used in connection with the offer and sale of the Bonds by the Underwriter (the "Official Statement"), under the caption "THE ISSUER" as of the Closing Date (hereinafter defined) is true and does not contain any untrue statement of any material fact and does not omit to state any material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

(e) The Issuer has duly authorized all necessary action for: (1) the issuance and sale of the Bonds upon the terms set forth herein; (2) the execution and delivery of the Ordinance and Supplemental Resolution providing for the issuance of and security for the Bonds (including the pledge

by the Issuer of the payments to be received thereunder sufficient to pay the principal of, premium, if any, and interest on the Bonds); (3) appointing the Trustee as trustee and paying agent under the Ordinance; (4) the use of the Official Statement by the Underwriter in connection with the offer and sale of the Bonds (provided, however, that the Issuer neither has nor will assume any responsibility for the accuracy or completeness of the information contained in the Official Statement or in the Appendices attached thereto, except such information as relates to the Issuer under the caption "THE ISSUER"); (5) the execution and delivery of a Continuing Disclosure Certificate dated September 22, 1998, by the Issuer (the "Continuing Disclosure Certificate") to assist the Underwriter to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission; (6) the execution, delivery, receipt and due performance of this Bond Purchase Agreement, the Bonds, the Ordinance and Supplemental Resolution, the Continuing Disclosure Certificate and any and all such other agreements and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated hereby; and (7) the carrying out, giving effect to and consummation of the transactions contemplated hereby. Executed counterparts of the Ordinance and Supplemental Resolution, the Continuing Disclosure Certificate and copies of the Official Statement will be delivered to the Underwriter at the Closing Time (hereinafter defined).

(f) To the best of the Issuer's knowledge after reasonable inquiry, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or threatened against or affecting the Issuer (or to the Issuer's actual knowledge any basis therefor) wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated hereby or the validity of the Bonds, the Ordinance and Supplemental Resolution, the Continuing Disclosure Certificate, this Bond Purchase Agreement or any agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby.

(g) To the best of the Issuer's knowledge, the delivery of the Official Statement, and the execution and delivery of this Bond Purchase Agreement, the Bonds, the Ordinance and Supplemental Resolution, the Continuing Disclosure Certificate and any other agreements contemplated hereby, will not contravene any law governing the Issuer and will not conflict with any provision of the Act.

(h) The Issuer has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Issuer is a bond issuer whose arbitrage certifications may not be relied upon.

SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS.

On the basis of the representations, warranties and covenants contained herein and in the other agreement referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time the Underwriter agrees to purchase from the Issuer and the Issuer agrees to sell to the Underwriter the Bonds for \$3,635,000 plus accrued interest and less original issue discount and underwriter's discount on the Series 1998 Bonds from the date thereof to the Closing Date (as defined herein). The Underwriter agrees to provide the Issuer with such information regarding the issue price of the Bonds as will enable the Issuer to comply with its obligations relating to arbitrage rebate as set forth in the Ordinance and Supplemental Resolution.

The Bonds shall be issued under and secured as provided in the Ordinance. The Bonds will be payable (except to the extent payable from proceeds of the sale of the Bonds and the earnings from the temporary investment thereof) from the tax revenues described in the Ordinance and Supplemental Resolution. The Bonds shall mature, shall bear interest at the interest rates and be subject to redemption as set forth in the Ordinance and Supplemental Resolution.

Payment for the Bonds shall be made in bank clearing house funds by certified or official bank check or draft payable to the order of the Trustee for the account of the Issuer, at such place, time and date as shall be mutually agreed upon by the Issuer and the Underwriter. The date of such delivery and payment is herein called the "Closing Date," and the hour and date of such delivery and payment is herein called the "Closing Time." The delivery of the Bonds shall be made in definitive form, bearing CUSIP numbers (provided neither the printing of a wrong CUSIP number on any Bond nor the failure to print a CUSIP number thereon shall constitute cause to refuse delivery of any Bond) and issued as fully registered Bonds (in such denominations as the Underwriter shall have specified in writing at least twenty-four (24) hours prior to the Closing Time). The Bonds shall be available for examination and packaging by the Underwriter at least twenty-four (24) hours prior to the Closing Time.

SECTION 3. CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS.

The Underwriter's obligations hereunder shall be subject to the due performance by the Issuer of its obligations and agreement to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with your representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) The Bonds, the Ordinance and Supplemental Resolution, and the Continuing Disclosure Certificate shall each have been duly authorized, executed and delivered in the form mutually agreed upon the Issuer and the Underwriter.

(b) At Closing, the Underwriter shall receive:

(1) the opinions dated the Closing Date of Goodwin & Goodwin, LLP, Bond Counsel, relating to the valid authorization and issuance of the Bonds, the due authorization, execution and delivery of the Ordinance and Supplemental Resolution, and the Continuing Disclosure Certificate, the tax-exempt status of the Bonds and certain other matters;

(2) a certificate, satisfactory to the Underwriter, of the Issuer's Mayor attested by the Issuer's City Clerk, dated as of the Closing Date, to the effect that: (i) the Issuer has duly performed all obligations to be performed by it at or prior to the Closing Time and that each of the representations and warranties given by the Issuer and contained herein is true as of the Closing Date; (ii) the execution, delivery, receipt and due performance of the Bonds, the Ordinance and Supplemental Resolution and the Continuing Disclosure Certificate and any and all such other agreement and documents as may be required to be executed, delivered and received by the Issuer to carry out, give effect to and consummate the transactions contemplated hereby has occurred; (iii) no litigation is pending, or, to the Issuer's actual knowledge, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds, the Ordinance and Supplemental Resolution and the Continuing Disclosure Certificate or the Issuer's existence or powers or the Issuer's right to use the proceeds of the Bonds to finance the Project; and (iv) the execution, delivery, receipt and due performance of the Bonds, the Ordinance and Supplemental Resolution and the Continuing Disclosure Certificate and the other agreements contemplated hereby under the circumstances contemplated hereby and the Issuer's compliance with the provisions thereof comply with the Act;

(3) a certificate, satisfactory in form and substance to the Underwriter, of the authorized officers of the Issuer dated as of the Closing Date, to the effect that (i) except as set forth or incorporated by reference in the Official Statement, there is no action, suit, proceeding or, to their knowledge after reasonable inquiry, any investigation or inquiry at law or in equity or before or by any public board or body pending or, to their knowledge after reasonable inquiry, threatened against or affecting the Issuer or its property or, to the best of their knowledge, any basis therefore, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or the validity or enforceability of the Bonds, the Ordinance and Supplemental Resolution, the Continuing Disclosure Certificate or this Bond Purchase Agreement, (ii) to their knowledge, the information contained in the Official Statement is true in all material respects and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (iii) the Issuer has duly authorized, by all necessary corporate action, the execution, delivery and due performance by the Issuer of this Bond Purchase Agreement; and

(4) such additional certificates, opinions and other documents as the Underwriter may reasonably request shall have been delivered, including any certificates or opinions to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

SECTION 4. THE UNDERWRITER'S RIGHT TO CANCEL.

The Underwriter shall have the right to cancel its obligation hereunder to purchase the Bonds (and cancellation shall not constitute a default by the Underwriter for purposes of Section 7 hereof) by notifying the Issuer in writing or by telegram of its election so to do prior to the Closing Time, if at any time prior to the Closing Time:

(a) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States of America, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by, the House of Representatives or the Senate, or recommended to the Congress of the United States of America for passage by the Congress of the United States of America, or be enacted by the Congress of the United States of America, or a decision by a court established under Article III of the Constitution of the United States of America, or the Tax Court of the United States of America, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States of America or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, upon revenues or other income of the federal character to derived by you or by any similar body or upon interest received on obligations of the general character of the Bonds, or the Bonds, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(b) any legislation, ordinance, rule or regulation shall be introduced in or be enacted by any governmental body, department agency in the State, or a decision by any court of competent jurisdiction within the State shall be rendered which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(c) a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, the Securities of 1933, as amended and as then in effect, or the registration provisions of the Securities Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Ordinance Act of 1939, as amended and as then in effect;

(d) legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that, obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Ordinance and Supplemental Resolution are not exempt from qualification under or from other requirements of the Trust Ordinance Act of 1939, as amended and as then in effect;

(e) any event shall have occurred, or, information become known, which, in the Underwriter's opinion, makes untrue in any material respect any statement or information contained in the Official

Statement or the Appendices thereto, or has the effect that the Official Statement or the Appendices thereto as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(f) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(g) any national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(h) a general banking moratorium shall have been established by federal, New York or the State's authorities; or

(i) a war involving the United States of America shall have been declared, or any conflict involving the armed forces of any country shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds.

SECTION 5. CONDITIONS OF ISSUER'S OBLIGATIONS.

The Issuer's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder and to the due completion of all proceedings, and the due satisfaction of all conditions required by the Act for the issuance of the Bonds.

No covenant contained in this Bond Purchase Agreement shall be deemed to be the covenant or agreement of any officer, director, member, attorney, agent or employee of the Issuer in an individual capacity. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds, or for any claim based herein or on any instruments and documents executed and delivered by the Issuer in connection with the Project, against any officer, director, member, agent, attorney or employee, past, present or future, of the Issuer or of any successor body, or their respective heirs, personal representatives or successors as such, either directly or through the Issuer or any such successor body whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all of such liability being hereby released as a condition of and as a consideration for the execution and delivery of this Bond Purchase Agreement.

SECTION 6. REPRESENTATIONS, WARRANTIES AND AGREEMENT TO SURVIVE DELIVERY.

All of the Issuer's representations, warranties and agreement shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter on its behalf, and such representations, warranties and agreements shall survive delivery of the Bonds to the Underwriter.

SECTION 7. PAYMENT OF EXPENSES.

Whether or not the Bonds are sold by the Issuer to the Underwriter (unless such sale shall be prevented at the Closing Time by the Underwriter's default), the Underwriter shall be under no obligation to pay any expenses incident to the performance of the obligations of the Issuer hereunder. All expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds (including, without limitation, the fees and disbursements of bond counsel and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, the Official Statement, the Ordinance and Supplemental Resolution and the Continuing Disclosure Certificate, this Bond Purchase Agreement and all other agreements and documents contemplated hereby) shall be paid by the Issuer (but solely out of the proceeds of the Bonds) or, if the Bonds are not sold to the Underwriter (unless such sale shall be prevented at the Closing Time by the Underwriter's default), shall be paid by the Issuer.

SECTION 8. USE OF OFFICIAL STATEMENT.

The Issuer hereby authorizes the use of, and will make available, the Official Statement for the use by the Underwriter in connection with the sale of the Bonds.

SECTION 9. NOTICE.

Any notice or other communication to be given to the Issuer under this Bond Purchase Agreement may be given by mailing or delivering the same in writing to 501 Virginia Street, East, Charleston, West Virginia 25301, and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by mailing or delivering the same in writing to Crews & Associates, Inc., 124 W. Capitol, 2000 Union National Plaza, Little Rock, Arkansas 72201.

SECTION 10. MISCELLANEOUS.

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. This Bond Purchase Agreement may not be amended except in writing and signed by the Underwriter and the Issuer. The Bond Purchase Agreement shall be construed in accordance with the laws of the State of West Virginia and may not be assigned by the parties hereto.

Very truly yours,

CREWS & ASSOCIATES, INC.

By: _____
Vice-President

Accepted as of the date first
above written:

CITY OF CHARLESTON

By: _____

Mayor

NEW ISSUE-Full Book Entry

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, and subject to compliance by the City with certain conditions, representations and certifications, interest on the Bonds is excludable from the gross income of the holders thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and such interest will not be treated as a preference item for purposes of the alternative minimum tax imposed under the Code with respect to individuals and corporations. Under the Code, however, such interest is included in the adjusted current earnings of a corporation for the purposes of computing the alternative minimum tax. In addition, under the Act, the Bonds and the interest thereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof (see "TAX EXEMPTION" herein).

\$3,635,000

**CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS,
SERIES 1998**

Dated: September 1, 1998

Due: September 1, as shown below

The Bonds will be issued in fully registered form only and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only in the principal amount of five thousand dollars (\$5,000) or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. See "DESCRIPTION OF BONDS—Book-Entry Only System" herein.

The Bonds will be issued, together with other funds available therefore, for the purpose of acquiring, constructing, equipping and making improvements to the Charleston Civic Center. The Bonds will be secured by a lien on specified tax revenues dedicated for such purposes (the "Tax Revenues") by the City of Charleston (the "City"). See "FINANCING PLAN" herein.

The City has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

Interest on the Bonds will accrue from September 1, 1998, and will be payable March 1, 1999, and semi-annually thereafter on September 1 and March 1 in each year to maturity. The principal of and interest on the Bonds are payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

The Bonds are subject to optional and mandatory redemption as more fully described herein (see "DESCRIPTION OF BONDS").

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to make an informative investment decision.

THE BONDS ARE PAYABLE FROM AND SECURED BY A LIEN ON SPECIFIED TAX REVENUES DEDICATED FOR SUCH PURPOSES BY THE CITY, AND DO NOT CONSTITUTE A DEBT OR GENERAL OBLIGATION OF THE CITY OF CHARLESTON, WEST VIRGINIA WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS OR LIMITATIONS.

