



MANAGER'S REPORT FOR MARCH 30, 2012
GENERAL INFORMATION AND RESPONSES TO MAYOR & COMMISSIONER REQUESTS

Places to be this Week...

Tuesday, April 3, 2012 – The regular meeting of the Village Council will be held at 7 p.m. in the Council Chambers at Village Hall.

Future Calendar Reminders...

Tuesday, April 10, 2012 – The regular meeting of the Village Council will be held at 7 p.m. in the Council Chambers at Village Hall.

Coffee with the Council – A Coffee with the Council will take place on **Saturday, April 21, 2012 at 9 AM** at Oak Trace Senior Living Community, 200 Village Drive.

Standard & Poor's Affirms AA+ Bond Rating – Standard & Poor's indicated today that the Village has retained its bond rating of AA+. S&P completed the bond rating as part of the Village's 2012 bond issuance process. The Village hosted S&P staff members on Thursday, March 21. After answering questions and reviewing the Village's overall financial position, Long Range Financial Plan and Strategic Plan, staff provided a short tour of the Village. S&P officials indicated that the Village received the top possible score on management and noted that the Village's financial planning efforts and budget decisions were major reasons for this score. The rating of AA+ is the second highest rating that can be achieved. The Village was not awarded the highest rating, AAA, due to demographic factors beyond the Village's direct control such as resident income levels and housing values.

Preliminary Official Statement for Bond Issuance – The Village Council will conduct the first reading for the bond issuance on April 10 with final approval scheduled for April 17. The total bond issuance will be \$35 million, of which \$25 million is for streets and \$10 million is for the water system. The bonds will be repaid will existing revenues (property tax and home rule sales tax for the streets and water fees for the water-related expenses). The preliminary statement for the bond issuance is attached.

Stormwater Utility Questions and Answers Posted on Village Website – Staff has answered the questions asked by the Village Council and the President of the Chamber of Commerce regarding the proposed Stormwater Utility. The answers are available on the Village website by clicking on the Stormwater Utility page.

Tree Preservation at 75th and Webster – Based on comments submitted by the owner of the property at the northeast corner of 75th and Webster who recently addressed the Village Council and staff members, the County revised the plans for the widening of 75th Street. The widening will start west of Webster instead of the originally planned Lyman. This change results in the preservation of the trees adjacent to the property at the northeast corner of 75th and Webster. This change was prompted by the Village facilitating a meeting with the resident at this address and the County.

Letter to Puffer School Students – Attached is a copy of the response to the Puffer School students who wrote letters to the Council regarding the topic of business recycling.

ATTACHMENTS

Preliminary Official Statement for Bond Issuance
Response to Puffer School Students

New Issue – Global Book Entry

Ratings: Standard & Poor's:

Subject to compliance by the Village with certain covenants, in the opinion of Bond Counsel, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion.

\$35,000,000*
Village of Downers Grove
DuPage County, Illinois
General Obligation Bonds, Series 2012

Dated: Date of Delivery

Due: January 1 as shown on inside of front cover

The Bonds will be issued as fully registered bonds and will initially be registered in the name of Cede & Co., the nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as the securities depository for the Bonds. Purchases will be made in book-entry form through DTC participants only in denominations of \$5,000 and any authorized integral multiple thereof and no physical delivery of bonds will be made to purchasers of beneficial interests (the "Beneficial Owners") in the Bonds. Interest on the Bonds will be payable on January 1 and July 1, commencing January 1, 2013. So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, principal of, if any and interest on the Bonds will be paid by the Village Treasurer as paying agent for the Bonds, to DTC, which in turn will remit such payments to DTC participants for subsequent distribution to the Beneficial Owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Bonds are subject to redemption prior to maturity as described herein. See "DESCRIPTION OF THE BONDS".

The Bonds are direct and general obligations of the Village of Downers Grove, DuPage County, Illinois (the "Village"), for which its full faith and credit have been irrevocably pledged and are payable from ad valorem taxes to be levied on all taxable property in the Village, without limitation as to rate or amount.

The Bonds are offered when, as, and if issued by the Village, subject to the delivery of the legal opinion of Ice Miller LLP, Chicago, Illinois, Bond Counsel. A copy of the proposed legal opinion of the Bond Counsel relating to the Bonds is set forth in Appendix C of this Official Statement. It is expected that the Bonds will be available for delivery to The Depository Trust Company in New York, New York on or about May 3, 2012.