MATURITY SCHEDULE

\$1,235,000	4.6%	Term Bond Due September 1, 2010	Price 100%
\$1,290,000	5.1%	Term Bond Due September 1, 2018	Price 98.764%
\$1,110,000	5.1%	Term Bond Due September 1, 2023	Price 97.246%

(accrued interest to be added)

The Bonds are offered when, as and if issued and received, subject to the approval of their legality by Goodwin & Goodwin, LLP, Charleston, West Virginia, Bond Counsel, and to certain other conditions. Certain legal matters will be passed on for the City by Vaughan & Withrow, Charleston, West Virginia, and for the Underwriter by Goodwin & Goodwin, LLP, Charleston, West Virginia. It is expected that the Bonds will be available for delivery at DTC, New York, New York, on or about September 22, 1998.

CREWS & ASSOCIATES, INC.

Dated: September 8, 1998

THE CITY OF CHARLESTON, WEST VIRGINIA

MAYOR

G. Kemp Melton

CITY COUNCIL

J. E. "Skeeter" Barron
Carl Hicks
James "Mose" Lanham
Bob E. Redman
Ernest A. "Ernie" Layne
Ivalou H. Barth
Paul A. Gilmer, Jr.
George W. McClaskie
Betty Morton
Chester F. Thompson
Fred Snuffer
Joyce Horan
Linda M. Nielson

Jody Connell
Lawrence J. Malone
William Ward Huffman, II
Brendan S. Leary
William R. "Bill" Kimberling
Loren E. Snodgrass
David J. "Dave" Hardy
Sam Haddad
J. Thomas Lane
Charles W. Loeb, Jr.
Mary Jane Lopez
Y. Howard Quick, Jr.
Chris Smith

CITY ADMINISTRATION

Fred N. Frisk, Jr., City Clerk
Chris Wickham and Jill Jerabek, City Attorneys
Ron Eddy, Finance Director
Andrew A. Payne, III, Treasurer

The Bonds are exempt from registration under the Securities Act of 1933. As obligations of a political subdivision of the State of West Virginia, the Bonds are also exempt from registration under the securities laws of West Virginia. No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein have been obtained from the City and other sources deemed to be reliable but are not guaranteed as to accuracy or completeness by, and are not to be construed as representations of, the Underwriter. The information herein is subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City or the Facility since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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\$3,635,000
THE CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS,
SERIES 1998

INTRODUCTION

This Official Statement, including the cover page (excluding prices), and Appendices hereto, is provided for the purpose of setting forth certain information concerning The City of Charleston, West Virginia (the "City"), certain tax revenues of the City pledged and available for payment of debt service, the Charleston Civic Center (the "Facility") and the \$3,635,000 The City of Charleston, West Virginia Civic Center Improvement Bonds, Series 1998 (the "Bonds"). The Bonds are being issued pursuant to the constitution and laws of the State of West Virginia (the "State"), specifically Chapter 8, Article 16 (the "Act"), of the Code of West Virginia, 1931, as amended, and an Ordinance passed by City Council of the City on August 17, 1998, and effective on August 17, 1998, following a public hearing thereon, as amended by a Supplemental Resolution approved on September 8, 1998 (collectively, the "Ordinance" or "Bond Ordinance").

The Bonds are being issued to provide funds to acquire, construct, equip and make improvements to the Charleston Civic Center located in the City of Charleston, West Virginia (the "Project") and to pay certain costs of issuance. See "FINANCING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS".

So long as the Bonds are outstanding, the bonds will be payable from and secured by the specified Tax Revenues dedicated for such purposes, as defined and provided in the Ordinance, to be derived from coal severance taxes and hotel-motel occupancy taxes (as limited by the amount payable by the Issuer under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended) received by the City (the "Tax Revenues"). The Bonds do not constitute a corporate indebtedness to the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Bonds or any premium or the interest thereon except from such Tax Revenues. Pursuant to the Ordinance, the City has covenanted and agreed to maintain such collected tax revenues to always provide revenues in each fiscal year at least sufficient to pay one hundred ten percent (110%) of the largest amount of principal and interest maturing and becoming due on the Bonds then outstanding in any succeeding fiscal year, and all obligations or indebtedness other than the Bonds payable from the Tax Revenues in such fiscal year. See "Additional Security for the Bonds – Tax Collection Covenant."

In 1996, the City Council of the City appointed a committee to prepare a Facility improvement feasibility study (the "Study") to identify improvements which needed to be made to the Facility to ensure its future viability and to assist the City in competing with other cities in attracting conventions, concerts, theatrical productions and sporting events. In 1997, the Study, prepared by Silling Associates, Architects and Planners, was delivered to the City. A copy of the Study is on file and available through the City Manager at City Hall. The Study made a number of

recommendations including a variety of improvements to the Facility. Based upon the Study and the committee's recommendations, the City concluded that certain improvements had to be made to the Facility.

Under certain conditions, the City may issue additional bonds for the purpose of (i) financing the cost of the construction or acquisition of additions, improvements and betterments to the Facility, (ii) refunding all or a portion of one or more series of bonds issued pursuant to the Ordinance, or (iii) all of such purposes, subject, in each case, to certain tests and conditions provided for by the Ordinance (the Bonds and any such additional parity bonds are hereinafter referred to as the "Bonds"). See "DESCRIPTION OF BONDS - Issuance of Additional Bonds".

Brief descriptions of the Bonds, the Ordinance, the Project, the Facility, Financial Operations, the City and certain provisions of the Act are set forth in this Official Statement as well as other information contained in the appendices hereto. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ordinance, provisions of the Act, or other applicable laws of the State are qualified in their entirety by reference to each such document. Reference herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Ordinance and the information with respect thereto included in the aforesaid documents.

FINANCING PLAN

The Project

The Project consists of the acquisition, construction, equipping and improvements to certain portions of the Charleston Civic Center (the "Facility"). The property to be acquired includes certain equipment to be installed in the Facility.

The Financing

The City estimates the cost of the Project to be \$3,500,000. In the event the actual costs are less than the estimated costs, the excess funds will be used to make other capital renovations or improvements to the Facility.

The proceeds of the Bonds will be deposited with Bank One, West Virginia, N.A., Charleston, West Virginia, as Depository Bank, and will be advanced, along with funds to be contributed by the City, as requisitioned to complete the acquisition and creation of the Project.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds are estimated to be as follows:

Sources of Funds

Principal Amount of Bonds	\$3,635,000.00
Accrued Interest from September 1, 1998 to September 22, 1998	10,453.92
Original Issue Discount	(46,513.80)
Total Sources	\$3,598,940.12

Uses of Funds

Construction Fund (1)	\$3,500,000.00
Underwriter's Discount	32,715.00
Cost of Issuance	54,500.00
Accrued Interest from September 1, 1998 to September 22, 1998	10,453.92
Rounding Amount	1,271.20
Total Uses	\$3,598,940.12

- (1) The Construction Fund will be held by Bank One, West Virginia, N.A. and disbursed as required by the Ordinance for the payment of the costs of the Project.

DESCRIPTION OF BONDS

The Bonds

The Bonds are available in book-entry form only. See "Book-Entry Only System" below. So long as Cede & Co. is the registered owner of the Bonds as nominee of The Depository Trust Company, New York, New York, references herein to the Bondholders or registered owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds. The West Virginia Municipal Bond Commission, Charleston, West Virginia, shall be the Paying Agent ("Paying Agent") and Bank One, West Virginia, N.A., Charleston, West Virginia, shall be the Registrar for the Bonds (the "Registrar").

The principal of, premium, if any, and interest on the Bonds will be payable at the office of the Paying Agent.

The Bonds will be dated September 1, 1998. The Bonds will bear interest at the rates and mature in the amounts set forth on the cover page of this Official Statement. Principal on the Bonds is payable September 1 of each year, commencing on September 1, 1999. Interest on the

Bonds will accrue from September 1, 1998 and will be payable on March 1, 1999, and semi-annually thereafter on September 1 and March 1 in each year to maturity.

The Bonds will be issued as fully registered bonds without coupons in denominations of \$5,000 and integral multiples thereof. Interest on the Bonds is payable by check or draft made payable and mailed to the owners thereof at the addresses appearing in the books (the "Register") kept by the Registrar for the registration and transfer of Bonds as of the first (1st) day of the month preceding such interest payment date or, in the event of a default in the payment of the Bonds, that special record date to be fixed by the Registrar by notice given to the owners not less than 10 days prior to said special record date (the "Record Date").

Redemption

Optional Redemption

The Bonds are not subject to optional redemption prior to September 1, 2008. At the option of the City, the Bonds maturing on and after September 1, 2009, will be subject to redemption prior to maturity on or after September 1, 2008, as a whole at any time and in part on any interest payment date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) set forth below, plus interest accrued to the date fixed for redemption:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
September 1, 2008 through August 31, 2009	102%
September 1, 2009 through August 31, 2010	101
September 1, 2010 and thereafter	100

Mandatory Sinking Fund Redemption

The Bonds maturing on September 1, 2010, September 1, 2018 and September 1, 2023 (the "Term Bonds") are subject to mandatory redemption by lot from Sinking Fund Installments on September 1 of the years set forth below at a Redemption Price equal to the principal amount thereof plus accrued interest to the dates fixed for redemption and in the amounts set forth below:

Term Bonds Maturing September 1, 2010

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1999	\$ 80,000	2006	\$110,000
2000	80,000	2007	115,000
2001	85,000	2008	120,000
2002	90,000	2009	125,000
2003	95,000	2010(Maturity)	130,000
2004	100,000		
2005	105,000		

Term Bonds Maturing September 1, 2018

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2011	\$135,000		
2012	140,000		
2013	150,000	2016	175,000
2014	155,000	2017	180,000
2015	165,000	2018(Maturity)	190,000

Term Bonds Maturing September 1, 2023

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2019	\$200,000	2022	\$235,000
2020	210,000	2023(Maturity)	245,000
2021	220,000		

Notice of Redemption

The Paying Agent shall cause notice of any redemption of Bonds to be mailed by first class mail to the Registrar and to the Owners of all Bonds to be redeemed at the addresses thereof appearing in the Registration Books. Each such notice shall (i) be mailed not more than 60 days nor less than 30 days prior to the redemption date, (ii) identify the Bonds to be redeemed (specifying the CUSIP numbers, if any, assigned to the Bonds), (iii) specify the redemption date and the Redemption Price, and (iv) state that on the redemption date the Bonds called for redemption will be payable at the principal corporate trust office of the Paying Agent, that from that date the Bonds called for redemption will be deemed to be paid, and interest will cease to accrue, and that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein. Failure to give such notice of redemption (including any failure to mail such notice) shall not affect the validity of the redemption proceedings for any other Bonds for which notice was properly given.

Under the requirements of the Ordinance, the City cannot redeem all or any part of the Bonds unless funds are available to make such payment prior to the notice of redemption.

Book-Entry Only System

The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Bond certificate will be issued for each maturity of each respective series of Bonds in the aggregate principal amount of each maturity and will be deposited with DTC.

DTC is a limited-purpose trust company organized under New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the United States Securities and Exchange Commission.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the Bonds within a series are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, or redemption of, and interest payments on the Bonds will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to DTC is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

NEITHER THE CITY, THE UNDERWRITER NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OR ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT

OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON, THE BONDS; (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN BY DTC TO BONDHOLDERS; (IV) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER; OR (V) THE SELECTION BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS.

So long as the Bonds are held by DTC under a book-entry system, the Paying Agent will send any notice of redemption or other notices with respect to the Bonds required or permitted to be given under the Ordinance only to DTC. Any failure of DTC to advise any Participant, or of any Participant to notify any Indirect Participant or any Beneficial Owner of any such notice and its content or effect will not affect the validity of the proceedings for the redemption of the Bonds or of any other action permitted upon such notice. If fewer than all of the Bonds are selected for redemption, DTC will select the particular account of Participants to which the amount of such redemption will be credited in accordance with DTC's own rules or other agreements with Participants; Participants may then credit such redemption to the particular accounts of Beneficial Owners for whom such Participants act as nominee accordingly. Any such selection of Participants and Beneficial Owners to which any such partial redemption will be credited will not be governed by the Ordinance and will not be made by the City or the Paying Agent.

Issuance of Additional Bonds

Under certain conditions, the City may issue additional bonds for the purpose of (i) financing the cost of the construction or acquisition of additions, improvements and betterments to the Facility, (ii) refunding all or a portion of one or more series of bonds issued pursuant to the Ordinance, or (iii) all of such purposes, subject, in each case, to certain tests and conditions provided for by the Ordinance (the Bonds and any such additional parity bonds are hereinafter referred to as the "Bonds"). See Appendix B - "Summary of Certain Provisions of the Bond Ordinance".

Authorization for Issuance

The Bonds are being issued pursuant to the Act and the Ordinance. The Act authorizes the issuance of bonds of the City to pay for the cost of additions and improvements to the Facility. The issuance of revenue bonds by the City is not required by the Act or any other statute to be submitted to referendum for approval.

ADDITIONAL SECURITY FOR THE BONDS

So long as the Bonds are outstanding, the Bonds will be secured by the Bond Ordinance with a lien on specified Tax Revenues dedicated for such purposes. No lien is or may be created on any physical property of the Facility.

NEITHER THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE CITY, NOR ANY FUNDS OTHER THAN THE TAX REVENUES ARE PLEDGED TO THE PAYMENT OF THE BONDS, AND THE BONDS DO NOT CONSTITUTE A CORPORATE INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

Application of Tax Revenues

The revenues derived from specified Tax Revenues dedicated for such purposes must be deposited in the Civic Center Improvement Fund (the "Revenue Fund") established under the Ordinance, for disposition in the following manner and order of priority:

(i) for deposit in the Sinking Fund established with the Commission for paying interest and principal on the Bonds as follows: (a) a sum equal to one-sixth of the amount of interest which will become due on such Bonds on the next ensuing semi-annual interest payment date or, in the event there are less than six (6) months between the closing date and the next semi-annual interest payment date, such monthly payments shall be of such proportional sum as to provide the required amount of interest maturing on the next semi-annual interest payment date, (b) a sum equal to one-twelfth of the amount of principal which will mature and become due on such Bonds on the next ensuing principal payment date or, in the event there are less than twelve (12) months between the closing date and the next annual principal payment date, such monthly payments shall be of such proportional sum as to provide the required amount of principal maturing on the next annual principal payment date and (c) such additional sums as shall be necessary to pay the fiscal agency charges due for paying such Bonds and the interest thereon if a deficiency of revenue exists; and

(ii) any amount set forth in the Supplemental Resolution to be used to construct or acquire additions, extensions, improvements and replacements of capital assets or for debt service on the Bonds in the event monies in the Sinking Fund are insufficient therefor;

(iii) to make up any deficiency in the payments previously described.

Collection Covenant

The City covenants to collect the specified Tax Revenues dedicated for such purposes as will produce amounts sufficient to maintain a balance each year equal to at least one hundred ten percent (110%) of the maximum annual amount required to pay the interest on and principal of the Bonds and accomplish retirement of all Bonds for the payment of which such Tax Revenues have or shall have been pledged, charged or otherwise encumbered. The City also covenants in the Ordinance that it will segregate the Tax Revenues as provided in the Ordinance.

In the event that the collection of specified Tax Revenues falls below the one hundred ten percent (110%) requirement described above, the City will use its best efforts to request and secure legislative approval to increase the rates of and/or percentages from the different components of Tax Revenues which are paid to the City. There is no assurance that such efforts

will result in the collection of additional Tax Revenues.

THE FACILITY

The Facility is one of the region's largest multipurpose meeting, convention and entertainment facilities. The complex includes a coliseum (seating 13,500), theater (seating 750), eighteen meeting rooms, and exhibition and banquet facilities. The Facility hosts more than 800,000 persons annually at a varied schedule of events including basketball games, ice shows, circuses, touring concerts, Broadway shows and theatrical productions, exhibitions, banquets, meetings and conventions.

The Civic Center/Auditorium Board of Charleston was created in 1958 to supervise, operate and maintain the Charleston Civic Center and Municipal Auditorium. The Board, which is appointed by the Mayor with approval by City Council, meets monthly to develop policies and procedures appropriate for the management of the Facility, employ personnel required for the operation of the Facility, and determine fees for use of the Facility. The Board develops an annual operating budget which is submitted to City Council for approval. John D. Robertson, CFE, has served as General Manager of the Facility since 1983. He oversees twenty-five full time and several hundred part time employees and the daily operations of the Facility

FINANCIAL OPERATIONS

The accounts of the Facility are maintained as a part of the general accounts of the City and are maintained in accordance with generally accepted accounting principals. The firm of Gibbons & Kawash, Certified Public Accountants, Charleston, West Virginia, has audited the financial statements of the City for the year ended June 30, 1996. See APPENDIX C - Audited Financial Statements of City of Charleston. The financial statements contained in Appendix C are included merely to show the City's receipt and collection of the Tax Revenues. There are no other accounts, revenues or funds of the City available for the payment of such debt service, and the Bonds should not be construed to be a general obligation of the City.

LEGISLATIVE RISK

Although the City's receipt and collection of the Tax Revenues has generally trended upward for the past several years, there can be no guarantee that such trend will continue. The City's ability to receive and collect the Tax Revenues has been granted by the West Virginia Legislature. There can be no guarantee that the West Virginia Legislature will not modify or abolish the statutory authorities governing the City's ability to receive and collect the Tax Revenue, adjust the rates thereof or restrict the City's authority to use the Tax Revenues as provided in the Bond Ordinance.

BANKRUPTCY

The United States Bankruptcy Code permits political subdivisions that are insolvent or unable to meet their debts to file a petition for relief in federal bankruptcy courts if authorized by

state law. Although no West Virginia legislation currently authorizes such a filing, prior decisions and future legislation may permit the City to undertake bankruptcy proceedings.

Bankruptcy proceedings by the City could have additional adverse effects on Bondholders, including (a) delay in the enforcement of Bondholders' remedies, (b) subordination of the Bondholders' liens to claims of those supplying goods and services to the City after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without the consent of all Bondholders of a reorganization plan reducing or delaying payment of the Bonds. The Bankruptcy Code contains provisions intended to insure that, in any reorganization plan not accepted by the holders of at least a majority in aggregate principal amount of the Bonds, Bondholders will have the benefit of their original lien or the "indubitable equivalent." The effect of these and other new provisions of the Bankruptcy Code cannot be predicted with any certainty and may be significantly affected by judicial interpretation.

LITIGATION

There are no actions, suits, proceedings, inquiries or investigations at law or in equity before or by any court, public board or body, now pending or, to the best knowledge of the City, threatened or affecting the City (or, to the City's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the validity of the Bonds, the Bond Ordinance, the Supplemental Resolution or any agreements to which the City is a party and which are a result of the issuance of the Bonds.

NEGOTIABLE INSTRUMENTS

Pursuant to state law, the Bonds are and have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia.

FINANCIAL STATEMENTS

Included in APPENDIX C are the audited financial statements of the City as of and for the year ended June 30, 1996, and the report with respect to the audited financial statements as of June 30, 1996, dated May 16, 1997, of Gibbons & Kawash, Certified Public Accountants, for such period. The financial statements contained in Appendix C are included merely to show the City's receipt and collection of the Tax Revenues for the period set forth in the aforesaid report.

Audited financial statements of the City as of and for the year ended June 30, 1997, and the report with respect to the audited financial statements as of June 30, 1997, dated July 2, 1998, of Gibbons & Kawash, Certified Public Accountants, for such period, are expected to be available on or about September 21, 1998. Copies of the City's audited financial statement as of and for the year ended June 30, 1997, can be obtained by contacting the City's Finance Director at 501 Virginia Street, East, Charleston, West Virginia 25301, or by telephone at (304) 348-8028.

THERE ARE NO OTHER ACCOUNTS, REVENUES OR FUNDS OF THE CITY AVAILABLE FOR THE PAYMENT OF SUCH DEBT SERVICE, AND THE BONDS

SHOULD NOT BE CONSTRUED TO BE A GENERAL OBLIGATION OF THE CITY.

TAX EXEMPTION

Opinion of Bond Counsel

Bond Counsel is of the opinion that under existing statutes and court decisions of the United States of America, as currently written and applied, the interest on the bonds will be excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In addition, such interest will not be treated as a preference item in calculating the alternative minimum tax that may be imposed with respect to individuals and corporations. Under the Code, however, interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. Bond Counsel is of the further opinion that, under the Act, the Bonds and the interest thereon are exempt from direct taxation by the State of West Virginia and by any political subdivision thereof. Except as provided herein, Bond Counsel expresses no opinion regarding other tax consequences arising with respect to the bonds.

The City has designated the Bonds as "qualified tax-exempt obligations" and has covenanted that it does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds) during the calendar year 1998. Therefore, the Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, and the provisions of the Code, and the provision of the Code which disallows all deductibility of interest expense incurred by financial institutions on debt incurred or to purchase or carry most tax-exempt obligations does not apply to the Bonds; accordingly, 80% of the interest expense of a financial institution incurred for the purpose of purchasing or carrying the Bonds is deductible for federal income tax purposes.

The Code establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excludable from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use, investment and expenditure of bond proceeds and the requirements that certain earnings be rebated to the federal government. The City has covenanted to comply with certain provisions and procedures, pursuant to which such requirements can be satisfied. Noncompliance with such requirements may cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance is ascertained.

UNDERWRITING

Crews & Associates, Inc. (the "Underwriter") has agreed, subject to certain conditions, to purchase the Bonds from the City at an aggregate discount from the initial public offering prices set forth on the cover page of this Official Statement. The obligation of the Underwriter to purchase the Bonds is subject to certain terms and conditions set forth in the purchase contract

entered into between the Underwriter and the City. The Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial public offering prices may be changed, from time to time, by the Underwriter.

LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Bonds by the City are subject to the approval of Goodwin & Goodwin, LLP, Charleston, West Virginia, Bond Counsel. The proposed form of Bond Counsel's opinion is appended hereto as APPENDIX D.

Certain legal matters will be passed upon for the City by Vaughan & Withrow, Charleston, West Virginia, Counsel for the City, and for the Underwriter by Goodwin & Goodwin, LLP, Charleston, West Virginia.

CONTINUING DISCLOSURE

The City has agreed to an undertaking for the benefit of the Registered Owners of the Bonds to provide certain financial and operating information (the "Annual Information") not later than one hundred eighty (180) days following the end of the fiscal year of the City (currently June 30), commencing in 1998, and to provide the Annual Information to each National Recognized Municipal Securities Information Repository ("National Repository") and any State Information Depository ("State Depository") and to provide notice of the occurrence of the enumerated events to each National Repository or the Municipal Securities Rulemaking Board ("MSRB") and to any State Depository. This obligation shall be evidenced by the Continuing Disclosure Certificate from the City, the form of which is attached hereto as Appendix E.

The Annual Information will consist generally of information of the type contained herein in Appendix C of the Official Statement. Any of the foregoing information may be supplied by including by specific reference information previously supplied to each National Repository and any State Depository or the Securities and Exchange Commission ("SEC"). Information will not be included by reference from any final official statement unless such final official statement is available from the MSRB.

This continuing disclosure obligation is being undertaken by the City to assist the Underwriter in complying with Rule 15c-12 promulgated by the SEC. The City has agreed to give notice in a timely manner to each National Repository, or the MSRB, and to each State Depository of any failure to supply the requested information. However, any such failure will not constitute a default under the terms of the Bonds. Registered Owners may contact the Finance Director of the City at 501 Virginia Street, East, Charleston, WV 25301 (304) 348-8028 for more information.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of

fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the Owners of the Bonds.

Copies of the Ordinance, the Supplemental Resolution and other applicable documents may be obtained from the City at the following address or telephone number:

The City of Charleston
501 Virginia Street, East
Charleston, WV 25301
Attention: City Manager
(304) 348-8014

or, during the period of offering the Bonds, from the Underwriter. Ongoing financial information concerning the City and the Facility may be obtained from the above-referenced source.

The City has duly authorized the execution and distribution of this Official Statement.

THE CITY OF CHARLESTON, WEST VIRGINIA

By: /s/ G. Kemp Melton
Mayor

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE

The Bonds are issued under an Ordinance, as defined below. The following is a summary of certain terms, provisions and covenants of the Bond Ordinance. This summary makes use of certain terms defined in the Ordinance, some of which are defined below. This summary is not to be considered a full statement of the terms of the Bond Ordinance, and, accordingly, is qualified by reference thereto and is subject to the full text thereof.

DEFINITIONS

"Authorized Officer" means the Mayor of the City or such other officer of the City specifically designated by the Governing Body.

"Bonds" means the Series 1998 Bonds and any pari passu additional bonds issued under the Ordinance.

"Bond Ordinance" or "Ordinance" means the Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory thereof.

"Bond Year" means the twelve month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year except that the first Bond Year shall begin on the Closing Date.

"City" means The City of Charleston, West Virginia.

"City Clerk" means the City Clerk of the City.

"Closing Date" shall mean the date or dates upon which there is an exchange of the Bonds for the proceeds representing the original purchase price thereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations issued pursuant thereto.

"Commission" shall mean the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia which succeeds to the functions of the Commission.

"Construction Fund" means the fund by that name created by Section 4.01 of the Ordinance.

"Costs of Issuance" shall mean those costs of issuing the Bonds, including, but not limited to,

"Depository Bank" means the depository bank as designated by the Issuer in a Supplemental Resolution.

"DTC" shall mean The Depository Trust Company, New York, New York.

"DTC Eligible" shall mean Bonds meeting the qualifications prescribed by The Depository Trust Company, New York, New York.

"Event of Default" shall mean any occurrence or events Specified in Section 5.05 of the Ordinance.

"Facility" means the Charleston Civic Center located in the City, including any improvements thereto.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Governing Body" means the Mayor and the City Council of the City, or such other body that succeeds to the function as the Governing Body of the City.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America, including (i) such obligations which have been stripped from their unmatured interest coupons, interest coupons stripped from such obligations and receipts or certificates evidencing payments from such obligations or interest coupons stripped from such obligations, (ii) evidences of ownership of a proportionate interest in Specified direct obligations of, or Specified obligations which are unconditionally and fully guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian and (iii) obligations, the sole source of the payment of the principal of and interest on which are obligations of the nature of those described in clause (i), which are irrevocably pledged for such purposes.

"Herein," "hereto" and similar words shall refer to the entire Bond Legislation.

"Independent Certified Public Accountants" shall mean any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the City or for any other purpose.

"Issuer" means The City of Charleston, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Mayor" means the Mayor of the City.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond cancelled by the Bond Registrar, at or prior to said date; (ii) any Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder, as applicable, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Section 6.01 of the Ordinance; and (iv) for purposes of consents or other action by a Specified percentage of Bondholders, any Bonds registered to the Issuer.