Northern Trust Securities, Inc.
Financial Advisor

**subject to change*

MATURITY SCHEDULE

\$35,000,000*

**Village of Downers Grove
DuPage County, Illinois
General Obligation Bonds, Series 2012**

Maturity January 1	Amount*	Rate	Price or Yield	Maturity January 1	Amount*	Rate	Price or Yield
2013	\$2,755,000	%	%	2026	\$1,280,000	%	%
2014	2,465,000	%	%	2027	1,315,000	%	%
2015	2,475,000	%	%	2028	1,345,000	%	%
2016	1,085,000	%	%	2029	1,385,000	%	%
2017	1,095,000	%	%	2030	1,425,000	%	%
2018	1,100,000	%	%	2031	1,465,000	%	%
2019	1,115,000	%	%	2032	1,515,000	%	%
2020	1,135,000	%	%	2033	925,000	%	%
2021	1,150,000	%	%	2034	955,000	%	%
2022	1,170,000	%	%	2035	990,000	%	%
2023	1,195,000	%	%	2036	1,025,000	%	%
2024	1,225,000	%	%	2037	1,060,000	%	%
2025	1,250,000	%	%	2038	1,100,000	%	%

**subject to change.*

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the Village from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed final as of the date hereof (or of any such supplement or correction) by the Village.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the Village, shall constitute a “Final Official Statement” of the Village with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

No dealer, broker, salesman, or other person has been authorized by the Village to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement and, if given or made, such other information or representations must be relied upon as having been authorized by the Village. Certain information contained in the Official Statement may have been obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to accuracy or completeness. **THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE DATE THEREOF.**

Reference herein to laws, rules, regulations, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement they will be furnished on request.

Village of Downers Grove

DuPage County, Illinois

Mayor

Martin T. Tully

Commissioners

Robert Barnett

Sean Patrick Durkin

Geoff Neustadt

Becky Rheintgen

Marilyn Schnell

William Waldack

Village Manager

David Fieldman

Village Treasurer/Finance Director

Judy Buttny

Village Clerk

April Holden

Bond Counsel

Ice Miller, LLP
Chicago, Illinois

Financial Advisor

The Northern Trust Company
Chicago, Illinois

Village of Downers Grove, Illinois
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OFFICIAL NOTICE OF SALE

Village of Downers Grove DuPage County, Illinois

\$35,000,000*

General Obligation Bonds, Series 2012

* subject to change

PUBLIC NOTICE IS HEREBY GIVEN that the Village of Downers Grove, Illinois (the "Village") will receive competitive bids for the purchase of the Village's General Obligation Bonds, Series 2012 via BiDCOMP/PARITY's electronic service in the manner described below on:

April 17, 2012 at

The Bonds:

TBD A.M. Central Time

Bids must be submitted electronically via BiDCOMP/PARITY in accordance with this Official Notice of Sale. For further information about BiDCOMP/PARITY, potential bidders may contact BiDCOMP/PARITY at 212-404-8102. Hard copy bids will not be accepted.

No other method of submitting bids will be accepted. The use of BiDCOMP/PARITY shall be at the bidder's risk and expense, and neither the Village, its Financial Advisor nor Bond Counsel shall have any liability with respect thereto. Electronic bids via BiDCOMP/PARITY must be submitted in accordance with BidCOMP/PARITY's Rules of Participation, as well as the provisions of this Official Notice of Sale. To the extent that provisions of this Official Notice of Sale conflict with BiDCOMP/PARITY's Rules of Participation or any instruction or directions set forth by BidCOMP/PARITY, the provisions of this Official Notice of Sale shall control.

No bid will be received after the time for receiving bids specified above. The date and time of the sale may be changed at the discretion of the Village, and the Village also reserves the right to make other changes to the provisions of this Official Notice prior to the date and time of the sale; any such changes may be posted through BiDCOMP/PARITY. Prospective bidders are advised to check for such BiDCOMP/PARITY postings prior to the stated sale time. Bids must be submitted via BiDCOMP/PARITY by the date and hour specified above (or other date and time specified through BiDCOMP/PARITY) as specified in "BIDDING CONDITIONS" below.

DESCRIPTION OF BONDS

General

The Bonds are dated as the same date as the date of delivery and mature on January 1 of the years listed on the inside cover page of the Official Statement. Interest on the Bonds is payable on January 1 and July 1, commencing on January 1, 2013. Each Bond will bear interest from the later of its dated date or most recent interest payment date to which interest has not been paid or for which interest has been fully provided.