"Participant" shall mean the person or entity registered as such with The Depository Trust Company.

"Paying Agent" shall mean the paying agent for the Bonds, as designated in the Supplemental Resolution.

"Private Business Use" shall mean use directly or indirectly in any trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

"Project" means the design, acquisition, construction and equipping of improvements to the Facility.

"Purchaser" or "Original Purchaser" means Crews & Associates, Inc., as the original purchasers of the Bonds.

"Qualified Investments" shall mean and include any of the following:

(a) Government Obligations;

(b) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

Export - Import Bank
Farmers Home Administration
General Services Administration
U. S. Maritime Administration
Small Business Administration
Government National Mortgage Association (GNMA)
U.S. Department of Housing & Urban Development (PHA's)
Federal Housing Administration;

(c) bonds, notes or other evidences of indebtedness rated "AAA" by Standard & Poor's Corporation and "Aaa" by Moody's Investor Services, Inc., issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(d) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating, on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by Standard & Poor's Corporation and "A-1" by Moody's Investor Services, Inc. and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(e) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's Corporation and "A-1" by Moody's Investor Services, Inc. and which matures not more than 270 days after the date of purchase;

(f) investments in a money market fund rated "AAAm" or "AAAm-G" or better by Standard & Poor's Corporation; and

(g) pre-refunded municipal obligations defined as follows:

Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date Specified in the notice; and (A) which are rated, based on the escrow, in the highest rating category of Standard & Poor's Corporation and Moody's Investor Services, Inc. or any successors thereto; or (B)(i) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in paragraph (a) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the Specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which fund is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates Specified in the irrevocable instructions referred to above, as appropriate.

"Record Date" shall mean the day of the month which shall be so stated in the Bonds, regardless of whether such day is a Saturday, Sunday or other legal holiday.

"Redemption Price" shall mean such amount as is established in a Resolution supplemental to the Ordinance.

"Registrar" means the Registrar for the Bonds, which shall be designated in a Supplemental Resolution.

"Regulations" shall mean temporary and permanent regulations promulgated under the Code.

"Representation Letter" shall mean the Letter Agreement among the City, DTC and the Paying Agent.

"Revenue Fund" shall mean the fund by that name created by Section 4.01 of the Ordinance.

"Series 1998 Bonds" means the City of Charleston Civic Center Improvement Bonds, Series 1998, authorized to be issued by the Ordinance.

"Series 1998 Bonds Sinking Fund" means the Series 1998 Bonds Sinking Fund created by Section 4.01 of the Ordinance.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending the Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Bonds; provided, that any matter intended by the Ordinance to be included in the Supplemental Resolution with respect to the Bonds, and not so included may be included in another Supplemental Resolution.

"Tax Revenues" means (i) the specified tax revenues dedicated for such purposes by the City to pay debt service on the Series 1998 Bonds and consisting of coal severance taxes and hotel-motel occupancy taxes (as limited by the amount payable by the Issuer under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended) received or collected by the City and (ii) any other revenues dedicated for such purposes by the City to pay debt service on the Series 1998 Bonds and on any additional bonds issued under the Ordinance.

"Value," which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

(a) as to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times); the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times; the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Issuer in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service; and

(c) as to certificates of deposit and bankers acceptances; the face amount thereof, plus accrued interest.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

AUTHORITY FOR THE ORDINANCE

The Ordinance (together with any ordinance, order or resolution supplemental thereto or amendatory thereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 8, Article 16 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law.

AUTHORIZATION FOR THE PROJECT

The acquisition, construction and equipping of the Project has been approved at a cost estimated to be \$3,500,000.

AUTHORIZATION AND TERMS OF SERIES 1998 BONDS

For the purpose of financing, in part, the acquisition, construction and equipping of the Project, there shall be issued the Civic Center Improvement Bonds, Series 1998 of the City. The Series 1998 Bonds shall be in such aggregate principal amount estimated to be \$3,500,000, shall be dated such date; shall bear interest payable semiannually at such dates and at such rate or rates not exceeding the rate permitted by the Act; shall mature at such time or times, not exceeding forty (40) years after the date of issuance; and shall contain such other terms, provisions, conditions and limitations, all as provided by the Ordinance and as the Governing Body shall prescribe by Supplemental Resolutions adopted in connection with the sale of such Series 1998 Bonds.

The Series 1998 Bonds shall be payable as to principal at the office of the Paying Agent in any coin or currency, which on the respective date of payment of principal and interest, is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 1998 Bonds shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address that appears on the books of the Registrar.

The Series 1998 Bonds shall, at the option of the City, be redeemable in whole or in part, at the times, in the manner, and upon payment of the redemption prices, as provided in the Supplemental Resolutions.

The Series 1998 Bonds shall be sold as soon as practical and in the best interests of the City, as may be authorized and permitted by applicable law, and delivered to the Original Purchaser thereof, provided, that such Original Purchaser and the City shall have agreed to the terms of the purchase thereof.

CREATION OF FUNDS AND ACCOUNTS

There will be created with the Commission the Series 1998 Bonds Sinking Fund.

There will be created with the Depository Bank the Revenue Fund and the Project Construction Account.

DISPOSITION OF REVENUES

All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(A) The City shall, on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Series 1998 Bonds for which interest has not been capitalized, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in the Series 1998 Bonds Sinking Fund, a sum equal to one-sixth ($1/6$) of the amount of interest which will become due on the Series 1998 Bonds on the next ensuing semiannual interest payment date: Provided, however, That in the event that the period to elapse between the closing date and the next semi-annual interest payment date is less than seven months, then such monthly payments shall be increased proportionately to provide the required amount of interest maturing on the next semiannual interest payment date.

The City shall also apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1998 Bonds Sinking Fund, on the first day of each month, beginning 13 months prior to the first date of payment of principal of the Series 1998 Bonds, a sum equal to one-twelfth ($1/12$) of the amount of the principal which will mature and become due on the Series 1998 Bonds on the next ensuing principal payment date: Provided, however, That in the event that the period to elapse between the closing date and the next annual principal payment date is less than twelve (12) months, then such monthly payments shall be increased proportionately to provide the required amount of principal maturing on the next annual principal payment date.

The City shall also, from the Revenue Fund, remit to the Commission, on such dates or at such other times as the Commission shall require, such additional sums as shall be necessary to pay the fiscal agency charges due for paying the Bonds and the interest thereon.

The Commission will be designated as the Fiscal Agent for the administration of the Sinking Fund created under the Ordinance, and all amounts required for said Sinking Fund shall be remitted to the Commission from said Revenue Fund and from the proceeds of the sale of the Bonds as provided in the Ordinance, by the City, at the times provided therein.

Moneys in the Series 1998 Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 1998 Bonds as the same shall become due.

(B) If on any payment date the Tax Revenues are insufficient to place the required amount in any of the funds, the deficiency shall be made up in subsequent payments to such funds.

(C) All of the funds provided for above shall constitute trust funds and shall be used only for the purposes provided herein. The moneys in excess of the sum of \$100,000 in said Revenue Fund shall at all times be secured, to the full extent thereof in excess of the sum of \$100,000, by direct obligations of the United States of America, or such other obligations as shall be eligible as security for deposits of State and municipal funds under the laws of the State.

(D) Moneys at any time remaining on deposit in the Series 1998 Bonds Sinking Fund may be invested in direct obligations of the United States of America maturing not later than the dates on which such moneys will be needed for the purposes of such funds.

APPLICATION OF BOND PROCEEDS, PLEDGE OF UNEXPENDED BOND PROCEEDS

The proceeds received from the sale of any or all of the Bonds shall be applied as provided the Supplemental Resolution.

The Depository Bank shall act as a trustee and fiduciary for the Bondholders with respect to the Construction Fund and shall comply with all requirements with respect to the disposition of the Construction Fund as set forth in the Bond Legislation. Moneys in the Construction Fund shall be used solely to pay costs of the Project and, until so expended, will be pledged as additional security for the Bonds.

DISBURSEMENTS FROM THE CONSTRUCTION FUND

(a) Except as otherwise provided in the Ordinance, any moneys deposited in the Construction Fund from the proceeds of the Bonds as soon as practicable after the delivery thereof shall be paid to the firms, corporations or persons entitled thereto for legal, administrative, financing and incidental expenses of the City relating to the issuance of the Bonds.

(b) Except with respect to Costs covered in paragraph (a), the City shall submit to the Depository Bank a requisition signed by an Authorized Officer stating, with respect to each payment to be made:

- (i) the requisition number;
- (ii) if other than the Issuer, the name and address of the person to whom payment is due;
- (iii) the amount to be paid;

(iv) that each obligation mentioned therein has been incurred as a Cost and has not been the basis of any previous withdrawal;

(v) accompanied by a bill, invoice or statement; and

(vi) accompanied by a valid bill or agreement of sale, certificate of title, deed, receipt or other evidence of ownership containing warranties of title free and clear of all claims.

In making any disbursement the Depository Bank shall pay each such obligation or deliver to the Issuer a check or draft for the payment thereof payable to the order of the payee to whom payment is due, as set forth in the requisition of the City directing such disbursement. All payments made from the Construction Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Construction Fund. Pending disbursement, moneys in the Construction Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

GENERAL COVENANTS OF THE CITY

All the covenants, agreements and provisions of the Ordinance shall be and constitute valid and legally binding covenants of the City and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Bonds. In addition to the other covenants, agreements and provisions of the Ordinance, the City covenants and agrees with the Holders of the Bonds as provided in Article V of the Ordinance. All such covenants, agreements and provisions shall be irrevocable, except as provided therein, as long as any of said Bonds, or the interest thereon, is outstanding and unpaid.

BONDS NOT TO BE INDEBTEDNESS OF THE CITY

The Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Tax Revenues as therein provided. No holder or holders of any Bonds issued thereunder shall ever have the right to compel the exercise of the taxing power of the City to pay said Bonds or the interest thereon.

BONDS SECURED BY FIRST LIEN PLEDGE OF TAX REVENUES

The payment of the debt service on the Series 1998 Bonds shall be secured equally and ratably and with each other, by a first lien on the specified Tax Revenues dedicated for such purposes by the City to the extent necessary to make the payments required under the Ordinance. The Tax Revenues, in an amount sufficient to pay the principal of and interest on the Series 1998 Bonds, and to make the payments into the Series 1998 Bonds Sinking Fund and make all other payments provided for in the Ordinance, will be irrevocably pledged in the manner provided in the Ordinance, to the payment of the principal of and interest on the Series 1998 Bonds as the same become due and for the other purposes provided in the Ordinance.

COLLECTIONS

The Tax Revenues shall at all times be adequate to make the prescribed payments into the funds and accounts created. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in tax collections and revenues, the City covenants and agrees to budget an amount each year equal to at least one hundred ten percent (110%) of the maximum annual amount required to pay the interest on and principal of the Bonds and all other obligations secured by or payable from the Tax Revenues prior to or on a parity with the Bonds, as the same become due and accomplish retirement of all Bonds for the payment of which such Tax Revenues have or shall have been pledged, charged or otherwise encumbered.

ISSUANCE OF OTHER OBLIGATIONS PAYABLE OUT OF THE TAX REVENUES AND GENERAL COVENANT AGAINST ENCUMBRANCES

The City shall not issue any other obligations whatsoever, except additional parity bonds provided for in Section 5.02 of the Ordinance, payable from the Tax Revenues, which rank prior to, or equally, as to lien on and source of and security for payment from the Tax Revenues with the Bonds; and all obligations hereafter issued by the Issuer payable from the Tax Revenues, except such additional bonds, shall contain an express statement that such obligations are junior and subordinate as to lien on and source of and security for payment from the Tax Revenues, and in all other respects to the Bonds.

The City shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to said additional parity bonds, being on a parity with the lien of the Bonds, and the interest thereon, upon the Tax Revenues pledged for payment of the Bonds and the interest thereon in the Ordinance.

ADDITIONAL PARITY BONDS

No additional parity bonds, as defined in Section 5.02 of the Ordinance, payable out of the Tax Revenues, shall be issued after the issuance of the Bonds pursuant to the Ordinance, except under the conditions and in the manner therein provided.

No such additional parity bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of improvements and betterments to the Facility or refunding the entirety of one or more series of Bonds issued pursuant thereto, or both such purposes.

No such additional parity bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by Independent Certified Public Accountants, based upon the necessary investigation and certification by a consulting engineer, reciting the conclusion that the Tax Revenues collected and received by the City during the previous twelve (12) months immediately preceding the date of the actual issuance of such additional parity bonds is equal to at least one hundred ten percent (110%) of the amount of debt service payable in the then current year, and the annual Tax Revenues projected to be received and collected in each of the three

(3) succeeding years after the completion of the improvements to be financed by such additional parity bonds shall not be less than one hundred ten percent (110%) of the maximum annual debt service payable over the next three (3) years.

Not later than simultaneously with the delivery of such additional parity bonds, the Issuer shall have entered into written contracts for the immediate acquisition, construction or equipping of such improvements and betterments to the Facility which are to be financed by such additional parity bonds.