The Bonds are issuable only in fully registered form. The Depository Trust Company, New York, New York (“DTC”), will act as securities depository of the Bonds and its nominee, Cede & Co., will be registered owner of the Bonds. Individual purchases of the Bonds must be in the principal amount of \$5,000 or any integral multiple thereof, and will be recorded on a book-entry system operated by DTC. (Principal of and interest on the Bonds are also payable to DTC, who will remit such principal and interest to DTC's Participants for payment to the Beneficial Owners of the Bonds.)

INFORMATION AVAILABLE FROM PRELIMINARY OFFICIAL STATEMENT:

This Official Notice of Sale is not to be treated as a complete disclosure of all relevant information with respect to the Bonds. The information set forth herein is subject to the more complete information as to the Bonds and the Village set forth in a Preliminary Official Statement (the “Preliminary Official Statement”), and reference is made to the Preliminary Official Statement for information as to the authorization and purpose of the Bonds; security for the Bonds; the book-entry system, transfer, exchange and place of payment of the Bonds; and other information relating to the Bonds and the Village.

Optional Redemption

The Bonds maturing on January 1, 2023 and thereafter are subject to redemption prior to maturity at the option of the Village in whole or in part in such principal amounts and from such maturities as the Village shall select and by lot within a single maturity in integral multiples of \$5,000 on January 1, 2022 and on any date thereafter at the redemption price of par plus accrued interest to date fixed for redemption.

BIDDING CONDITIONS

No Bid From the Financial Advisor

Northern Trust Securities, Inc. shall not be permitted to bid, either alone or as a member of a syndicate, to purchase the Bonds. As the Financial Advisor to the Village, Northern Trust Securities, Inc. will be paid a fee when the Bonds are actually sold and delivered, which fee is contingent upon such sale and delivery.

Type of Bids and Interest Rates

Bidders are invited to submit bids for the purchase of the Bonds fixing the interest rate or rates that the Bonds will bear. Interest rates bid shall be in multiples of 1/8 or 1/100 of one percent, or both. No more than one rate of interest may be fixed for any one maturity. Bids providing a zero or supplemental interest rates will not be considered. The interest rates bid for maturities shall be in non-descending order.

The Bonds will be sold, all or none, at a price of not less than 98.0% and not greater than 110.0% of par value plus accrued interest from date of the Bonds to date of delivery. Bidders are requested to specify the rate or rates of interest that the Bonds will bear.

Please see Bid Form for pricing parameters. At the Bidder's option, maturities after January 1, 2022 can be combined as term bonds (no more than two term bonds). Mandatory sinking fund payments for such term bonds would be the same as the maturities shown on the Bid Form.

Adjustment of Principal Amounts Before Bid Opening

Bidders are advised that the Village may increase or decrease the total principal amount of either or both series of the Bonds and/or the amounts of individual maturities stated in this Official Notice of Bond Sale prior to the bidding. If such changes are made, they will be reflected in the Official Bid Forms to be made available through BiDCOMP/PARITY.

Bidding Process

By submitting an electronic bid for any or all series of the Bonds, each bidder thereby agrees to the following terms and conditions:

(i) If any provision in this Official Notice of Bond Sale conflicts with information or terms provided to or required of the bidder by BiDCOMP/PARITY, this Official Notice of Sale and the applicable Official Bid Form shall control. Information provided by BiDCOMP/PARITY to bidders shall form no part of any bid or of any contract between the successful bidder and the Village unless that information is included in this Official Notice of Sale or in the applicable Official Bid Form to be made available by the Village.

(ii) The bidder is solely responsible for making necessary arrangements to access BiDCOMP/PARITY for purposes of submitting a timely bid that is in compliance with the requirements of this Official Notice of Sale and with the applicable Official Bid Form.

(iii) The Village shall have no duty or obligation to provide or assure access to BiDCOMP/PARITY, and shall not be responsible for the proper operation of BiDCOMP/PARITY or have any liability for any delays or interruptions of, or any damages caused by, use or attempted use of BiDCOMP/PARITY.

(iv) BiDCOMP/PARITY is not the Village's agent, but rather is the bidder's agent in submitting its bid to the Village.

(v) The Village will regard the electronic transmission of each bid it receives through BiDCOMP/PARITY (including information regarding the purchase price of the Bonds and interest rates for any maturity of the Bonds) as being submitted on the Official Bid Form to be made available by the Village and executed on behalf of the named bidder by a duly authorized signatory.