The term "additional parity bonds," as used in this Section, shall be deemed to mean additional bonds issued under the provisions and within the limitations of Section 5.02 of the Ordinance, payable from the specified Tax Revenues on a parity with the Series 1998 Bonds and all the covenants and other provisions of the Ordinance (except as to details of such additional parity bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 1998 Bonds and the Holders of any additional parity bonds subsequently issued from time to time within the limitations of and in compliance with this Section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the specified Tax Revenues and their source of and security for payment from specified Tax Revenues, without preference of any bond over any other. The Issuer shall comply fully with all the increased payments into the various funds created in the Ordinance required for and on account of such additional parity bonds, in addition to the payments required for Bonds theretofore issued pursuant to the Ordinance.

The term "additional parity bonds," as used in this Section, shall not be deemed to include any bonds, notes, certificates or other obligations subsequently issued, the lien of which on the specified Tax Revenues is subject to the prior and superior lien of the Bonds on such specified Tax Revenues. The Issuer shall not issue any obligations whatsoever payable from the specified Tax Revenues which rank prior to or equally, as to lien and source of and security for payment from such specified Tax Revenues, with the Bonds except in the manner and under the conditions provided in this Section.

No additional parity bonds, as in this Section defined, shall be issued at any time, however, unless all the payments into the respective funds and accounts provided for in the Ordinance on account of the Bonds then Outstanding, and any other payments provided for in the Ordinance shall have been made in full as required to the date of delivery of the additional parity bonds.

The City may issue additional parity bonds without compliance with any other conditions for the purpose of refunding prior to maturity any series of the Bonds, provided that the annual debt service required on account of the refunding bonds and the Bonds which are not refunded shall not be greater in any year in which the Bonds not refunded and the refunding bonds are to be Outstanding than the annual debt service required in such year if the Bonds to be refunded were not so refunded.

INSURANCE

The City will carry such insurance and in such amounts as is customarily carried with respect to works and properties similar to the Facility, with a reputable insurance carrier or carriers, against loss or damage by fire, explosion, hurricane, earthquake, cyclone, occupancy or other hazards and risks.

The City will require that each of its contractors and all subcontractors maintain, during the life of the Project or any other construction contract, and carry workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance. In time of war, the City shall also carry in said amount such insurance as may be available against loss or damage by the risks and hazards of war. The proceeds of all such insurance policies shall be disposed of as provided in the Ordinance. The City will also carry liability insurance for damage or injury to persons or property in amounts adequate for such purposes and customarily carried with respect to works and properties similar to the Facility.

ENFORCEMENT OF COLLECTIONS

The City will diligently enforce and collect all hotel-motel occupancy taxes and coal severance taxes and take all steps, actions and proceedings for the enforcement and collection of such taxes that shall become delinquent to the full extent permitted or authorized by the laws of the State of West Virginia.

CONTINUING DISCLOSURE

The City shall cause its books and records to be completely audited by Independent Certified Public Accountants, shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Bondholder, and shall file said report as provided in the Continuing Disclosure Certificate executed on behalf of the City and delivered at closing.

OPERATING BUDGET

The City shall include in its annual budget adopted prior to the beginning of each Fiscal Year, and as a separate part thereof, a detailed budget of the estimated Tax Revenues during the succeeding Fiscal Year. The City shall mail copies of such annual budget to any Bondholder who shall file his or her address with the City and request in writing that copies of any such budgets be furnished him or her, and shall make available such budgets at all reasonable times to any Bondholder or anyone acting for and in behalf of such Bondholder.

EXISTENCE OF CIVIC CENTER/AUDITORIUM BOARD

The management, operation and control of the Facility shall be vested in the Civic Center/Auditorium Board, or some other separate successor agency of the City, during the period in which any Bonds issued are Outstanding.

PUBLIC PURPOSE BONDS

The Facility will be solely operated for a public purpose and as a local governmental activity of the City.

PRIVATE ACTIVITY BONDS

The City shall not permit at any time or times any of the proceeds of the Bonds to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Code by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The City will take all actions necessary to comply with the Code in order to assure the tax-exempt status of the Bonds.

FILINGS

The City will file all statements, instruments and returns necessary to assure the tax-exempt status of the Bonds, including, without limitation, the information return required under Section 149(e) of the Code.

RIGHT TO AMEND

The City retains the right to make any amendments, insertions or deletions by Supplemental Resolutions of the Ordinance as the City deems desirable or necessary prior to the issuance of the Bonds, including but not limited to amendments, insertions or deletions to comply with the Code. Notwithstanding the provisions of Section 6.07 of the Ordinance, the City through City Council shall, without consent of the Registered Owners of the Bonds, amend or supplement the Ordinance by resolutions supplemental thereto or any amendatory ordinance to comply with the Code if such amendment or supplement is necessary to preserve the tax exempt status of the Bonds. In making their determination to amend or supplement the Ordinance, the City Council may rely on the opinion of a nationally recognized bond counsel.

The City also retains the right to make any amendments, insertions or deletions by Supplemental Resolution of the Ordinance, as the City deems necessary prior to the issuance of the Bonds to meet the requirements of the Original Purchaser.

EVENTS OF DEFAULT

Each of the following events shall constitute an "Event of Default" with respect to the Bonds:

- (A) If default occurs in the due and punctual payment of the principal of or interest on any Bonds;
- (B) If default occurs in the City's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in the Ordinance, the Supplemental Resolution or in the Bonds and such default shall have continued for a period of 30 days after the City shall have been given written notice of such default by the Depository Bank holding any fund or account hereunder or a Registered Owner of a Bond; or
- (C) If the City files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

REMEDIES

Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and in particular (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the City to perform its duties under the Act and the Ordinance relating thereto, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the City to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Ordinance with respect to the Bonds, or the rights of such Registered Owners.

Upon the occurrence of an Event of Default, the Commission shall, by written notice to the City, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in the Ordinance or in the Bonds to the contrary notwithstanding.

INVESTMENTS

Any moneys held as a part of the funds and accounts created by the Ordinance, other than the Revenue Fund, shall be invested and reinvested by the Commission or the Depository Bank, as the case may be, at the direction of the City in any Qualified Investments to the fullest extent possible under applicable laws, the Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in Section 4.04 of the Ordinance.

Except as otherwise provided, any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held and used for the purpose of such fund or account. The interest accruing thereof and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The determination of the Value of the investments shall be made once a month. The Commission or the Depository Bank, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any account is insufficient to make the payments required from such fund or account, regardless of the loss of such liquidation. Such Depository Bank may make any and all investments permitted by Section 4.04 of the Ordinance through its own trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

ARBITRAGE

The City covenants that (i) it will restrict the use of the proceeds of the Bonds in such manner and to such extent as may be necessary, in view of the City's reasonable expectations at the time of

issuance of the Bonds, so that the Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and the Regulations, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Bonds) so that the interest on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

MODIFICATION OR AMENDMENT

No material modification or amendment of the Ordinance or of any ordinance or resolution amendatory hereof or supplemental hereto which would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the Holders of the Bonds then outstanding provided, however, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the City, to pay such principal and interest without the consent of the Holder thereof.

DEFEASANCE OF SERIES 1998 BONDS

If the City has paid or has caused to be paid, or there shall otherwise be paid to the Holders of all Series 1998 Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 1998 Bonds only, the pledge of specified Tax Revenues under this Bond Legislation and all covenants, agreements and other obligations of the City to the Registered Owners of the Series 1998 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay, as and when due, the principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in Section 6.01 of the Ordinance. All Bonds shall, prior to the maturity or redemption thereof, be deemed to have been paid within the meaning and with the effect expressed in Section 6.01 of the Ordinance if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the City shall have given the Commission, in form satisfactory to it, irrevocable instructions to publish as provided herein notice of redemption of such Bonds on said date, (b) there shall have been deposited with the Commission either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Commission at the same or earlier time, shall be sufficient, to pay when due the principal of and redemption premium, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and an opinion of nationally recognized bond counsel to the effect that such action will not adversely effect the exclusion of the interest on the Bonds from gross income for federal income tax purposes and a verification from an Independent Certified Public Accountant of the sufficiency of the amounts described in clause (b) for their intended purpose, and (c) in the event said Bonds are not by their terms subject to redemption, or are otherwise not to be redeemed by the City, within the next succeeding sixty (60) days, the City shall have given the

Commission in form satisfactory to it irrevocable instructions to publish, as soon as practicable, a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Commission and that said Bonds are deemed to have been paid in accordance with Section 6.01 of the Ordinance and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, interest on, and redemption premium, if applicable, on said Bonds. Neither securities nor moneys deposited with the Commission pursuant to Section 6.01 of the Ordinance nor principal or interest payments on any such securities shall be held in trust for the payment of the principal of and redemption premium, if applicable, on and interest on said Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if applicable, on and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Commission, free and clear of any trust, lien or pledge. For the purpose of Section 6.01 of the Ordinance, securities shall mean and include only Government Obligations.

APPENDIX C

Audited Financial Statements of City of Charleston

CITY OF CHARLESTON, WEST VIRGINIA
Schedule of Funds and Account Group Included in Report
Year Ended June 30, 1996

GOVERNMENTAL FUND TYPES

General Fund

Special Revenue Funds

Coal Severance Tax
Municipal Beautification
Community Development
Special Demolition
Human Rights
Rental Rehabilitation
Solid Waste and Disposal
Asset Forfeiture and Reimbursement

Debt Service Fund

Local Sinking

Capital Projects Funds

Special Development
Civic Center Renewal and Replacement
South Side Recreation Center
Infrastructure Repair
Cemetery Improvement and Mausoleum Maintenance
Civic Center Project

PROPRIETARY FUND TYPE

Enterprise Funds

Civic Center Revenue
Parking System
Sanitary Board

CITY OF CHARLESTON, WEST VIRGINIA

Schedule of Funds and Account Group Included in Report

Year Ended June 30, 1996

FIDUCIARY FUND TYPES

Pension Trust Funds

Policemen's Pension and Relief
Firemen's Pension and Relief

Nonexpendable Trust Funds

Spring Hill Permanent Endowment Trust
Spring Hill General Endowment Trust

Expendable Trust Fund

Municipal Police Court Trust

Agency Funds

Utility Collection Fund
Metro Drug Enforcement Network Task Force
Civic Center Ticket Fund

ACCOUNT GROUP

General Long-Term Debt

CITY OF CHARLESTON, WEST VIRGINIA

Audited Financial Statements

Year Ended June 30, 1996

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CITY OF CHARLESTON, WEST VIRGINIA

Audited Financial Statements

Year Ended June 30, 1996

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APPENDIX D

(Form of Approving Bond Counsel Opinion)

The City of Charleston
P.O. Box 2749
Charleston, West Virginia 25330

September 22, 1998

Re: \$3,635,000 The City of Charleston, West Virginia,
Civic Center Improvement Bonds, Series 1998

Gentlemen:

We are Bond Counsel to The City of Charleston (the "City"), a municipal corporation created under the laws of the State of West Virginia.

We have examined a certified copy of proceedings and other papers relating to the issuance of a series of bonds of the City, denoted as Civic Center Improvement Bonds. Series 1998, dated September 1, 1998 (the "Series 1998 Bonds"), issued pursuant to an Ordinance enacted by the Council of the City on August 17, 1998, and effective on August 17, 1998, following a public hearing thereon, as amended and supplemented by Supplemental Resolution adopted on September 8, 1998 (collectively, the "Ordinance").

The Series 1998 Bonds are in the aggregate principal amount of \$3,635,000 issued in the form of one bond for each maturity, registered in the name of the nominee of The Depository Trust Company, as to principal and interest, with interest payable March 1 and September 1, of each year beginning March 1, 1999, at the respective rate and with principal payable in installments on September 1 in each of the years 1999 through 2023 all as set forth in the Official Statement relating to the Series 1998 Bonds. The Series 1998 Bonds are subject to optional and mandatory redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Ordinance.

The Series 1998 Bonds are issued for the purpose of providing a portion of the funds to finance the acquisition, construction, equipping and improvement of a municipal facility being the Charleston Civic Center (the "Facility") and paying the costs of issuance thereof.

We have also examined the applicable provisions of Chapter 8, Article 16 of the Code of West Virginia of 1931, as amended (the "Act"), under which the Series 1998 Bonds are issued.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The City is a duly organized and presently existing municipal corporation, with full power and authority to operate and maintain the Facility referred to in the Ordinance and to issue and sell the Series 1998 Bonds, all under the Ordinance, the Act and other applicable provisions of law.
2. The City has legally and effectively enacted the Ordinance and all other necessary actions and certifications in connection with the issuance and sale of the Series 1998 Bonds.
3. The Series 1998 Bonds are valid and legally enforceable special obligations of the City, payable from specified Tax Revenues dedicated for such purposes referred to in the Ordinance and secured by a first lien on and pledge of such Tax Revenues including certain coal severance taxes and hotel/motel occupancy taxes (as limited by the amount payable by the City under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended).
4. The City has reserved the right to issue additional bonds ranking on a parity with the Series 1998 Bonds, as provided in the Ordinance.
5. The interest on the Series 1998 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth above is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder (the "Code"), that must be satisfied subsequent to the issuance of the Series 1998 Bonds in order that the interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with such covenants and representations could cause the interest on the Series 1998 Bonds to be so included in gross income retroactive to the date of issuance. We express no opinion regarding other federal tax consequences with respect to the Series 1998 Bonds.
6. The City has designated the Series 1998 Bonds as "qualified tax-exempt obligations" for purposes of the Code and has covenanted that it does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and obligations issued to currently refund any obligation of the Issuer to the extent the amount of the calendar year 1998. Therefore, the Series 1998 Bonds are "qualified tax-exempt obligations"

The City of Charleston
September 22, 1998
Page 3

within the meaning of Section 265(b)(3) of the Code.

7. The Series 1998 Bonds and the interest thereon are, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

The rights of the owners of the Series 1998 Bonds, the enforceability of the Series 1998 Bonds, and the Ordinance may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Series 1998 Bond numbered R-1, and in our opinion, the form of said Bond and its execution and authentication are regular and proper.

Respectfully submitted,

GOODWIN & GOODWIN, LLP

APPENDIX E

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by The City of Charleston (the "Issuer") in connection with the issuance of \$3,635,000 City of Charleston Civic Center Improvement Bonds, Series 1998 (the "Bonds"). The Bonds are being issued pursuant to an Ordinance enacted on August 17, 1998, and effective on August 17, 1998, as amended and supplemented by a Supplemental Resolution adopted September 8, 1998 (collectively, the "Ordinance"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance and the Bond Purchase Agreement dated September 8, 1998, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" shall initially mean the Issuer and any later appointed Dissemination Agent or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in Exhibit B.

"Participating Underwriter" shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository and the State Repository.

under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of West Virginia.

"State Repository" shall mean any public or private repository or entity designated by the State as the state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. [As of the date of this Certificate, there is no State Repository.]

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 270 days after the end of the Issuer's fiscal year (presently June 30), commencing with the report for the 1999 Fiscal Year, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided, that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and not later than 15 days after receipt by the Issuer. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) Not later than fifteen (15) Business Days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to the Repositories an Annual Report by the date required in subsection (a), the Issuer shall send a notice to each Repository or the Municipal Securities Rulemaking Board and the State Repository, if any, in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and the State Repository, if any; and

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

(a) Within one hundred eighty (180) days after the end of its 1999 fiscal year and each subsequent fiscal year, to each National Repository and any State Depository, unaudited general purpose financial statements of the Issuer, and

(b) Within fifteen (15) days after receipt by the Issuer of its 1999 fiscal year-end, and each subsequent fiscal year, to each nationally recognized municipal securities information

repository ("National Repository") and to any West Virginia State information repository ("State Repository"), core financial information and operating data of the Issuer for the prior fiscal year, including (i) the audited financial statements, prepared in accordance with generally accepted auditing principles in effect from time to time, and (ii) material historical quantitative data of the type found in this Official Statement under the caption "Financial Operation":

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events, if applicable, with respect to the 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 security;
7. modifications to rights of security holders;
8. bond calls;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the securities;
11. interruptions in normal assessment and ad valorem property tax procedures and collections;
12. rating changes.

(b) Whenever the Issuer obtains knowledge of the occurrence of any of the Listed Events, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the Issuer determines that knowledge of the occurrence of any of the Listed Events would be material under applicable federal securities laws, the Issuer shall promptly file a notice of such occurrence with the Municipal Securities Rulemaking Board or the Repositories and the State Repository. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Ordinance.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it 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 an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the

case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of any of the Listed Events, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of any of the Listed Events in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate (and, at the request of the Original Purchaser), any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: September 22, 1998

THE CITY OF CHARLESTON

By: _____
G. Kemp Melton, Mayor

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Issuer: The City of Charleston, West Virginia

Name of Issuer: The City of Charleston, West Virginia

Name of Issue: \$3,635,000 City of Charleston Civic Center Improvement Bonds, Series 1998

Date of Issuance: September 1, 1998

Notice is hereby given that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by its covenant made in connection with the above-referenced bond issue. The Issuer anticipates that the Annual Report will be filed by _____.

Dated this _____.

THE CITY OF CHARLESTON

By: _____

EXHIBIT B

NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES

Bloomberg Municipal Repository
P. O. Box 840
Princeton, NJ 08542

The Bond Buyer
Secondary Market Disclosure
395 Hudson Street, 3rd Floor
New York, NY 10014

Disclosure, Inc.
Document Augmentation/Municipal Securities
5161 River Road
Bethesda, MD 20816

JJ Kenny Information Services
The Repository
65 Broadway, 16th Floor
New York, NY 10006

Moody's NRMSIR
Public Finance Information Center
99 Church Street
New York, NY 10007



BOOK-ENTRY-ONLY MUNICIPAL BONDS

Letter of Representations

[To be Completed by Issuer and Agent]

City of Charleston, West Virginia

[Name of Issuer]

Bank One, West Virginia, N.A.

[Name of Agent]

September 8, 1998

[Date]

Attention: Underwriting Department
The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099

Re: \$3,635,000 City of Charleston, West Virginia

Civic Center Improvement Bonds, Series 1998

[Issue Description]

Ladies and Gentlemen:

This letter sets forth our understanding with respect to certain matters relating to the above-referenced issue (the "Bonds"). Agent will act as trustee, paying agent, fiscal agent, or other agent of Issuer with respect to the Bonds. The Bonds will be issued pursuant to a trust indenture, bond resolution, or other such document authorizing the issuance of the Bonds dated September 8, 1998 (the "Document"). Crews & Associates, Inc.

[Underwriter]

is distributing the Bonds through The Depository Trust Company ("DTC").

To induce DTC to accept the Bonds as eligible for deposit at DTC, and to act in accordance with its Rules with respect to the Bonds, Issuer and Agent, if any, make the following representations to DTC:

1. Prior to closing on the Bonds on September 22, 1998, there shall be deposited with DTC one Bond certificate registered in the name of DTC's nominee, Cede & Co., for each stated maturity of the Bonds in the face amounts set forth on Schedule A hereto, the total of which represents 100% of the principal amount of such Bonds. If, however, the aggregate principal amount of any maturity exceeds \$200 million, one certificate will be issued with respect to each \$200 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount. Each Bond certificate shall bear the following legend:

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

2. In the event of any solicitation of consents from or voting by holders of the Bonds, Issuer or Agent shall establish a record date for such purposes (with no provision for revocation of consents or votes by subsequent holders) and shall, to the extent possible, send notice of such record date to DTC not less than 15 calendar days in advance of such record date.

3. In the event of a full or partial redemption or an advance refunding of part of the outstanding Bonds, Issuer or Agent shall send a notice to DTC specifying: (a) the amount of the redemption or refunding; (b) in the case of a refunding, the maturity date(s) established under the refunding; and (c) the date such notice is to be mailed to beneficial owners or published (the "Publication Date"). Such notice shall be sent to DTC by a secure means (e.g., legible telecopy, registered or certified mail, overnight delivery) in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on the business day before the Publication Date. Issuer or Agent shall forward such notice either in a separate secure transmission for each CUSIP number or in a secure transmission for multiple CUSIP numbers (if applicable) which includes a manifest or list of each CUSIP submitted in that transmission. (The party sending such notice shall have a method to verify subsequently the use of such means and the timeliness of such notice.) The Publication Date shall be not less than 30 days nor more than 60 days prior to the redemption date or, in the case of an advance refunding, the date that the proceeds are deposited in escrow.

4. In the event of an invitation to tender the Bonds, notice by Issuer or Agent to Bondholders specifying the terms of the tender and the Publication Date of such notice shall be sent to DTC by a secure means in the manner set forth in the preceding Paragraph.

5. All notices and payment advices sent to DTC shall contain the CUSIP number of the Bonds.

6. Notices to DTC pursuant to Paragraph 2 by telecopy shall be sent to DTC's Reorganization Department at (212) 709-6896 or (212) 709-6897, and receipt of such notices shall be confirmed by telephoning (212) 709-6870. Notices to DTC pursuant to Paragraph 2 by mail or by any other means shall be sent to:

Supervisor; Proxy
Reorganization Department
The Depository Trust Company
7 Hanover Square; 23rd Floor
New York, NY 10004-2695

7. Notices to DTC pursuant to Paragraph 3 by telecopy shall be sent to DTC's Call Notification Department at (516) 227-4164 or (516) 227-4190. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (516) 227-4070. Notices to DTC pursuant to Paragraph 3 by mail or by any other means shall be sent to:

Call Notification Department
The Depository Trust Company
711 Stewart Avenue
Garden City, NY 11530-4719

Notes:

A. If there is an Agent (as defined in this Letter of Representations), Agent, as well as Issuer, must sign this Letter. If there is no Agent, in signing this Letter Issuer itself undertakes to perform all of the obligations set forth herein.

B. Under Rules of the Municipal Securities Rulemaking Board relating to "good delivery," a municipal securities dealer must be able to determine the date that a notice of a partial call or of an advance refunding of a part of an issue is published (the "publication date"). The establishment of such a publication date is addressed in Paragraph 3 of the Letter.

C. Schedule B contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By:

(Authorized Officer)

CC: Underwriter

Underwriter's Counsel

Very truly yours,

City of Charleston

(Issuer)

By:

(Authorized Officer's Signature) Mayor

Bank One, West Virginia, N.A.

(Agent)

By:

(Authorized Officer's Signature)

Client Service Officer

SCHEDULE A

(Describe Issue)

**\$3,635,000 City of Charleston, West Virginia
Civic Center Improvement Bonds, Series 1998**

<u>CUSIP</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
160519 BE 3	\$1,235,000	September 1, 2010	4.6%
160519 BF 0	\$1,290,000	September 1, 2018	5.1%
160519 BG 8	\$1,110,000	September 1, 2023	5.1%

WV MUNICIPAL BOND COMMISSION
812 Quarrier Street, Suite 300
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: September 22, 1998
(See Reverse for Instructions)

ISSUE: City of Charleston, Civic Center Improvement Bonds,
Series 1998
ADDRESS: P.O. Box 2749
Charleston, WV 25330 COUNTY: Kanawha
PURPOSE: New Money X
OF ISSUE: Refunding Refunds issue dated: N/A
ISSUE DATE: ~~September 22, 1998~~ CLOSING DATE: September 22, 1998
ISSUE AMOUNT: \$3,635,000 RATE: 5.1%
1ST DEBT SERVICE DUE: March 1, 1999 1ST PRINCIPAL DUE: September 1, 1999
1ST DEBT SERVICE AMOUNT: \$89,605.00 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Goodwin & Goodwin, LLP
Contact Person: W.K. Bragg, Jr.
Phone: 346-7000

UNDERWRITER: Crews & Associates, Inc.
Contact Person: Gregory B. Isaacs
Phone: 344-1733

REGISTRAR: Bank One, West Virginia, N.A.
Contact Person: Michael E. Puskar
Phone: 348-4429

OTHER: Issuer's Counsel
Contact Person: James W. Withrow
Phone: 342-3900

KNOWLEDGEABLE ISSUER CONTACT:

Contact Person: Bill Kenny
Position: City Manager
Phone: 348-8174

DEPOSITS TO MBC AT CLOSE:

By X Wire Accrued Interest: \$ 10,453.92
 Check Capitalized Interest: \$ 0
 Reserve Account: \$ 0
 Other: \$

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By Wire To Escrow Trustee: \$ N/A
 Check To Issuer: \$ N/A
 IGT To Cons. Invest. Fund: \$ N/A
 Other: \$

Notes: _____

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS

REQUIRED: _____

TRANSFERS

REQUIRED: _____

(print on back of form)

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The Commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by WV Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes".

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at close are required, please submit this form before closing. If no significant facts change by closing, no resubmission at close is required. If, however, there are changes, please submit an updated form, with changes noted, at close.

If you should have any questions concerning this form, please call the Commission.

\$3,635,000
THE CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS
SERIES 1998

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned, GREGORY B. ISAACS, Vice President of Crews & Associates, Inc. (the "Purchaser"), and G. KEMP MELTON, Mayor of The City of Charleston (the "Issuer"), hereby certify as follows:

1. On the 22nd day of September, 1998, at DTC in New York, New York, the Purchaser received the entire original issue of \$3,635,000 in aggregate principal amount of The City of Charleston, West Virginia, Civic Center Improvement Bonds, Series 1998 (the "Series 1998 Bonds"). The Series 1998 Bonds, as so received on original issuance, are dated September 1, 1998, and are as described on Schedule A hereto.

2. At the time of such receipt of the Series 1998 Bonds, all the Series 1998 Bonds had been executed by G. Kemp Melton, as Mayor, by his manual signature and attested by Fred N. Frisk, Jr., as City Clerk, by his manual signature, and the official seal of the Issuer had been impressed upon the Series 1998 Bond, and had been authenticated by Bank One, West Virginia, N.A., as Registrar.

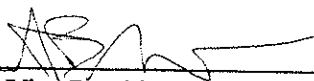
3. The Issuer has received and hereby acknowledges receipt from the Purchaser, as the original purchaser of the Series 1998 Bonds, the sum of \$3,566,225.12, representing the proceeds of the Series 1998 Bonds. Such proceeds are as follows:

Par Amount of Bonds	\$3,635,000.00
Less:	
Original Issue Discount	46,513.80
Underwriter's Discount	32,715.00
Purchase Price	3,555,771.20
Plus:	
Accrued Interest (September 1 to September 22)	10,453.92
Total	\$3,566,225.12

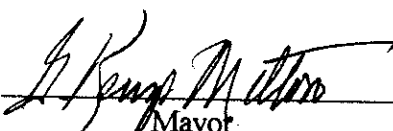
Payment for the Series 1998 Bonds was made in immediately available funds in the amount of \$3,566,225.12.

In witness whereof, each of the parties has caused this instrument to be executed as of the 22nd day of September, 1998.

CREWS & ASSOCIATES, INC.