(vi) If an electronic bid for the Bonds is accepted by the Village, this Official Notice of Sale, the applicable Official Bid Form to be made available by the Village and the information regarding the purchase price of each series of the Bonds, any Term Bonds specified, and the interest rates for each maturity of each series of the Bonds that is submitted electronically to the Village through BiDCOMP/PARITY shall form a contract between the bidder and the Village, and the bidder shall be bound by the terms of such contract whether or not such bidder in fact attempted or intended to submit a bid on those terms.

Good Faith Deposit

Each bid shall be accompanied by a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company. The Good Faith Deposit requirement for the Bonds is **\$350,000**.

The Deposit of the successful bidder will be retained by the Village pending delivery of the Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied

on the purchase price upon delivery of the Bonds. No interest will accrue on the Good Faith Deposit.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

[Village Will Provide Wiring Instructions]

In addition, an email must be sent to the Financial Advisor at cts3@ntrs.com. The email must contain: (i) federal reference number, time and date for the wire; (2) return wire instructions.

Award

The Bonds will be sold to the bidder making a bid conforming to the terms of the offering and which, on the basis of the Village's determination of the lowest true interest cost, is the best bid. The true interest cost to the Village will be the rate that, when used to discount to the date of the applicable series of the Bonds all future payments of principal and interest (using semiannual compounding and a 30/360 day basis), produces an amount equal to the bid amount, without regard to the interest accrued to the date of delivery of such series of the Bonds. The true interest cost calculations for any bids received will be performed by the Village's Financial Advisor, and the Village will base its determination of the best bid for the Bonds solely on such calculations. If there are two or more equal bids for the Bonds and those bids are the best bids received, the Village Manager will determine by lot which bid will be presented to the Village Council.

The Village reserves the right to reject any or all bids submitted and to waive any formality or irregularity in any bid or the bidding process. If all bids of the Bonds are rejected, then such series of the Bonds may be sold in the manner provided by law. Any bid presented after the time specified for the receipt of bids will not be accepted, and any bid not backed by the required good faith deposit will not be considered by the Village Council. The successful bid for each series of the Bonds shall remain in effect until 5:00 p.m., Central Time, on the day of such bid opening.

Issue Price Certificate

To provide the Village with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986 relating to the exclusion of interest on the Bonds from gross income for Federal income tax purposes, the successful bidder will be required to complete, execute and deliver to the Village a certification regarding "issue price." Each bidder, by submitting its bids, agrees to complete, execute, and deliver such a certificate if its bid is accepted by the Village. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

DELIVERY OF BONDS

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser to accept delivery of any pay for the Bonds in accordance with the terms of this Official Notice of Sale and the terms of the Official Bid Form. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the Village; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the Purchaser.

Delivery of Bonds

Delivery of the Bonds will be made through the facilities of DTC, and is expected to take place on or about May 3, 2012. Payment for the Bonds must be made in immediately available funds for unconditional credit to the Village, or as otherwise directed by the Village. The Purchaser will be given five (5) business days notice of the date fixed for delivery of the Bonds. If for any reason the Village is unable to make delivery on or before May 3, 2012 then the Village shall immediately contact the Purchaser and allow the Purchaser to extend his offer for an additional thirty days. If the Purchaser does not elect to extend his offer within six days thereafter, then the Good Faith Deposit will be returned, and both the Village and the Purchaser shall be relieved of any further obligation.

Tax Exemption

The delivery of the Bonds are subject to an opinion of Ice Miller LLP, Chicago, Illinois, Bond Counsel, to the effect that interest on the Bonds is excludable from gross income for Federal income tax purposes under existing law and not treated as an item of tax preference for purposes of the alternative minimum tax bonds. See "TAX EXEMPTION" in the Official Statement for a complete description of Bond Counsel's opinion.

No Litigation Certificate

The Village will furnish, without cost to the Purchaser, a Certificate signed by the Mayor and Village Clerk of the Village which will recite, among other things, that, except as disclosed in the Official Statement, no litigation of any nature has been filed or is now pending to restrain or enjoy the issuance or delivery of the Bonds or which would affect the provision made for their payment or security, or in any other manner questioning the proceedings or authority concerning the issuance of the Bonds, and that so far as is known and believed, no such litigation is threatened.

Certification as to Official Statement

At the time of payment for and delivery of the Bonds, the Village will furnish the Purchaser a certificate signed by the Mayor of the Village, to the effect that the Official Statement does not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein in the light of the circumstances under which they were made, not misleading.

GENERAL

Paying Agent and Registrar

The Village Treasurer will be the paying agent and bond registrar. The Village reserves the right to appoint a replacement paying agent and registrar in the future.

Not an Offer to Sell

This Official Notice of Sale does not alone constitute an offer to sell the Bonds. This Official Notice of Sale, the Official Bid Form and the Official Statement collectively constitute the offer to sell the Bonds. Prospective purchasers are urged to carefully examine the Official Statement and to make other investigations they deem necessary to determine the investment quality of the Bonds.

Continuing Disclosure

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of the Rule. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

Official Statement

The accompanying Official Statement is in a form deemed final as of its date within the meaning of SEC Rule 15c2-12(b)(1). The Purchaser is responsible for informing Northern Trust Securities, Inc., Financial Advisors to the Village, of the initial offering yields on the Bonds on the next business day after award of the Bonds is made. The Village will prepare a Supplement to the Official Statement describing these offering yields, the interest rates on the Bonds and other terms relating to the initial reoffering of the Bonds. The Village will furnish to the Purchaser within seven (7) business days from the sale of the Bonds to the Purchaser, up to 100 copies of the Official Statement together with a like number of the Supplement at no cost to the Purchaser. The Purchaser shall be responsible for the printing costs of copies of the Official Statement and Supplement in excess of 100 and the cost of a reprinted Official Statement with the information contained in the above-mentioned Supplement incorporated therein, if requested by the Purchaser. Except as noted above, the Village assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the Bonds.

BID FORM

Village of Downers Grove, DuPage County, Illinois

RE: \$35,000,000* General Obligation Bonds, Series 2012

DATED: May 3, 2012

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System as stated in this Preliminary Official Statement, we will pay you \$_____ (not less than \$_____ nor more than \$_____) for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

Maturity	Principal Amount*	Coupon	Reoffering Price	Maximum Price
1/1/2013	\$2,755,000	_____ %	_____ %	110.00%
1/1/2014	2,465,000	_____ %	_____ %	110.00%
1/1/2015	2,475,000	_____ %	_____ %	110.00%
1/1/2016	1,085,000	_____ %	_____ %	110.00%
1/1/2017	1,095,000	_____ %	_____ %	110.00%
1/1/2018	1,100,000	_____ %	_____ %	110.00%
1/1/2019	1,115,000	_____ %	_____ %	110.00%
1/1/2020	1,135,000	_____ %	_____ %	110.00%
1/1/2021	1,150,000	_____ %	_____ %	110.00%
1/1/2022	1,170,000	_____ %	_____ %	110.00%
1/1/2023	1,195,000	_____ %	_____ %	110.00%
1/1/2024	1,225,000	_____ %	_____ %	110.00%
1/1/2025	1,250,000	_____ %	_____ %	110.00%
1/1/2026	1,280,000	_____ %	_____ %	110.00%
1/1/2027	1,315,000	_____ %	_____ %	110.00%
1/1/2028	1,345,000	_____ %	_____ %	110.00%
1/1/2029	1,385,000	_____ %	_____ %	110.00%
1/1/2030	1,425,000	_____ %	_____ %	110.00%
1/1/2031	1,465,000	_____ %	_____ %	110.00%
1/1/2032	1,515,000	_____ %	_____ %	110.00%
1/1/2033	925,000	_____ %	_____ %	110.00%
1/1/2034	955,000	_____ %	_____ %	110.00%
1/1/2035	990,000	_____ %	_____ %	110.00%
1/1/2036	1,025,000	_____ %	_____ %	110.00%
1/1/2037	1,060,000	_____ %	_____ %	110.00%
1/1/2038	1,100,000	_____ %	_____ %	110.00%

*The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

We have received and reviewed the Preliminary Official Statement and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the Village with the reoffering price of the Bonds within 24 hours of the bid acceptance.

Account Manager: _____ By: _____

Account Members:

Award will be on a net true interest cost basis as described herein. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from May 3, 2012 of the above bid is \$_____ and the net true interest cost (NTIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Village Council of the Village of Downers Grove, DuPage County, Illinois on May 3, 2012.

By: _____ By: _____

Title: _____ Title: _____

OFFICIAL STATEMENT

Village of Downers Grove
DuPage County, Illinois
\$35,000,000*
General Obligation Bonds, Series 2012

* subject to change

INTRODUCTION

The purpose of this Official Statement, including the cover page and the appendices hereto, is to set forth certain information in conjunction with the sale of \$35,000,000 General Obligation Bonds, Series 2012 (the “Bonds”) of the Village of Downers Grove, DuPage County, Illinois (the “Village”). The Bonds are authorized and issued pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and by virtue of an ordinance adopted by the Council of the Village on April 17, 2012 (the “Bond Ordinance”). Factors that may affect an investment decision concerning the Bonds are described throughout this Official Statement. Persons considering a purchase of the Bonds should read this Official Statement in its entirety.

DESCRIPTION OF BONDS

The Bonds are dated as of the delivery date and mature on January 1 of the years listed on the inside front cover page of the Official Statement. Interest on the Bonds is payable on January 1 and July 1, commencing on January 1, 2013. Each Bond will bear interest from the later of its dated date or most recent interest payment date to which interest has not been paid or for which interest has been fully provided.

The Bonds are issuable only in fully registered form. The Depository Trust Company, New York, New York (“DTC”), will act as securities depository of the Bonds and its nominee, Cede & Co., will be registered owner of the Bonds. Individual purchases of the Bonds must be in the principal amount of \$5,000 or any integral multiple thereof, and will be recorded on a book-entry system operated by DTC. (Principal of and interest on the Bonds are also payable to DTC, who will remit such principal and interest to DTC's Participants for payment to the Beneficial Owners of the Bonds.)

Purpose

The purpose of the Bonds are as follows:

- (i) to finance the reconstruction of roadways and water main replacements in the Knottingham Subdivision, Concorde Square Unit 2 Subdivision, Valley View Estates Subdivision, Clyde Estates Subdivision, Esterbrook Subdivision, Oak Grove Unit III, Brooke and Centre, Barneswood Area at Lacey Creek and other various neighborhoods;
- (ii) to pay cost of issuance associated with the transaction.

Security

The Bonds are general obligations of the Village. Ad valorem taxes unlimited as to rate or amount will be levied upon all taxable property in the Village for payment of the interest on

the Bonds and the principal thereof when due. The full faith and credit of the Village are irrevocably pledged for the prompt payment of the principal of and the interest on the Bonds.

Sources and Uses

The following table set forth the sources and uses of the proceeds of the Bonds:

Sources:

Principal Amount of Bonds	
Reoffering Premium	
Total	<hr/> <hr/>

Uses:

Deposit to Project Construction Fund	
Cost of Issuance and Underwriter's Discount	
Total	<hr/> <hr/>

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the 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. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other bond transactions in deposited bonds, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of bond certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. bond brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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. Beneficial Owners are, however, expected to receive written confirmations 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 interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 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 Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any 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 Direct and Indirect 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. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue 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. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village 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).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Village or the Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants

to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with bonds 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 Registrar, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Registrar, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records to the Registrar. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Registrar's DTC account.

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

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

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

Transfer of Bonds

So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, beneficial ownership interests in the Bonds may only be transferred through a DTC Participant or Indirect Participant and recorded on the book-entry-only system operated by DTC.

Optional Redemption

The Bonds maturing December 1, 2023 and thereafter are subject to redemption prior to maturity at the option of the Village in whole or in part in such principal amounts and from such maturities as the Village shall select and by lot within a single maturity in integral multiples of \$5,000 on December 1, 2022 and on any date thereafter at the redemption price of par plus accrued interest to date fixed for redemption.

General Provisions of the Bonds When Not in Book-Entry

The Village may, at any time in its sole discretion, determine that the Depository is incapable of discharging its responsibilities or that it is in the best interest of the Village or the Holders of the Bonds that such Bonds no longer be registered in the name of the Depository or its nominee but that the Beneficial Owners of the Bonds should be able instead to obtain

certificates for the Bonds. The Village and the Bond Registrar shall then deliver certificates for the Bonds as described in the Ordinance. If certificates of the Bonds are issued, the provisions of the Ordinance will apply to, among other things, the transfer and exchange of Bond certificates and the method of payment of principal and interest on the Bonds, as described in the following paragraphs.

During the period in which the Bonds are not registered in the name of the Depository or its nominee, the principal of the Bonds shall be payable at the principal office of the Paying Agent for the Bonds. Interest on the Bonds payable on any interest payment date shall be payable by check or draft mailed by the Paying Agent to the registered owners of the Bonds at their addresses as shown on the registration books of the Village maintained by the Bond Registrar. The interest payable on the Bonds on each interest payment date will be paid to the persons in whose names the Bonds are registered at the close of business on the 15th day of the calendar month next preceding that interest payment date.

The Bonds may be transferred or exchanged for the same total principal amount of Bonds of other authorized denominations upon surrender at the principal office of the Bond Registrar, together with an assignment executed by the Holder or by the Holder's duly authorized agent. Payment of any tax, fee or other governmental charge arising from any transfer or exchange of Bonds may be required to be paid by the Holder as a condition for exercising the privilege. The Bond Registrar will not be required, however, to transfer any Bond which has been called for redemption, after the selection by the Bond Registrar of such Bonds for redemption. The provisions of the Illinois Bond Replacement Act shall govern the replacement of lost, destroyed or defaced Bonds.

TAX EXEMPTION

Tax Exemption. Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Village has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds (i) is excludable from the gross income of the owners thereof for federal income tax purposes, and (ii) is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the Village with respect to certain material facts within the Village's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the alternative minimum tax, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "*Issue Price*") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Bonds (the "*OID Bonds*") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Village complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but owners of OID Bonds should consult their own tax advisors as to whether original issue discount is taken into account in computing adjusted current earnings, which is used in determining the alternative minimum tax for certain corporations under the Code; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price, or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount (the "*Revised Issue Price*"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised

Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "*Service*") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the Village as a taxpayer and the Obligation holders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Bonds is not exempt from present State of Illinois income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

LEGAL MATTERS

Legal matters incidental to the authorization and issuance of the Bonds by the Village are subject to the approval of Ice Miller LLP, Chicago, Illinois, Bond Counsel, whose approving opinion will be delivered with the Bonds.

PENDING LITIGATION

No litigation is now pending or threatened against the Village affecting the issuance or delivery of the Bonds, or in any way contesting the validity or enforceability of the Bonds. A “no litigation” certificate of the Village will be included with the customary closing papers when the Bonds are delivered.

THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Village and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Village.

Financial Information Disclosure

The Village covenants that it will disseminate its Audited Financial Statements, if any (as described below) electronically through the Electronic Municipal Market Access ("EMMA") system established by the Municipal Securities Rule Making Board (the "MSRB") in accordance with the rules and procedures established by the MSRB, as hereinafter provided. The Village is required to deliver such information so that the information is received by the dates specified in the Undertaking.

Audited Financial Statements. To the MSRB electronically through the EMMA system, when and if available, the audited financial statements of the Village for each twelve (12) month period, beginning with the twelve (12) month period ending April 30, 2012, together with the opinion of such independent certified public accountants engaged by the Village and all notes thereto, within sixty (60) days of receipt from said accountants.

The information to be contained in the Annual Report will consist of the annual audited financial statements of the Village and updated information with respect to the statements in the Official Statement as follows:

1. All of the tables under the heading PROPERTY TAX INFORMATION within this Official Statement;
2. All of the tables under the heading DEBT INFORMATION within this Official Statement.

Disclosure

The Village shall disclose the following events, in a timely manner within 10 business days of the occurrence of any of the following events, if material (which determination of

materiality shall be made by the Village in accordance with the standards established by federal securities laws), electronically to the MSRB through the EMMA system:

- non-payment related defaults;
- modifications to rights of Bondholders;
- bond calls;
- release, substitution or sale of property securing repayment of the Bonds;
- the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing; and
- appointment of a successor or additional trustee or the change of name of a trustee.

The Village shall disclose the following events, in a timely manner within 10 business days of the occurrence of any of the following events, regardless of materiality, electronically to the MSRB through the EMMA system:

- principal and interest payment delinquencies;
- unscheduled draws on debt service reserves reflecting financial difficulties;
- unscheduled draws on credit enhancements reflecting financial difficulties;
- substitution of credit or liquidity providers, or their failure to perform;
- defeasances;
- rating changes;
- adverse tax opinions or other material events affecting the tax exempt status of the Bonds; the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the securities;
- tender offers; and
- bankruptcy, insolvency, receivership or similar event of the obligated person.

Consequences of Failure of the Village to Provide Information

The Village shall give notice in a timely manner to the MSRB through the EMMA system, of any failure to provide disclosure of Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the Village to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek specific performance by court order, to cause the Village to comply with its obligations under the Undertaking. A default under the Undertaking

shall not be deemed a default under the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the Village to comply with the Undertaking shall be an action to compel performance.

Amendment; Modification

Notwithstanding any other provision of the Undertaking, the Village may amend or modify the Undertaking, if either:

(a) (i) The amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Village, or type of business conducted;

(ii) The Undertaking, as amended or modified, would have complied with the requirements of the SEC Rule on the date hereof, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and

(iii) The amendment or modification does not materially impair the interests of the beneficial owners of the Bonds, as determined by any person selected by the Village that is unaffiliated with the Village or Bond Counsel; or

(b) such amendment or modification (including an amendment or modification which rescinds this Agreement) is permitted by the SEC Rule, as then in effect.

Termination of Undertaking

The Undertaking shall be terminated if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance.

Additional Information

Nothing in the Undertaking shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Audited Financial Statements or notice of occurrence of a material Event, in addition to that which is required by the Undertaking. If the Village chooses to include any information from any document or notice of occurrence of a material Event in addition to that which is specifically required by the Undertaking, the Village shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a material Event.

Dissemination Agent

The Village may, at its sole discretion, utilize an agent (the "Dissemination Agent") in connection with the dissemination of any information required to be provided by the Village pursuant to the terms of the SEC Rule and this Agreement. Further, the Village may, at its sole discretion, retain counsel or others with expertise in securities matters for the purpose of assisting the Village in making judgments with respect to the scope of its obligations.

RATINGS

Ratings by Standard & Poor's Ratings Group have been requested for the Bonds. Any explanation of the significance of each rating may be obtained only from said rating service. Certain information and materials concerning the Bonds, the Village, and overlapping agencies and entities were furnished to each rating service by the Village and others. There is no assurance that such rating will be maintained for any given period of time or that the rating will not be raised, lowered or withdrawn entirely by the rating service issuing such rating, if in its judgment circumstances so warrant. Any change in or withdrawal of such rating may have an effect on the price at which the Bonds may be resold.

FINANCIAL ADVISOR

Northern Trust Securities, Inc., Chicago, Illinois (the "Financial Advisor"), has been retained by the Village to provide certain financial advisory services to the Village. The Financial Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Financial Advisor obligated by the Village's continuing disclosure undertaking. The Financial Advisor's fees are expected to be paid from Bond proceeds.

UNDERWRITING

The underwriter, _____ has agreed to purchase the Bonds from the Village for an aggregate price of \$_____ reflecting an underwriting spread of \$_____ and an original issue premium of \$_____. The reoffering price to the public is \$_____.

AUTHORIZATION AND CERTIFICATION

The Village has authorized the issuance of this Official Statement.

At the time of payment for the delivery of the Bonds, the Village will furnish a certificate, executed by authorized officers of the Village, acting in their official capacity, to the effect that to the best of their knowledge and belief this Official Statement does not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein in the light of the circumstances under which they were made, not misleading.

This Official Statement has been duly approved, executed and delivered by the following Officer on behalf of the Village.

/s/ _____
Mayor
Village of Downers Grove
Downers Grove, Illinois

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OFFICE OF THE MAYOR
MARTIN T. TULLY

March 30, 2012

Earth Club
Henry Puffer School
2220 Haddow Ave.
Downers Grove, IL 60515

Dear Earth Club Members:

On behalf of the entire Village of Downers Grove Council, I would like to thank you for the letters you wrote to the Village Council regarding the topic of recycling. Moreover, I commend you for your willingness to participate in the Village's governing process. Your teachers and parents should be proud of the exceptional, civic-minded students at Puffer School.

One of the Village's goals is to be a Steward of Financial and Environmental Sustainability. While we do not foresee passing a mandatory recycling program for businesses, the Village does want to encourage businesses to voluntarily recycle. We support commercial recycling by requiring all garbage haulers that operate in Downers Grove to have a recycling service available to their customers. This is similar to the program for residential recycling, which is not mandatory for residents but is available should they choose to recycle.

Additionally, I would like to tell you about the exciting new program that the Village's Environmental Concerns Commission is considering: the Green Business Recognition Program. This program, if approved, will give special attention to businesses that voluntarily implement 'green' practices, such as recycling, conserving water or saving energy in their buildings. I sincerely hope that this will encourage more businesses to recycle, for all of the reasons that you mentioned in your letters. Please visit our website at www.downers.us in the coming months to learn more about this program and to learn how you can support the businesses that choose to participate.

Again, thank you for your letters.

Sincerely,

A handwritten signature in black ink that reads "Martin T. Tully".

Martin T. Tully
Mayor

VILLAGE OF DOWNERS GROVE