By: 
Vice President

THE CITY OF CHARLESTON,
WEST VIRGINIA

By: 
Mayor

\$3,635,000
THE CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS
SERIES 1998

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated the 22nd day of September, 1998, by and between THE CITY OF CHARLESTON, a municipal corporation and a political subdivision of the State of West Virginia (the "Issuer"), and BANK ONE, WEST VIRGINIA, N.A., a national banking association, as bond registrar and authenticating agent (the "Registrar").

WHEREAS, the Issuer has contemporaneously with the execution hereof issued and sold the bonds described above (the "Bonds"); and

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Ordinance enacted by the Issuer on August 17, 1998, effective August 17, 1998, and a supplemental resolution adopted by the Issuer on September 8, 1998, authorizing issuance of the Bonds (collectively herein the "Ordinance"), copies of which are respectively attached as Exhibits A and B hereto and incorporated herein by reference; and

WHEREAS, the Ordinance appoints Bank One, West Virginia, N.A. to act as Registrar for the Bonds;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Ordinance, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exclusion of interest on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.
2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.
3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar, from time to time the compensation for services rendered hereunder provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Ordinance with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Ordinance, the terms of the Ordinance shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Ordinance will violate any order, decree or agreement to which it is a party or by which it is bound.

7. The Registrar may resign as Registrar at any time by giving at least 60 days written notice to the Issuer. The Registrar may be removed as Registrar at any time by an instrument filed with the Registrar and signed by the Issuer.

Notices shall be delivered to the parties at the following addresses:

ISSUER:

The City of Charleston
501 Virginia Street, East
Charleston, West Virginia 25301
Attention: Mayor

REGISTRAR:

Bank One, West Virginia, N.A.
P.O. Box 1113
Charleston, West Virginia 25324-1113
Attention: Corporate Trust Department

8. Unless otherwise so notified, the Registrar shall register all Bonds in the name of Cede & Co.

9. All notices and communications required or permitted hereunder, except as otherwise expressly agreed in writing, shall be in writing and shall be delivered by hand or sent by mail or sent by telex, telecopier, or telegraph, addressed to the respective party at the appropriate address in Section 7 hereof.

10. The Registrar shall maintain records which indicate the date and volume of services rendered hereunder. Such records shall include, but not be limited to, records of the Bonds or portions thereof paid by the Registrar. Such records and the applicable premises of the Registrar shall be subject to inspection by duly designated agents, designees or officials of the Issuer for the purpose of

reviewing the adequacy of procedures, systems capabilities and methods of operation. Any such inspection may be made during normal banking hours after reasonable prior written notice.

11. The Registrar warrants and represents that it is a national banking association, and in good standing under the laws of the United States of America, may lawfully conduct business in the State of West Virginia, and is lawfully empowered, pursuant to such laws, to accept the duties and obligations contemplated and as provided in this agreement and to serve in the capacity of Registrar thereunder.

12. There is no litigation pending or threatened in any court, either State or Federal, calling into question the creation, organization or existence of the Registrar or the authority of the Registrar to perform its duties under this agreement or the Ordinance.

13. This Registrar's Agreement shall be governed by and construed in accordance with the laws of the State of West Virginia.

IN WITNESS WHEREOF, THE CITY OF CHARLESTON and BANK ONE, WEST VIRGINIA, N.A. have each caused this Registrar's Agreement to be executed in their names and on their behalf, by their duly authorized officers, all as of the date first above written.

THE CITY OF CHARLESTON

By: *A. Kemp Melton*
Mayor

BANK ONE, WEST VIRGINIA, N.A.

By: *Paul E. Lusk*
Client Service Officer

\$3,635,000
THE CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS
SERIES 1998

CERTIFICATE OF REGISTRATION OF BONDS

I, Michael E. Puskar, Client Service Officer, of Bank One, West Virginia, N.A. of Charleston, West Virginia, as Registrar (the "Registrar"), under the Ordinance and Supplemental Resolution providing for the issuance of the Bonds described above, hereby certify that on the 22nd day of September, 1998, the fully registered Civic Center Improvement Bonds, Series 1998, in the stated principal amount of \$3,635,000, designated "The City of Charleston, Civic Center Improvement Bonds, Series 1998", numbered R-1 through R-3, and dated September 1, 1998, were registered as to principal and interest in the name of "Cede & Co." on the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of Bank One, West Virginia, N.A., Charleston, West Virginia, as Registrar.

WITNESS my signature this 22nd day of September, 1998.

BANK ONE, WEST VIRGINIA, N.A.

By: Michael E. Puskar
Client Service Officer

\$3,635,000
THE CITY OF CHARLESTON, WEST VIRGINIA
CIVIC CENTER IMPROVEMENT BONDS
SERIES 1998

REGISTRAR'S CERTIFICATE

The undersigned, on behalf of BANK ONE, WEST VIRGINIA, N.A., Charleston, West Virginia, a national banking association (the "Bank"), hereby certifies as follows with respect to the above-captioned Bonds (the "Bonds"):

1. The Bank has full power and authority to enter into and carry out the provisions of the Registrar's Agreement, dated September 22, 1998, between The City of Charleston (the "Issuer") and the Bank (the "Agreement").

2. The person whose title, name and signature is set forth below holds the position by election or appointment by the Board of Directors of the Bank, and such person has been named and designated as an authorized officer of the Bank to authenticate and register the Bonds, to deliver certificates on behalf of the Bank in connection with the closing of the sale of the Bonds and to take any other actions required by the Agreement.

Client Service Officer Michael E. Puskar



3. The above signed, Michael E. Puskar, was duly authorized to, and did on or prior to the date hereof, execute and deliver the Agreement to the Issuer on behalf of the Bank.

4. The Bank has received from the Issuer on the date hereof the Bonds, bearing Nos. R-1 through R-3, in the aggregate principal amount of \$3,635,000, payable as to principal and interest, and maturing all as set forth therein. At the time of such receipt, the Bonds had been executed by the manual signature of the Mayor of the City, impressed with the seal of the City, and attested by the manual signature of the City Clerk.

5. The Bank has caused the Series 1998 Bonds to be duly authenticated by the manual signature of Michael E. Puskar, by attaching to such Bonds a certificate in the following terms:

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of The City of Charleston Civic Center Improvement Bonds, Series 1998, described in the within mentioned Ordinance and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Date: September 1, 1998

BANK ONE, WEST VIRGINIA, N.A.,
as Registrar

By: /s/Michael E. Puskar
Its: Authorized Officer

WITNESS my signature this 22nd day of September, 1998.

BANK ONE, WEST VIRGINIA, N.A.

By: Loane Mullins
Its: Senior Trust Officer

LAW OFFICES
GOODWIN & GOODWIN, LLP
P. O. BOX 2107
1500 ONE VALLEY SQUARE
CHARLESTON, WEST VIRGINIA 25328-2107
304/346-7000
TELECOPIER 304/344-9692

201 THIRD STREET
PARKERSBURG, WEST VIRGINIA 26101
304/485-2345

P. O. BOX 349
500 CHURCH STREET
RIPLEY, WEST VIRGINIA 25271
304/372-2651

REPLY TO: Charleston

September 22, 1998

The City of Charleston
P.O. Box 2749
Charleston, West Virginia 25330

Re: \$3,635,000 The City of Charleston, West Virginia,
Civic Center Improvement Bonds, Series 1998

Gentlemen:

We are Bond Counsel to The City of Charleston (the "City"), a municipal corporation created under the laws of the State of West Virginia.

We have examined a certified copy of proceedings and other papers relating to the issuance of a series of bonds of the City, denoted as Civic Center Improvement Bonds. Series 1998, dated September 1, 1998 (the "Series 1998 Bonds"), issued pursuant to an Ordinance enacted by the Council of the City on August 17, 1998, and effective on August 17, 1998, following a public hearing thereon, as amended and supplemented by Supplemental Resolution adopted on September 8, 1998 (collectively, the "Ordinance").

The Series 1998 Bonds are in the aggregate principal amount of \$3,635,000 issued in the form of one bond for each maturity, registered in the name of the nominee of The Depository Trust Company, as to principal and interest, with interest payable March 1 and September 1 of each year beginning March 1, 1999, at the respective rate and with principal payable in installments on September 1 in each of the years 1999 through 2023 all as set forth in the Official Statement relating to the Series 1998 Bonds. The Series 1998 Bonds are subject to optional and mandatory redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Ordinance.

GOODWIN & GOODWIN, LLP

The City of Charleston
September 22, 1998
Page 2

The Series 1998 Bonds are issued for the purpose of providing a portion of the funds to finance the acquisition, construction, equipping and improvement of a municipal facility being the Charleston Civic Center (the "Facility") and paying the costs of issuance thereof.

We have also examined the applicable provisions of Chapter 8, Article 16 of the Code of West Virginia of 1931, as amended (the "Act"), under which the Series 1998 Bonds are issued.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The City is a duly organized and presently existing municipal corporation, with full power and authority to operate and maintain the Facility referred to in the Ordinance and to issue and sell the Series 1998 Bonds, all under the Ordinance, the Act and other applicable provisions of law.
2. The City has legally and effectively enacted the Ordinance and all other necessary actions and certifications in connection with the issuance and sale of the Series 1998 Bonds.
3. The Series 1998 Bonds are valid and legally enforceable special obligations of the City, payable from specified Tax Revenues dedicated for such purposes referred to in the Ordinance and secured by a first lien on and pledge of such Tax Revenues including certain coal severance taxes and hotel/motel occupancy taxes (as limited by the amount payable by the City under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended).
4. The City has reserved the right to issue additional bonds ranking on a parity with the Series 1998 Bonds, as provided in the Ordinance.
5. The interest on the Series 1998 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth above is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder (the "Code"), that must be satisfied subsequent to the issuance of the Series 1998 Bonds in order that the interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with such covenants and representations could cause the interest on the Series 1998 Bonds to be so

GOODWIN & GOODWIN, LLP

The City of Charleston
September 22, 1998
Page 3

included in gross income retroactive to the date of issuance. We express no opinion regarding other federal tax consequences with respect to the Series 1998 Bonds.

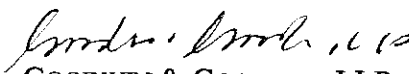
6. The City has designated the Series 1998 Bonds as "qualified tax-exempt obligations" for purposes of the Code and has covenanted that it does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligations) during calendar year 1998. Therefore, the Series 1998 Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

7. The Series 1998 Bonds and the interest thereon are, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

The rights of the owners of the Series 1998 Bonds, the enforceability of the Series 1998 Bonds, and the Ordinance may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Series 1998 Bond numbered R-1, and in our opinion, the form of said Bond and its execution and authentication are regular and proper.

Respectfully submitted,


GOODWIN & GOODWIN, LLP

LAW OFFICES
GOODWIN & GOODWIN, LLP
P. O. BOX 2107
1300 ONE VALLEY SQUARE
CHARLESTON, WEST VIRGINIA 25328-2107
304/346-7000
TELECOPIER 304/344-9892

201 THIRD STREET
PARKERSBURG, WEST VIRGINIA 26101
304/483-2345

P. O. BOX 349
500 CHURCH STREET
RIPLEY, WEST VIRGINIA 25271
304/372-2651

REPLY TO Charleston

September 22, 1998

Crews & Associates, Inc.
108-1/2 Capitol Street, Suite 202
Charleston, WV 25301

Re: \$3,635,000 City of Charleston
Civic Center Improvement Bonds,
Series 1998

Gentlemen:

We have served as counsel to you (the "Underwriter") in connection with the issuance by the City of Charleston (the "Issuer") of its Civic Center Improvement Bonds, Series 1998, dated September 1, 1998 (the "Bonds"), in the aggregate principal amount of \$3,635,000. In connection with rendering this opinion, we have examined such documents as we deem relevant.

Based upon the foregoing, we are of the opinion that the Bonds are exempt from the registration requirements and the Securities Act of 1933, as amended, and the Resolution is exempt from the qualifications under the Trust Indenture Act of 1939, as amended.

Without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of our conferences with representatives of the Issuer, counsel for the Issuer and the Underwriter, and our examination of certain documents referred to in the Official Statement, nothing has come to our attention that would lead us to believe that the Official Statement (excluding therefrom the financial and statistical data included in the

VAUGHAN & WITHROW
Attorneys and Counsellors at Law

DENNIS R. VAUGHAN, JR.
JAMES W. WITHROW

SUITE 200 CAPITOL CENTRE
232 CAPITOL STREET
CHARLESTON, WEST VIRGINIA 25301

TELEPHONE (304) 342-3900
TELECOPY (304) 344-2386

September 22, 1998

Crews & Associates, Inc.
124 W. Capitol
2000 United National Plaza
Little Rock, Arkansas 72201

RE: The City of Charleston Civic Center Improvement Bonds, Series 1998

Gentlemen:

We are counsel for The City of Charleston (the "Issuer"), in connection with the issuance of the Issuer's \$3,635,000.00 in aggregate principal amount of Civil Center Improvement Bonds, Series 1998 (the "Bonds").

We have reviewed copies of the approving opinion of Goodwin & Goodwin, LLP, as bond counsel, the Bond Purchase Agreement by and between Crews & Associates, Inc. (the "Underwriter") and the Issuer dated September 8, 1998, the Bond Ordinance, the Official Statement dated September 8, 1998, and the Preliminary Official Statement dated August 28, 1998, relating to the Bonds. All capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Purchase Agreement and in the Ordinance.

We are of the opinion that:

1. The Issuer is a duly and validly created and existing municipal corporation with full power and authority to undertake the acquisition, construction, equipping and improvement of the Project, authorize the execution and delivery of the Bond Purchase Agreement and to authorize the issuance of the Bonds.
2. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Underwriter, constitutes the valid and binding agreement of the Issuer in accordance with its terms.
3. The members of the Governing Body are the duly and properly elected or appointed and qualified members and are thereby authorized to act on behalf of the Issuer.
4. The Ordinance has been duly enacted by the Governing Body of the Issuer, is in full force and effect, and no further action of the Issuer is required for its continued validity.
5. The Issuer has duly ratified the distribution of the Preliminary Official Statement, the Official Statement has been duly approved, signed and delivered by the Issuer, and the Issuer has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the public offering of the Bonds.

6. The information and statements contained in the Official Statement or the appendices thereto under the headings "Financing Plan," "The Facility," "Litigation," "Legal Matters," Appendix A and Appendix B are correct and complete in all material and do not omit any material fact which, in our opinion, should be included or referred to therein so as to make the information or statements made therein not misleading.

7. Nothing has come to our attention which would lead us to believe that the Official Statement (except for financial and engineering data included therein, as to which no view is hereby expressed) contains an untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

8. The execution and delivery of the Bonds and the Bond Purchase Agreement, and the consummation of the transactions contemplated by the Bond Purchase Agreement and the Official Statement, and the carrying out of the terms thereof, do not and will not in any material respect conflict with or constitute on the Issuer's part a breach of or default under any agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

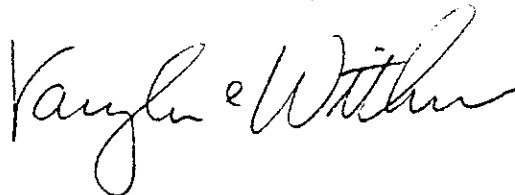
9. The Issuer has received all approvals and authorizations necessary for the issuance of the Bonds, including, without limitation, the enactment of appropriate ordinances of the Governing Body, the consideration of which occurred during regular or duly called special meetings, which were open to the public and held in accordance with all applicable laws, including without limitation, the Open Governmental Proceedings Act, Chapter 6, Article 9A, Section 1 et seq. of the Code of West Virginia of 1931, as amended.

10. To the best of our knowledge after due inquiry, and except as discussed in the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to our knowledge, threatened against or affecting the Issuer (or to our knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bond Purchase Agreement or the Official Statement, or the validity of our security for the Bonds.

All counsel to this transaction may rely upon the foregoing opinion as if specifically addressed to them.

Very truly yours,

VAUGHAN & WITHROW

A handwritten signature in cursive script, appearing to read "Vaughan & Withrow", written in dark ink.

LAW OFFICES
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P. O. BOX 2107
1500 ONE VALLEY SQUARE
CHARLESTON, WEST VIRGINIA 25328-2107
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304/485-2345

P. O. BOX 349
500 CHURCH STREET
RIPLEY, WEST VIRGINIA 25271
304/372-2651

September 22, 1998

REPLY TO:

Crews & Associates, Inc.
124 W. Capitol
2000 Union National Plaza
Little Rock, Arkansas 72201

Re: The City of Charleston, Civic Center Improvement
Bonds, Series 1998

Gentlemen:

We have acted as bond counsel in connection with the issuance and sale by The City of Charleston (the "Issuer") of \$3,635,000.00 aggregate principal amount of Civic Center Improvement Bonds, Series 1998 (the "Bonds"). In our capacity as Bond Counsel, we are delivering an opinion of even date herewith concerning the legality of the Bonds and the exclusion of interest on the Bonds from gross income for federal income tax purposes (the "Bond Opinion"). We have examined the documents and instruments as described in the Bond Opinion, the Official Statement and such other matters as we have deemed necessary or appropriate to render this opinion. Words and terms used in this opinion shall have the meanings assigned to them in the Bond Purchase Agreement (the "Purchase Agreement") dated September 8, 1998, between the Issuer and the Underwriter.

Based upon the foregoing, we are of opinion that:

- (1) The Purchase Agreement has been authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable obligation of the Issuer (except to the extent that enforceability may be limited by bankruptcy, insolvency, or other laws or equitable principles affecting creditors rights generally).
- (2) The Issuer, under the Act, has full power and authority to adopt the Ordinance, enter into the Purchase Agreement and perform its obligations thereunder.
- (3) The Issuer has duly ratified the distribution of the Preliminary Official Statement, the Official Statement has been duly approved, signed and delivered by the Issuer, and the Issuer has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the public offering of the Bonds.
- (4) The statements and information contained in the Official Statement under the captions

GOODWIN & GOODWIN, LLP

or subcaptions "Description of the Bonds," "Additional Security for the Bonds," "Tax Exemption," and the definitions and the summary of the Bond Ordinance in Appendix B to the Official Statement and the form of the opinion of Bond Counsel contained in Appendix E to the Official Statement (except for financial or statistical data therein as to which no opinion is hereby expressed) do not contain any untrue statement of a material fact or omit to state a material fact necessary to make such statements, in light of the circumstances under which they were made, not misleading in any material respect.

(5) The Bond Ordinance and the Bonds conform with the respective summaries of the terms and provisions thereof set forth in the Official Statement.

(6) The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Bond Ordinance is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

Respectfully submitted,



GOODWIN & GOODWIN, LLP

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

No. R-1

\$1,235,000

CITY OF CHARLESTON (WEST VIRGINIA)
CIVIC CENTER IMPROVEMENT BONDS, SERIES 1998

INTEREST RATE	BOND DATE	MATURITY DATE	CUSIP
4.60%	September 1, 1998	September 1, 2010	160519 BE 3

REGISTERED OWNER: THE DEPOSITORY TRUST COMPANY

PRINCIPAL AMOUNT: \$ 1,235,000

FOR VALUE RECEIVED, the CITY OF CHARLESTON, a municipal corporation and political subdivision of the State of West Virginia, in Kanawha County of said State (herein called "Issuer"), hereby promises to pay to the order of The Depository Trust Company, or its registered assigns, at New York, New York, or at such other place as may hereafter be designated in writing, the principal sum of One Million Two Hundred Thirty-five Thousand and 00/100 Dollars (\$1,235,000), plus interest on the unpaid principal balance at the rate of four and 60/100 percent (4.60%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Semiannual installments of principal and interest on March 1 and September 1 of each year, beginning March 1, 1999, except that the final installment shall be paid on the Maturity Date, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

Every payment made on any indebtedness evidenced by this Bonds shall be applied first to interest computed to the effective date of the payment and then to the principal. Payments shall be made at the office of the Municipal Bond Commission, Charleston, West Virginia, and shall be mailed to the registered owner hereof at the address as it appears on the books of the Registrar.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Issuer. Refunds and extra payments according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Issuer to pay the remaining installments as scheduled herein.

If the Registered Owner at any time assigns this Bond and insures the payment thereof, Issuer shall continue to make payments to the Registered Owner as collection agent for the holder.

This Bond, together with any additional Bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction of improvements to the Facility (the "Facility") of the Issuer, is payable solely from the City's receipt or collection of hotel-motel occupancy taxes (as limited by the amount payable by the Issuer under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended) and coal severance taxes dedicated for such purposes. This Bond does not in any manner constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 8, Article 16 of the West Virginia Code (herein called the "Act").

IN WITNESS WHEREOF, the CITY OF CHARLESTON has caused this Bond to be executed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its City Clerk, all as of the date hereinabove written.

(SEAL)

CITY OF CHARLESTON

SPECIMEN

By: [Signature]
Mayor

ATTEST

By: [Signature]

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Bond Ordinance and has been duly registered in the name of the registered owner set forth above.

Dated: September 22, 1998

SPECIMEN

Bank One, West Virginia, N.A.,
as Registrar

By: Mark C. Foster
Client Service Officer

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

DATED: _____

In the presence of:

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

No. R-2

\$1,290,000

CITY OF CHARLESTON (WEST VIRGINIA)
CIVIC CENTER IMPROVEMENT BONDS, SERIES 1998

INTEREST RATE	BOND DATE	MATURITY DATE	CUSIP
5.10%	September 1, 1998	September 1, 2018	160519 BF 0

REGISTERED OWNER: THE DEPOSITORY TRUST COMPANY

PRINCIPAL AMOUNT: \$ 1,290,000

FOR VALUE RECEIVED, the CITY OF CHARLESTON, a municipal corporation and political subdivision of the State of West Virginia, in Kanawha County of said State (herein called "Issuer"), hereby promises to pay to the order of The Depository Trust Company, or its registered assigns, at New York, New York, or at such other place as may hereafter be designated in writing, the principal sum of One Million Two Hundred Ninety Thousand and 00/100 Dollars (\$1,290,000), plus interest on the unpaid principal balance at the rate of five and 10/100 percent (5.10%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Semiannual installments of principal and interest on March 1 and September 1 of each year, beginning March 1, 1999, except that the final installment shall be paid on the Maturity Date, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

Every payment made on any indebtedness evidenced by this Bonds shall be applied first to interest computed to the effective date of the payment and then to the principal. Payments shall be made at the office of the Municipal Bond Commission, Charleston, West Virginia, and shall be mailed to the registered owner hereof at the address as it appears on the books of the Registrar.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Issuer. Refunds and extra payments according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Issuer to pay the remaining installments as scheduled herein.

If the Registered Owner at any time assigns this Bond and insures the payment thereof, Issuer shall continue to make payments to the Registered Owner as collection agent for the holder.

This Bond, together with any additional Bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction of improvements to the Facility (the "Facility") of the Issuer, is payable solely from the City's receipt or collection of hotel-motel occupancy taxes (as limited by the amount payable by the Issuer under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended) and coal severance taxes dedicated for such purposes. This Bond does not in any manner constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 8, Article 16 of the West Virginia Code (herein called the "Act").

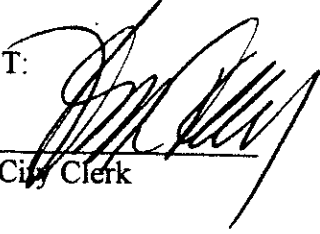
IN WITNESS WHEREOF, the CITY OF CHARLESTON has caused this Bond to be executed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its City Clerk, all as of the date hereinabove written.

(SEAL)

CITY OF CHARLESTON

By: 
Mayor

ATTEST:

By: 
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Bond Ordinance and has been duly registered in the name of the registered owner set forth above.

Dated: September 22, 1998

SPECIMEN

Bank One, West Virginia, N.A.,
as Registrar

By: Michael E. Lank
Client Service Officer

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

DATED: _____

In the presence of:

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

No. R-3

\$1,110,000

CITY OF CHARLESTON (WEST VIRGINIA)
CIVIC CENTER IMPROVEMENT BONDS, SERIES 1998

INTEREST RATE	BOND DATE	MATURITY DATE	CUSIP
5.10%	September 1, 1998	September 1, 2023	160519 BG 8

REGISTERED OWNER: THE DEPOSITORY TRUST COMPANY

PRINCIPAL AMOUNT: \$ 1,110,000

FOR VALUE RECEIVED, the CITY OF CHARLESTON, a municipal corporation and political subdivision of the State of West Virginia, in Kanawha County of said State (herein called "Issuer"), hereby promises to pay to the order of The Depository Trust Company, or its registered assigns, at New York, New York, or at such other place as may hereafter be designated in writing, the principal sum of One Million One Hundred Ten Thousand and 00/100 Dollars (\$1,110,000), plus interest on the unpaid principal balance at the rate of five and 10/100 percent (5.10%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Semiannual installments of principal and interest on March 1 and September 1 of each year, beginning March 1, 1999, except that the final installment shall be paid on the Maturity Date, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

Every payment made on any indebtedness evidenced by this Bonds shall be applied first to interest computed to the effective date of the payment and then to the principal. Payments shall be made at the office of the Municipal Bond Commission, Charleston, West Virginia, and shall be mailed to the registered owner hereof at the address as it appears on the books of the Registrar.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Issuer. Refunds and extra payments according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Issuer to pay the remaining installments as scheduled herein.

If the Registered Owner at any time assigns this Bond and insures the payment thereof, Issuer shall continue to make payments to the Registered Owner as collection agent for the holder.

This Bond, together with any additional Bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction of improvements to the Facility (the "Facility") of the Issuer, is payable solely from the City's receipt or collection of hotel-motel occupancy taxes (as limited by the amount payable by the Issuer under the provisions of Chapter 7, Article 18, Section 14(b) of the Code of West Virginia of 1931, as amended) and coal severance taxes dedicated for such purposes. This Bond does not in any manner constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 8, Article 16 of the West Virginia Code (herein called the "Act").

IN WITNESS WHEREOF, the CITY OF CHARLESTON has caused this Bond to be executed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its City Clerk, all as of the date hereinabove written.

(SEAL)

CITY OF CHARLESTON

By: 
Mayor

ATTEST:

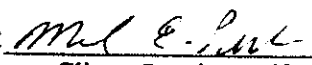
By: 
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Bond Ordinance and has been duly registered in the name of the registered owner set forth above.

Dated: September 22, 1998


Bank One, West Virginia, N.A.,
as Registrar

By: 
Client Service Officer

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

DATED: _____

In the presence of:
