

**ORDINANCE OF THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENTAL LEASE AGREEMENT BETWEEN THE LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD AS THE LESSOR AND THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AS THE LESSEE IN CONNECTION WITH THE ISSUANCE OF THE LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD GENERAL AIRPORT REVENUE OBLIGATION, 2018 SERIES A (CREDIT NOTE) (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION), EVIDENCING A LINE OF CREDIT AGREEMENT BY AND BETWEEN THE LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD AND BRANCH BANKING AND TRUST COMPANY, IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000, FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR CERTAIN AIRPORT FACILITIES AT THE BLUE GRASS AIRPORT IN FAYETTE COUNTY, KENTUCKY.**

**WHEREAS**, the Lexington-Fayette Urban County Airport Board (the "Board") seeks to provide interim financing for (a) construction of a new approximately 54,000 square foot maintenance facility, which will include a maintenance garage, offices, a warehouse, and storage for snow removal and field maintenance equipment; (b) movement of approximately 500,000 cubic yards of fill material to allow construction of Taxiway D and a new Aircraft Rescue and Firefighting Facility; (c) construction of the new approximately 27,000 square foot Aircraft Rescue and Firefighting Facility, which will include offices, housing for officers, training rooms, and storage of public safety vehicles; (d) realignment of Taxiway A and the construction of Taxiway C; (e) realignment of the northernmost section of Taxiway A; (f) demolition of old Aircraft Rescue and Fire Fighting facility; (g) demolition of a general aviation hangar; (h) runway rehabilitation and safety modifications projects, which will include in-depth pavement testing, a runway safety area determination, initial safety coordination, preliminary design and development; (i) acquisition of equipment including but not limited to aircraft rescue and firefighting equipment, and (j) the acquisition, equipping, furnishing and installation of other capital expenditures (collectively, the "2018 Project"), at the Blue Grass Airport, Lexington, Kentucky (the "Airport"); and

**WHEREAS**, the Board has determined to provide such interim financing for such 2018 Project by extending the Line of Credit Agreement dated as of June 25, 2014 previously entered into between the Board and Branch Banking and Trust Company (the "2014 Agreement") by entering into an Amendment and Extension dated September 1, 2018 (the "Amendment") to the 2014 Agreement (collectively the 2014 Agreement and the Amendment are referred to as the "2018 Credit Facility"), in order to obtain a line of credit in a maximum aggregate principal amount not to exceed \$15,000,000; and

**WHEREAS**, the 2018 Credit Facility will be secured by the Eighth Supplement, amending and supplementing the Trust Indenture and shall constitute an Obligation, in the form of an Additional Obligation Instrument, thereunder (as such terms are defined therein); and

**WHEREAS**, in connection with the anticipated execution and delivery of the 2018 Credit Facility, it is necessary that all actions of the Board and all documents necessary to be executed and delivered by the Board be specifically approved by the Urban County Council of the Lexington-Fayette Urban County Government; and

**WHEREAS**, the documents identified herein have been prepared and tendered to the Board and this Urban County Council.

**NOW, THEREFORE, BE IT ORDAINED BY THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AS FOLLOWS:**

## **SECTION 1. Definitions.**

All words and terms defined in the Trust Indenture, as amended by the Eighth Supplement, and the Lease, and all interpretations therein provided shall have the same meanings, respectively, and be subject to the same interpretations as therein provided where used in this Ordinance, unless the context or use clearly indicates another or different meaning or intent. The terms "hereof," "hereby," "hereto," "herein," and "hereunder," and similar terms, mean this Ordinance. In addition, the following terms used herein shall have the meanings set forth below:

“Advances” shall mean advances of funds under the Loan, as further described in the 2018 Credit Facility.

“Credit Support Instrument” shall mean Credit Support Instrument as defined in the Trust Indenture.

“Credit Support Provider” means Branch Banking and Trust Company.

“Lease” means the Lease Agreement, dated as of November 1, 2008, by and between the Board, as lessor, and the Lexington-Fayette Urban County Government, as lessee, as the same may be duly amended, modified or supplemented in accordance with its terms, including the First Supplemental Lease, dated as of November 1, 2009, the Second Supplemental Lease, dated as of November 1, 2012, the Third Supplemental Lease, dated as of March 1, 2013, the Fourth Supplemental Lease, dated as of June 1, 2014, the Fifth Supplemental Lease Agreement, dated as of October 1, 2016, and the Sixth Supplemental Lease, dated as of September 1, 2018 each by and between the Issuer and the Urban County Government.

“Eighth Supplement” means the Eighth Supplemental Trust Indenture, dated as of September 1, 2018, by and between the Board and the Trustee, amending and supplementing the Trust Indenture, entered into in connection with the execution and delivery of the 2018 Credit Facility.

“Loan” shall mean a line of credit in the amount of \$15,000,000 and any and all Advances under the 2018 Credit Facility, as further described therein.

“Loan Agreement” means collectively the Amendment and the 2014 Agreement, by and between the Board and the Credit Support Provider, entered into to provide for a Loan in the form of Advances by the Credit Support Provider to the Board, from time to time, under a line of credit in a maximum aggregate principal amount not to exceed \$15,000,000, which constitutes a Credit Support Instrument as defined in the Trust Indenture.

“Note” means the Credit Note, dated September 28, 2018 to be delivered by the Board to the Credit Support Provider, further designated as the "Lexington-Fayette Urban County Airport Board General Airport Revenue Obligation, 2018 Series A (Credit Note) (Lexington- Fayette Urban County Government General Obligation).

“Sixth Supplemental Lease” means the Sixth Supplemental Lease Agreement, dated as of September 1, 2018, by and between the Board and the Lexington-Fayette Urban County Government, amending and supplementing the Lease, entered into in connection with the execution and delivery of the 2018 Credit Facility.

“2018 Credit Facility” means, together, the Loan Agreement and the Note.

“2018 Project” means has the meaning set forth the in the Recitals, located at the Airport, as further described in the Sixth Supplemental Lease.

"2018A Series Resolution" means the Series Resolution adopted by the Governing Body on August 22, 2018, which authorized the execution and delivery of the 2018 Credit Facility and the obtaining of Advances thereunder.

"Trust Indenture" means the Trust Indenture, dated as of November 1, 2008, between the Lessor and the Trustee, as the same may be duly amended, modified or supplemented in accordance with its terms.

"Trustee" means U.S. Bank National Association, Louisville, Kentucky as Successor Trustee to The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky, and any successor Trustee as determined or designated under or pursuant to the Trust Indenture.

**SECTION 2. Approval of Issuance of 2018 Credit Facility and Advances Thereunder.**

The Lexington-Fayette Urban County Government specifically acknowledges the execution and delivery by the Board of the 2018 Credit Facility and the Loan to be made thereunder in the form of Advances by the Credit Support Provider to the Board from time to time, under a line of credit in a maximum aggregate principal amount not to exceed \$15,000,000, in accordance with the terms of the 2018A Series Resolution, authorizing the issuance of such 2018 Credit Facility, a copy of which is attached hereto as *Exhibit A*. As set forth in the 2018A Series Resolution and the Eighth Supplement, the 2018 Credit Facility constitutes an Obligation, in the form of an Additional Obligation Instrument, under the Trust Indenture and the Note shall be further designated as the "Lexington-Fayette Urban County Airport Board General Airport Revenue Obligation, 2018 Series A (Credit Note) (Lexington- Fayette Urban County Government General Obligation)."

**SECTION 3. Authorization of Sixth Supplemental Lease.**

In accordance with Section 2.02 of the Trust Indenture, which provides that the Lease may be supplemented from time to time whenever Obligations are issued by the Lessor, by the execution and delivery of a Supplemental Lease, the Lexington-Fayette Urban County Government hereby approves the Sixth Supplemental Lease Agreement, in substantially the form attached hereto as *Exhibit B*, supplementing and amending the Lease, in accordance with the requirements of the Trust Indenture and the Lease. It is hereby found and determined that the interim financing for the 2018 Project is appropriate. It is further determined that it is necessary and desirable and in the best interests of the Lexington-Fayette Urban County Government to enter into the Sixth Supplemental Lease for the purposes therein specified, and the execution and delivery of the Sixth Supplemental Lease and all representations, certifications and other matters with respect to the Sixth Supplemental Lease, or as may be required by Dinsmore & Shohl LLP, as Bond Counsel, prior to delivery of the Sixth Supplemental Lease, are hereby approved, ratified and confirmed. In connection with said proposed plan of financing, the Mayor (with the Council Clerk attesting to the Mayor's signature) is hereby authorized and directed to execute the Sixth Supplemental Lease, with such changes in the Sixth Supplemental Lease not inconsistent with this Ordinance and not substantially adverse to the Lexington-Fayette Urban County Government as may be approved by the officials executing the same on behalf of the Lexington-Fayette Urban County Government. The approval of such changes by said officials, and that such are not substantially adverse to the Lexington-Fayette Urban County Government, shall be conclusively evidenced by the execution of the Sixth Supplemental Lease by such officials.

The Lexington-Fayette Urban County Government affirms the Board's right to receive Lease Rental Payments (as defined in the Lease) from the Lexington-Fayette Urban County Government under the Lease and further ratifies and approves the Board's assignment of such right to the Trustee under the Trust Indenture, for the benefit of the Holders of Obligations secured thereunder.

Upon the execution and delivery of the 2018 Credit Facility, the Lease shall be modified and amended by the Sixth Supplemental Lease.

**SECTION 4. General Obligation Pledge.**

Pursuant to the Constitution of the Commonwealth and the Kentucky Revised Statutes, the obligation of the Lexington-Fayette Urban County Government created by the Lease shall be a full general obligation of the Lexington-Fayette Urban County Government and, for the payment of the Lease Rental Payments, as defined therein, the full faith, credit and revenue of the Lexington-Fayette Urban County Government is hereby pledged for the prompt payment

thereof. During the period the Lease is outstanding, there shall be and there hereby is levied on all the taxable property in Fayette County, in addition to all other taxes, but within applicable limitations, a direct tax annually in an amount sufficient to pay the Lease Rental Payments when and as due. Said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof provided, however, that in each year to the extent that the other taxes of the Lexington-Fayette Urban County Government are available for the payment of the Lease Rental Payments and are appropriated for such purpose, the amount of such direct tax upon all of the taxable property in Fayette County shall be reduced by the amount of such other taxes so available and appropriated.

There is hereby established with the Lexington-Fayette Urban County Government a sinking fund (the "Sinking Fund"). The funds derived from said tax levy hereby required or other available taxes shall be placed in the Sinking Fund and, together with interest collected on the same, are irrevocably pledged for the payment of all bonds issued under KRS Chapter 66 and Tax Supported Leases, as defined in KRS Chapter 66, including the Lease, when and as the same fall due.

**SECTION 5. Mayor Authorized to Sign Other Documents.**

The Mayor (with the Council Clerk attesting to the Mayor's signature) is hereby authorized and directed to execute any further instruments and documents reasonably necessary in carrying out the plan of financing represented by said Lease, including, without limitation, the public approval of the execution and delivery of the 2018 Credit Facility and the Advances thereunder, as required by Section 147(f) of the Internal Revenue Code of 1986.

**SECTION 6. Effective Immediately upon Enactment and Approval.**

This Ordinance shall be effective immediately upon enactment and approval as required by law, and a Notice of Enactment and Summary of the provisions of this Ordinance shall be published by the Urban County Council Clerk as required by law.

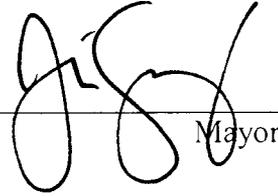
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**INTRODUCED AND GIVEN FIRST READING** at a duly convened meeting of the Urban County Council of the Lexington-Fayette Urban County Government on the 30 day of August, 2018.

**GIVEN SECOND READING, ENACTED AND ADOPTED** at a duly convened meeting of the Urban County Council of the Lexington-Fayette Urban County Government on the 13 day of September, 2018.

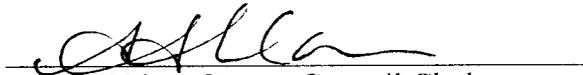
**LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT**

Approved: \_\_\_\_\_



Mayor

Attest:



Urban County Council Clerk

**PUBLISHED: September 20, 2018-1t**

**CERTIFICATION**

I, the undersigned, do hereby certify that I am the duly qualified and acting Urban County Council Clerk of the Lexington-Fayette Urban County Government, and as such Urban County Council Clerk, I further certify that the foregoing is a true, correct and complete copy of an Ordinance duly enacted by the Urban County Council of the Lexington-Fayette Urban County Government at a duly convened meeting held on the 13 day of September, 2018, on the same occasion signed by the Mayor is evidence of his approval, and now in full force and effect, all as appears from the official records of the Lexington-Fayette Urban County Government in my possession and under my control.

**WITNESS** my hand and the seal of said Lexington-Fayette Urban County Government as of the 17 day of September, 2018.

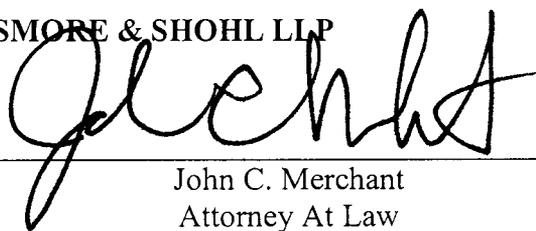
  
Urban County Council Clerk

[SEAL]

**CERTIFICATE**

I do hereby certify that the title to this enactment contains an accurate synopsis of the contents thereof and may be used to satisfy the reading and publication requirements of law.

**DINSMORE & SHOHL LLP**

  
John C. Merchant  
Attorney At Law

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**SIXTH SUPPLEMENTAL LEASE AGREEMENT**

**DATED AS OF SEPTEMBER 1, 2018**

*by and between*

**LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD**  
(Lessor)

*and*

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**  
(Lessee)

\*\*\*\*\*

*Supplementing:*  
**Lease Agreement**  
**Dated as of November 1, 2008**  
*by and between*  
**Lessor and Lessee**

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but for convenience of reference only)

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## **SIXTH SUPPLEMENTAL LEASE AGREEMENT**

This **SIXTH SUPPLEMENTAL LEASE AGREEMENT** ("Sixth Supplemental Lease"), made and entered into as of September 1, 2018, by and between the **LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD**, an agency of the Lexington-Fayette Urban County Government, created pursuant to Chapter 183 of the Kentucky Revised Statutes (the "Lessor"), and the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to Chapter 67A of the Kentucky Revised Statutes and a political subdivision, duly organized and existing under and by virtue of the laws and Constitution of the Commonwealth of Kentucky, as amended (the "Lessee").

### **WITNESSETH:**

**WHEREAS**, the Lessor has heretofore entered into a Lease Agreement dated as of November 1, 2008 (the "Original Lease"), by and between the Lessee and the Lessor relating to the issuance of its Series 2008 Bonds, recorded in the Fayette County Clerk's Office on December 10, 2008 in Deed Book 2848, Page 378; and

**WHEREAS**, Section 2.02 of the Trust Indenture provides that the Original Lease may be supplemented from time to time whenever Obligations are issued by the Lessor, by the execution and delivery of a Supplemental Lease; and

**WHEREAS**, the Lessor has heretofore entered into a First Supplemental Lease Agreement dated as of November 1, 2009 (the "First Supplemental Lease"), by and between the Lessee and the Lessor relating to the issuance of its Series 2009 Bonds, recorded in the Fayette County Clerk's Office on November 20, 2009 in Deed Book 2913, Page 393; and

**WHEREAS**, the Lessor has heretofore entered into a Second Supplemental Lease Agreement dated as of November 1, 2012 (the "Second Supplemental Lease"), by and between the Lessee and the Lessor relating to the issuance of its Series 2012 Bonds, recorded in the Fayette County Clerk's Office on December 18, 2012 in Deed Book 3119, Page 412; and

**WHEREAS**, the Lessor has heretofore entered into a Third Supplemental Lease Agreement dated as of March 1, 2013 (the "Third Supplemental Lease"), by and between the Lessee and the Lessor relating to the reissuance of its 2009 Series B Bonds, recorded in the Fayette County Clerk's Office on June 26, 2013 in Deed Book 3163, Page 63; and

**WHEREAS**, the Lessor has heretofore entered into a Fourth Supplemental Lease Agreement dated as of June 1, 2014 (the "Fourth Supplemental Lease"), by and between the Lessee and the Lessor relating to a line of credit with Branch Banking and Trust Company, recorded in the Fayette County Clerk's Office on February 25, 2015 in Deed Book 3294, Page 81; and

**WHEREAS**, the Lessor has heretofore entered into a Fifth Supplemental Lease Agreement dated as of October 1, 2016 (the "Fifth Supplemental Lease"), by and between the Lessee and the Lessor relating to the issuance of its Series 2016 Bonds, recorded in the Fayette County Clerk's Office on July 6, 2017 in Deed Book 3506, Page 312; and

**WHEREAS**, the Lessor has now determined that it is necessary to provide interim financing for the 2018 Project; and

**WHEREAS**, the Governing Body adopted the 2018A Series Resolution which authorized the Board to enter into the 2018 Credit Facility, to provide such interim financing for the 2018 Project, which 2018 Credit Facility shall constitute an Obligation, in the form of an Additional Obligation Instrument, under the Trust Indenture; and

**WHEREAS**, the Lessor now seeks to enter into this Sixth Supplemental Lease (the "Sixth Supplemental Lease" and together with the Fifth Supplemental Lease, the Fourth Supplemental Lease, the Third Supplemental Lease, the Second Supplemental Lease, the First Supplemental Lease and the Original Lease referred to hereinafter collectively as the "Lease"), relating to the issuance of such 2018 Credit Facility, to be recorded in the Fayette County Clerk's Office; and

**WHEREAS**, upon the execution and delivery of the 2018 Credit Facility the Lessor shall provide the Lessee with original executed counterparts of this Sixth Supplemental Lease, including a new schedule of Lease Rental Payments for all Outstanding Obligations of the Lessor, to be attached as *Exhibit B* to this Sixth Supplemental Lease, as further provided herein;

**NOW THEREFORE**, in consideration of the Lease Rental Payments to be paid hereunder and the covenants and agreements contained herein, it is agreed by and between the parties as follows:

**SECTION 1. Certain Defined Terms and References.**

(a) Capitalized terms used herein, unless otherwise defined, shall have the meaning provided in the Trust Indenture and the Original Lease. In addition to the terms defined elsewhere in this Sixth Supplemental Lease, the following terms have the meanings given below unless the context clearly requires otherwise:

"Advances" shall mean advances of funds under the Loan, as further described in the 2018 Credit Facility.

"Amendment" means the Amendment and Extension dated as of September 1, 2018 to the Line of Credit Agreement dated as of June 25, 2014.

"Code" means the Internal Revenue Code of 1986, as amended.

"Credit Support Provider" means Branch Banking and Trust Company.

"Eighth Supplement" means the Eighth Supplemental Trust Indenture, dated as of September 1, 2018, by and between the Board and the Trustee. Such Eighth Supplement is a Supplemental Trust Indenture under the Trust Indenture.

"Lease Rental Payments" means the payments, including the principal and interest components thereof, specified in *Exhibit B* attached hereto and made a part hereof.

"Loan" shall mean a line of credit in a maximum aggregate principal amount not to exceed \$15,000,000 and any and all Advances under the 2018 Credit Facility, as further described therein.

"Loan Agreement" means collectively the Amendment and the 2014 Agreement, by and between the Board and the Credit Support Provider, entered into to provide for a Loan in the form of Advances by the Credit Support Provider to the Board, from time to time, under a line of credit in a maximum aggregate principal amount not to exceed \$15,000,000, which constitutes a Credit Support Instrument as defined in the Trust Indenture.

"Maximum Rate" means the lesser of twelve percent (12%) per annum and the maximum net effective interest rate permitted by applicable law to be paid on obligations issued or incurred by the Board in the exercise of its borrowing powers. In order to calculate the Lease Rental Payments in *Exhibit B* attached hereto, the Maximum Rate on the Advances shall be twelve percent (12%) per annum.

"Note" means the Credit Note, dated September \_\_\_\_, 2018 to be delivered by the Board to the Credit Support Provider, further designated as the "Lexington-Fayette Urban County Airport Board General Airport Revenue Obligation, 2018 Series A (Credit Note) (Lexington- Fayette Urban County Government General Obligation)."

"Project" means collectively, the 1994 Project, the 1998 Project, the 2003 Project, the 2008 Project, the 2014 Project and 2018 Project, all as described in *Exhibit A* hereto, and any replacements or additions thereto permitted under the Lease, which Project constitutes Airport Facilities.

"Series 2018 Ordinance" means Ordinance No. \_\_\_\_-2018 adopted by the Urban County Council on September \_\_\_\_, 2018, with respect to the 2018 Credit Facility.

"Sixth Supplemental Lease" means this Sixth Supplemental Lease Agreement, dated as of September 1, 2018, by and between the Lessor and the Lessee, as the same may be amended or supplemented from time to time, which supplements the Original Lease.

"2014 Agreement" means the Line of Credit Agreement dated as of June 25, 2014 previously entered into between the Board and Branch Banking and Trust Company.

"2018 Credit Facility" means collectively, the Amendment and the 2014 Agreement.

"2018 Project" has the meaning set described in *Exhibit A* hereto) at the Project Site (as described in *Exhibit C* hereto).

"2018A Series Resolution" means the Series Resolution adopted by the Governing Body on August 22, 2018, which authorized the execution and delivery of the 2018 Credit Facility and the obtaining of Advances thereunder.

"Trust Indenture" means the Trust Indenture, dated as of November 1, 2008, between the Lessor and the Trustee, as the same may be duly amended, modified or supplemented in accordance with its terms.

"Trustee" means U.S. Bank National Association, Louisville, Kentucky as successor trustee to The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky, and any successor Trustee as determined or designated under or pursuant to the Trust Indenture.

(b) References to sections or exhibits, unless otherwise indicated, are to sections of or exhibits to this Sixth Supplemental Lease.

## **SECTION 2. Amendments to the Original Lease.**

Exhibit A to the Original Lease is hereby amended and restated in its entirety by replacing it with *Exhibit A* attached hereto. Exhibit B to the Original Lease is hereby amended and restated in its entirety by replacing it with *Exhibit B* attached hereto.

## **SECTION 3. Lease of Project.**

Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Project in accordance with the provisions of this Sixth Supplemental Lease, to have and to hold for the Lease Term; provided that the Lessor shall continue to maintain and operate the Airport as provided in Chapter 183 of the Kentucky Revised Statutes. Upon and during acquisition, construction, installation and equipping of the Project, all leasehold rights granted to Lessee by Lessor under this Sixth Supplemental Lease shall vest in Lessee, without any further action on the part of Lessor.

## **SECTION 4. Acceptance of Project.**

The Lessee hereby certifies to the Lessor its acceptance of the Project.

## **SECTION 5. Lease Rental Payments.**

(a) Lessee agrees to pay to Lessor during the Lease Term, the Lease Rental Payments specified in *Exhibit B*. The interest component of the Lease Rental Payments shall not exceed the applicable Maximum Rate. The Lease Rental Payments during the Lease Term will be absolute and unconditional in all events; provided that, no Lease Rental Payments will be due from the Lessee so long as, at least three Business Days prior to the applicable Payment Date, the amount required to pay Debt Service Charges on the Outstanding Obligations is on deposit in the

Debt Service Payment Account of the Debt Service Fund, other than as a result of (i) the transfer of an amount from the Debt Service Reserve Fund that causes the amount in the Debt Service Reserve Fund to be less than the Debt Service Reserve Requirement or (ii) a draw on a Debt Service Reserve Fund Credit Instrument. If the Trustee has transferred amounts from the Debt Service Reserve Fund to the Debt Service Fund, the Lease Rental Payment then due shall be the amount (i) required to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Requirement and/or (ii) the amount required to reimburse the draw made on the Debt Service Reserve Fund Credit Instrument. If a Lease Rental Payment has not been included in the budget of the Urban County Government for the fiscal year in which a payment is required, at the meeting of the Urban County Council immediately succeeding receipt of notice from the Trustee that such payment is required, such budget shall be amended to include all remaining Lease Rental Payments for that fiscal year.

(b) Lessee agrees to deposit the Lease Rental Payments in the Sinking Fund and to pay from the Sinking Fund directly to the Trustee, the Lease Rental Payments specified in *Exhibit B*, for deposit directly in the Debt Service Payment Account of the Debt Service Fund and such Lease Rental Payments shall not be deemed revenues or assets of the Lessor. Each payment shall be applied first to payment of the interest component of the Lease Rental Payment to which it relates; provided, however, Lessee may make advance payments of principal components of Lease Rental Payments. Such Lease Rental Payments shall correspond to the payments due with respect to the Debt Service Charges on the Outstanding Obligations.

#### **SECTION 6. Actions Relating to Tax Exemption of Interest Components.**

(a) Lessor and Lessee each covenant that it will restrict the use of moneys realized under this Sixth Supplemental Lease in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of entering into this Sixth Supplemental Lease, so that there will not exist at any time any obligation in connection with this Sixth Supplemental Lease or the Project that constitutes an obligation the interest on which is includable in gross income for federal income tax purposes or constitutes an "arbitrage bond" under Section 148 of the Code, and the regulations prescribed under that Section and any subsequent amendments or modifications thereto. Any officer of the Lessor or Lessee having responsibility with respect to the execution and delivery of this Sixth Supplemental Lease shall, alone or in conjunction with any other officer, employee or agent of or consultant to the Lessor or Lessee, give an appropriate certificate of the Lessor or Lessee pursuant to Sections 103 and 148 of the Code and those regulations, setting forth the reasonable expectations of the Lessor or Lessee on the date of entering into this Sixth Supplemental Lease regarding this Sixth Supplemental Lease and the use of those moneys. If required, Lessee agrees to complete and file or cause to be filed in a timely manner an information reporting return on IRS Forms 8038-G and 8038, as applicable, with respect to this Sixth Supplemental Lease as required by the Code.

(b) Lessee represents and covenants that it will not use the Project, or permit the Project to be used, in such a manner as would result in the loss of the exclusion from gross income for federal income tax purposes of the portion of the Lease Rental Payments designated as the interest component on *Exhibit B*, afforded under Section 103(a) of the Code.

(c) The Lessor and Lessee each covenant to take all action required to maintain exclusion from gross income for federal income tax purposes afforded under Section 103(a) of the Code, of the portion of the Lease Rental Payments designated as the interest component on *Exhibit B* hereto.

**SECTION 7. Assignment by the Lessor.**

As security for the payment and performance by the Lessor of all of its obligations under the Trust Indenture, the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, the Seventh Supplement and the Eighth Supplement to the Trust Indenture including particularly the payment of the principal of and interest on the 2018 Credit Facility and the payment of all amounts due or to become due under the Trust Indenture, the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, the Seventh Supplement and the Eighth Supplement but excluding any termination payments under any Interest Rate Hedge Agreement, the Lessor has assigned to the Trustee, under and pursuant to the Trust Indenture, the First Supplement, the Second Supplement, Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, the Seventh Supplement and the Eighth Supplement, all of the Lessor's right, title and interest in, to and under this Sixth Supplemental Lease, including but not limited to the right to receive the Lease Rental Payments and other amounts due hereunder.

**SECTION 8. Headings.**

All section headings contained in this Sixth Supplemental Lease are for convenience of reference only and are not intended to define or limit the scope of any provision of this Sixth Supplemental Lease.

**SECTION 9. Governing Law.**

This Sixth Supplemental Lease shall be construed in accordance with and governed by the laws of the Commonwealth.

**SECTION 10. Delivery of Related Documents.**

Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by this Sixth Supplemental Lease.

Lessor and Lessee agree that this Sixth Supplemental Lease or any other appropriate documents may be filed or recorded to evidence the parties' respective interests in the Project and this Sixth Supplemental Lease.

**SECTION 11. Entire Agreement; Amendment; Severability.**

(a) This Sixth Supplemental Lease, together with attachments and exhibits, and other documents or instruments executed by Lessee and Lessor in connection with this Sixth

Supplemental Lease, including the Series 2018 Ordinance, constitute the entire agreement between the parties with respect to the lease of the Project.

(b) This Sixth Supplemental Lease may not be modified, amended, altered or changed except with the written consent of the Lessee and the Lessor.

(c) If any provision of, or any covenant, obligation or agreement contained in this Sixth Supplemental Lease is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained in this Sixth Supplemental Lease. The invalidity or unenforceability shall not affect any valid or enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

[Remainder of page intentionally left blank]

[Signature page to the Sixth Supplemental Lease Agreement]

**IN WITNESS WHEREOF**, the parties have executed this Sixth Supplemental Lease by their authorized officers on the dates of the respective acknowledgments as of the date first written above.

**LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT, Lessee**

By: \_\_\_\_\_  
Mayor

**ATTEST:**

By: \_\_\_\_\_  
Clerk, Urban County Council

**LEXINGTON-FAYETTE URBAN COUNTY  
AIRPORT BOARD, Lessor**

By: \_\_\_\_\_  
Chair  
Lexington-Fayette Urban County  
Airport Board

**ATTEST:**

By: \_\_\_\_\_  
Secretary  
Lexington-Fayette Urban County  
Airport Board





## **EXHIBIT A**

### **PROJECT DESCRIPTION**

#### **1994 PROJECT DESCRIPTION**

Proceeds from the 1994 Series B Bonds were used to refund certain outstanding short-term debt, reimburse the Board for certain owner's costs incurred in completing various improvements to the Airport including an employee parking lot and to purchase a new chiller for the Airport's Terminal building HVAC system.

#### **1998 PROJECT DESCRIPTION**

Proceeds from the 1998 Bonds were used to pay the cost of constructing a multi-level automobile parking deck adjacent to the Terminal building. At the time of issuance, it was anticipated that the parking deck would be used primarily for public parking, but that rental car companies doing business on the Airport would use the remaining portion of the parking deck for rental car ready/return functions. Accordingly, the proceeds from the 1998 Series A Bonds were used to pay that portion of the construction cost attributable to the public parking portion of the parking deck and the 1998 Series B Bonds were used to pay the rental car portion of the parking deck. As of the date of this Report, no portion of the parking deck has been used for any rental car related purpose. Proceeds of the 1998 Series C Bonds were used to refund an outstanding bank note.

#### **2003 PROJECT DESCRIPTION**

Proceeds from the 2003 Series A Bonds were used to pay in part various airfield, Terminal concourse additions and other Terminal area related improvements. Proceeds of the 2003 B Bonds were used to fund, in part, the costs of constructing a rental car ready/return automobile parking facility. Part of the cost of the ready/return facility was to relocate an air freight building located on the site of the ready/return facility.

#### **2008 PROJECT DESCRIPTION**

##### ***1. Relocate Runway 8/26***

Replacement of Runway 8/26, including the construction of 4,000 feet by 75 feet runway and taxiway system, apron areas, access roads, NAVAIDs, and removal of existing Runway 8/26 and related areas. The major components of the proposed project include, but are not limited to, the following items:

- (i) Construct 4,000' long x 75' wide Runway 9/27 with parallel taxiway network to B-II criteria, and provide Runway/Taxiway centerline separations and Runway Safety Areas (RSA) to C-II criteria;

- (ii) Remove existing Runway 8/26 and associated taxiway pavements;
- (iii) Remove existing Taxiway C pavement west of Runway 4/22;
- (iv) Construct an access road to GA facilities;
- (v) Construct other infrastructure and drainage improvements associated with the construction of the access road;
- (vi) Construct new Taxiway B;
- (vii) Construct remote large aircraft parking area;
- (viii) Construct approximately 72,000 square yard GA apron;
- (ix) Provide infrastructure for self-service fuel system (by others);
- (x) Construct one 8-unit and one 10-unit T-Hangar buildings (NON-AIP/PFC);
- (xi) Relocate existing or install new Runway 22 Glide Slope;
- (xii) Relocate the Low Level Wind Shear Alert System (LLWAS), Automated Surface Observing System (ASOS), Stand-Alone Weather Sensor (SAWS) and Remote Transmitter/Receiver (RTR) facilities;
- (xiii) Potentially relocate Runway 22 Precision Approach Path Indicator (PAPI) system;
- (xiv) Install new visual navigational aids (PAPIs and REILs) and Medium Intensity Runway Light (MIRL)/Medium Intensity Taxiway Light (MITL) systems for Runway 9-27 and associated taxiways; and
- (xv) Provide landscape screening and features to mitigate potential visual impacts to NHRP listed cultural resources, per forthcoming EA/SHPO MOA/FAA NEPA finding.

## **2. *Taxiway D Realignment***

This project includes the design and construction related to the relocation of Taxiway D. To accommodate the proposed new Taxiway D alignment, utilities will have to be relocated and four buildings will have to be removed.

## **3. *Sanitary Sewer Improvements***

This project will include the construction of a new force main from the Airport's main pump station to the Mint Lane pump station near Dunbar High School. This project also includes

approximately 9,000 linear feet of six inch PVC pipe and minor improvements to the Airport's main pump station.

#### **4. Terminal Interior Renovations – Phase II**

This project includes the design and renovation of 13,000 square feet of baggage claim space and 22,000 square feet of ticket lobby and public space. This project includes the repairing and/or replacement of the existing flooring, replacing the existing ceiling system, and wall finishes in the baggage claim and ticket lobby. The existing lighting fixtures will be replaced with energy efficient fixtures and the existing restroom will be enlarged.

#### **5. Terminal Curb Front Improvements**

This project consists of the design and renovation of the exterior of the passenger Terminal curbside. The Terminal curb front improvements include the removal and replacement of approximately 6,000 square feet of existing exterior column wraps, approximately 28,000 square feet of curbside canopy and replacement of inadequate curbside lighting. Also included will be the replacement of curbside signage.

### **2014 PROJECT DESCRIPTION**

The 2014 Project consists of the installation of safety enhancements requiring the reconfiguration of multiple taxiway intersections and meet current Federal Aviation Administration taxiway design standards, including: (a) construction of a new approximately 54,000 square foot maintenance facility, which will include a maintenance garage, offices, a warehouse, and storage for snow removal and field maintenance equipment; (b) movement of approximately 500,000 cubic yards of fill material to allow construction of Taxiway D and a new Aircraft Rescue and Firefighting Facility; (c) construction of the new approximately 27,000 square foot Aircraft Rescue and Firefighting Facility, which will include offices, housing for officers, training rooms, and storage of public safety vehicles; (d) realignment of Taxiway A and Taxiway C and the construction of Taxiway D; and (e) realignment of the northernmost section of Taxiway A.

### **2016 PROJECT DESCRIPTION**

The 2016 Project consists of the acquisition of additions, extensions, and improvements to the present airport facilities at the Airport, consisting of constructing airport facilities, including baggage belt replacements, parking facility improvements, a car rental maintenance facility and general aviation improvements comprised of the construction of hangars, a fence relocation for Versailles Road access and other terminal renovations constituting additions, extensions and improvements to the existing airport facilities at the Blue Grass Airport.

## 2018 PROJECT DESCRIPTION

The 2018 Project consists of (a) construction of a new approximately 54,000 square foot maintenance facility, which will include a maintenance garage, offices, a warehouse, and storage for snow removal and field maintenance equipment; (b) movement of approximately 500,000 cubic yards of fill material to allow construction of Taxiway D and a new Aircraft Rescue and Firefighting Facility; (c) construction of the new approximately 27,000 square foot Aircraft Rescue and Firefighting Facility, which will include offices, housing for officers, training rooms, and storage of public safety vehicles; (d) realignment of Taxiway A and the construction of Taxiway C; (e) realignment of the northernmost section of Taxiway A; (f) demolition of old Aircraft Rescue and Fire Fighting facility; (g) demolition of a general aviation hangar; (h) runway rehabilitation and safety modifications projects, which will include in-depth pavement testing, a runway safety area determination, initial safety coordination, preliminary design and development; (i) acquisition of equipment including but not limited to aircraft rescue and firefighting equipment, and (j) the acquisition, equipping, furnishing and installation of other capital expenditures at Blue Grass Airport, Lexington, Kentucky.

\*\*\*\*\*

[SEE ATTACHED AIRPORT PROPERTY MAP]

**EXHIBIT B**

**LEASE RENTAL PAYMENTS**

[SEE ATTACHED]

**THE ATTACHED CALCULATION OF THE PRINCIPAL AND INTEREST COMPONENTS RELATED TO THE 2018 CREDIT FACILITY ONLY INCLUDES THE AGGREGATE DEBT SERVICE FROM JANUARY 1, 2017.**

**THE LEASE RENTALS PAYMENT SCHEDULE WILL BE UPDATED WHEN FUNDS ARE ADVANCED UNDER THE LOAN TO THE LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD AS FURTHER DESCRIBED IN THE 2018 CREDIT FACILITY.**

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**EIGHTH SUPPLEMENTAL TRUST INDENTURE**

**DATED AS OF SEPTEMBER 1, 2018**

*Between*

**LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD**

*And*

**U.S. BANK NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO THE BANK  
OF NEW YORK MELLON TRUST COMPANY, N.A.  
as Trustee**

**SUPPLEMENTING THE  
TRUST INDENTURE  
DATED AS OF NOVEMBER 1, 2008**

\*\*\*\*\*

*Securing*

**LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD  
GENERAL AIRPORT REVENUE OBLIGATION, 2018 SERIES A  
(LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT  
GENERAL OBLIGATION) DATED SEPTEMBER \_\_\_\_, 2008  
IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000**

*Evidencing the*

**Amendment and Extension dated as of September 1, 2018  
to the**

**Line of Credit Agreement  
Dated as of June 1, 2014**

*by and between*

**Lexington-Fayette Urban County Airport Board and  
Branch Banking and Trust Company**

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**EIGHTH SUPPLEMENTAL TRUST INDENTURE**

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## **EIGHTH SUPPLEMENTAL TRUST INDENTURE**

**THIS EIGHTH SUPPLEMENTAL TRUST INDENTURE**, dated as of September 1, 2018 (hereinafter called the "Eighth Supplement"), by and between Lexington-Fayette Urban County Airport Board (hereinafter called the "Board"), an agency of the Lexington-Fayette Urban County Government (the "Urban County Government"), created pursuant to Chapter 183 of the Kentucky Revised Statutes, and U.S. Bank National Association, Louisville, Kentucky as successor trustee to The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under and by virtue of the laws of the United States of America and duly authorized to exercise corporate trust powers in the Commonwealth of Kentucky (hereinafter, with any successors, called the "Trustee"), as Trustee under the Trust Indenture hereinafter mentioned,

### **WITNESSETH:**

**WHEREAS**, the Board, pursuant to a resolution adopted by the Governing Body of the Board on October 15, 2008 (the "General Bond Resolution"), authorized a Trust Indenture, dated as of November 1, 2008 (as amended and supplemented, the "Trust Indenture"), with U.S. Bank National Association, Louisville, Kentucky as successor trustee to The Bank of New York Mellon Trust Company, N.A., providing for the issuance from time to time of Obligations of the Board, with each such issue to be authorized by a resolution adopted by the Governing Body pursuant thereto, which resolution shall authorize a Supplemental Trust Indenture supplementing such Trust Indenture, pertaining to such issue of Obligations, if appropriate; and

**WHEREAS**, the Board has determined that it is necessary to provide interim financing for (a) construction of a new approximately 54,000 square foot maintenance facility, which will include a maintenance garage, offices, a warehouse, and storage for snow removal and field maintenance equipment; (b) movement of approximately 500,000 cubic yards of fill material to allow construction of Taxiway D and a new Aircraft Rescue and Firefighting Facility; (c) construction of the new approximately 27,000 square foot Aircraft Rescue and Firefighting Facility, which will include offices, housing for officers, training rooms, and storage of public safety vehicles; (d) realignment of Taxiway A and the construction of Taxiway C; (e) realignment of the northernmost section of Taxiway A; (f) demolition of old Aircraft Rescue and Fire Fighting facility; (g) demolition of a general aviation hangar; (h) runway rehabilitation and safety modifications projects, which will include in-depth pavement testing, a runway safety area determination, initial safety coordination, preliminary design and development; (i) acquisition of equipment including but not limited to aircraft rescue and firefighting equipment, and (j) the acquisition, equipping, furnishing and installation of other capital expenditures (collectively, the "2018 Project") at Blue Grass Airport, Lexington, Kentucky (the "Airport"); and

**WHEREAS**, the Governing Body adopted a resolution on August 22, 2018 (the "2018A Series Resolution") which authorized the Board to amend and extend the Line of Credit Agreement, dated as of June 25, 2014, previously entered into between the Board and Branch Banking and Trust Company (the "2014 Agreement") pursuant to the Amendment and Extension dated September 1, 2018 (the "Amendment") to the 2014 Agreement (collectively the 2014 Agreement and the Amendment are referred to as the "2018 Credit Facility"), for the purpose of providing for a Loan to provide such interim financing for the 2018 Project;

**WHEREAS**, under the Trust Indenture, the 2018 Credit Facility shall constitute a “revenue bond” under the Act and an Obligation, in the form of an Additional Obligation Instrument; and

**WHEREAS**, the Board has determined to issue the Note as the “Lexington-Fayette Urban County Airport Board General Airport Revenue Obligation, 2018 Series A (Credit Note) (Lexington- Fayette Urban County Government General Obligation),” pursuant to the authority granted by the Trust Indenture, as amended by this Eighth Supplement, and the 2018A Series Resolution, which 2018A Series Resolution is incorporated herein and constitutes an integral part of this Eighth Supplement; and

**WHEREAS**, the Board has, or will have in all respects complied with the provisions of the Trust Indenture so as to be entitled to execute and to have the Note authenticated and delivered by the Trustee; and

**WHEREAS**, pursuant to the applicable provisions of Article VIII of the Trust Indenture and particularly Section 8.01(f) thereof, the Board desires by this Eighth Supplement and the 2018A Series Resolution comprising a part hereof to provide for the execution and delivery, pursuant to the Trust Indenture, of the 2018 Credit Facility and the documents related to the Loan in the form of Advances thereunder; and

**NOW, THEREFORE, THIS EIGHTH SUPPLEMENTAL TRUST INDENTURE WITNESSETH** that in order to secure the payment of the Debt Service Charges due with respect to the 2018 Credit Facility (except that such Debt Service Charges shall not be secured by any funds on deposit in the Debt Service Reserve Fund, as set forth in Section 5 hereof), according to their true intent and meaning, and to secure the performance and observance of all covenants and conditions therein, herein, and in the Trust Indenture contained, and for and in consideration of the premises and of the acceptance by the Credit Support Provider of the Note and requests for Advances thereunder by the Board from time to time, and the acceptance by the Trustee of the further trusts hereby created, and for other good and valuable considerations, the receipt of which is hereby acknowledged, the Board has executed and delivered this Eighth Supplement.

**IN TRUST, NEVERTHELESS**, upon the terms and trusts set forth in the Trust Indenture and particularly in this Eighth Supplement for the security of all present and future Holders of Obligations issued or to be issued under and secured by the Trust Indenture, without priority of any one Obligation over any other by reason of any series designation, number, date of authorization, issuance, sale, execution, or delivery of such Obligation or of maturity.

**SECTION 1. Definitions.**

All terms which are defined in Section 1.01 of the Trust Indenture shall have the same meanings, respectively, in this Eighth Supplement. In this Eighth Supplement, unless the context shall indicate otherwise, the following terms shall have the following respective meanings:

“Advances” shall mean advances of funds under the Loan, as further described in the 2018 Credit Facility.

“Assumed Amortization Period” means the period of time specified in paragraph (a) or paragraph (b) below, as selected by the Fiscal Officer:

(a) Five (5) years; or

(b) The period of time exceeding five (5) years, set forth in a written opinion delivered to the Board, of an investment banker or financial advisor selected by the Board and experienced in underwriting indebtedness of the character of the Bonds, Notes or Additional Obligation Instruments, as being not longer than the maximum period of time over which indebtedness having comparable terms and security issued or incurred by similar issuers of comparable credit standing would, if then being offered, be marketable on reasonable and customary terms.

“Assumed Interest Rate” means the rate per annum (determined as of the last day of the calendar month next preceding the month in which the determination of Assumed Interest Rate is being made) set forth in a certificate delivered to the Board by an investment banker or financial advisor selected by the Board and experienced in indebtedness of the character of the Bonds, Notes or Additional Obligation Instruments.

“Balloon Obligations” means any Bonds, Notes or Additional Obligation Instruments, (a) 25% or more of the principal payments of which are due in a single year, excluding any such principal payments that are subject to mandatory sinking fund requirements in a prior year, or (b) 25% or more of the principal of which may, at the option of the holder or holders thereof, be redeemed at one time.

"Code" means the Internal Revenue Code of 1986, as amended.

“Credit Support Provider” means Branch Banking and Trust Company.

“Eighth Supplement” means this Eighth Supplemental Trust Indenture, dated as of September 1, 2018, by and between the Board and the Trustee. Such Eighth Supplement is a Supplemental Trust Indenture under the Trust Indenture.

“Loan” shall mean a line of credit in a maximum aggregate principal amount not to exceed \$15,000,000 and any and all Advances under the 2018 Credit Facility, as further described therein.

“Loan Agreement” means collectively the Amendment and the 2014 Agreement, by and between the Board and the Credit Support Provider, entered into to provide for a Loan in the form of Advances by the Credit Support Provider to the Board, from time to time, under a line of credit in a maximum aggregate principal amount not to exceed \$15,000,000, which constitutes a Credit Support Instrument as defined in the Trust Indenture.

“Maturity Date” means September 1, 2023, the maturity date of the Note.

“Note” means the Credit Note, dated September 28, 2018 to be delivered by the Board to the Credit Support Provider, further designated as the "Lexington-Fayette Urban

County Airport Board General Airport Revenue Obligation, 2018 Series A (Credit Note) (Lexington- Fayette Urban County Government General Obligation).”

“2018 Credit Facility” has the meaning set forth in the Recitals.

“2018 Project” means to provide financing for (a) construction of a new approximately 54,000 square foot maintenance facility, which will include a maintenance garage, offices, a warehouse, and storage for snow removal and field maintenance equipment; (b) movement of approximately 500,000 cubic yards of fill material to allow construction of Taxiway D and a new Aircraft Rescue and Firefighting Facility; (c) construction of the new approximately 27,000 square foot Aircraft Rescue and Firefighting Facility, which will include offices, housing for officers, training rooms, and storage of public safety vehicles; (d) realignment of Taxiway A and the construction of Taxiway C; (e) realignment of the northernmost section of Taxiway A; (f) demolition of old Aircraft Rescue and Fire Fighting facility; (g) demolition of a general aviation hangar; (h) runway rehabilitation and safety modifications projects, which will include in-depth pavement testing, a runway safety area determination, initial safety coordination, preliminary design and development; (i) acquisition of equipment including but not limited to aircraft rescue and firefighting equipment, and (j) the acquisition, equipping, furnishing and installation of other capital expenditures.

"2018A Series Resolution" means the Series Resolution adopted by the Governing Body on August 22, 2018, which authorized the execution and delivery of the 2018 Credit Facility and the obtaining of Advances thereunder.

## **SECTION 2. Incorporation of Resolution and Note.**

The terms and provisions of the 2018A Series Resolution and the Note constitute part of this Eighth Supplement as if such terms and provisions were herein set forth.

## **SECTION 3. Form, Execution and Delivery of the Note.**

The Note shall be dated the date of its initial delivery and shall be executed, authenticated and delivered as provided herein and in the Trust Indenture and the 2018 Credit Facility. Pursuant to the 2018A Series Resolution, such Note has been further designated as the "Lexington-Fayette Urban County Airport Board General Airport Revenue Obligation, 2018 Series A (Credit Note) (Lexington-Fayette Urban County Government General Obligation)" and constitutes an Obligation, in the form of an Additional Obligation Instrument, under the Trust Indenture, as amended by this Eighth Supplement.

## **SECTION 4. Advances and Principal Payments with respect to the 2018 Credit Facility.**

Advances under the Loan shall be made as set forth in the 2018 Credit Facility. Payments with respect to the Loan shall be made by the Board directly to the Credit Support Provider, as provided in such 2018 Credit Facility and the Note.

**SECTION 5. Debt Service Charges Not Secured by the Debt Service Reserve Fund.**

Pursuant to the 2018 Credit Facility, the Credit Support Provider has agreed that (a) the provision under Section 2.02(g)(iii) of the Trust Indenture requiring a deposit into the Debt Service Reserve Fund as a condition for the issuance of Obligations under such Trust Indenture, shall be waived with respect to the issuance of the Note and (b) the Credit Support Provider shall not be entitled to receive payment from any amounts on deposit in the Debt Service Reserve Fund in the event that any Debt Service Charges with respect to the 2018 Credit Facility are not received by the Credit Support Provider when due.

**SECTION 6. Balloon Obligations.**

In the event that all or any portion of any series of Bonds, Notes or Additional Obligation Instruments have been issued as or are proposed to be issued as Balloon Obligations (such as the Note issued under the Loan Agreement), then in order to compute the Debt Service Charges on such series of Bonds, Notes or Additional Obligation Instruments for the purposes of determining (1) whether Bonds, Notes or Additional Obligation Instruments, regardless of whether they are to be Balloon Obligations, may be issued in compliance with the requirements of the Trust Indenture and this Eighth Supplement when any Balloon Obligations are Outstanding, and (2) whether Additional Bonds that are Balloon Obligations may be issued in compliance with the requirements of the Trust Indenture and this Eighth Supplement, the Debt Service Charges on such Bonds, Notes or Additional Obligation Instruments will be determined by assuming that such Balloon Obligations are to be amortized on the basis of level debt service over the Assumed Amortization Period and that such obligations bear interest at the Assumed Interest Rate.

**SECTION 7. Concerning the Trustee.**

The Trustee hereby accepts the trusts hereby declared and provided and agrees to perform the same upon the terms and conditions in the Trust Indenture and in this Eighth Supplement.

The Trustee shall not be responsible for or in respect of the validity or sufficiency of this Eighth Supplement or the due execution thereof by the Board, nor for or in respect of the recitals herein contained, all of which recitals are made by the Board solely.

**SECTION 8. Prepayment.**

If the Board shall pay or cause to be paid, within the meaning of Section 9.02 of the Trust Indenture, or there shall otherwise be paid, to the Credit Support Provider all amounts due or to become due with respect to the Loan and supporting documentation satisfactory to the Trustee shall have been provided thereto, and provision satisfactory to the Trustee shall also be made for paying all other sums payable hereunder by the Board, with supporting documentation thereof, then and in that event this Eighth Supplement shall cease, determine and become null and void, and the covenants, agreements and other obligations of the Board hereunder shall be discharged and satisfied, and thereupon the Trustee shall execute and deliver to the Board such instruments to evidence such release and discharge as may be reasonably required by the Board.

[Signature page to Eighth Supplemental Trust Indenture]

**IN WITNESS WHEREOF**, the Governing Body of Lexington-Fayette Urban County Airport Board has caused this Eighth Supplemental Trust Indenture to be executed by its Chair and attested by its Secretary, and U.S. Bank National Association, as Trustee, as evidence of its acceptance of the trusts created hereunder, has caused this Eighth Supplemental Trust Indenture to be executed in its name by its duly authorized officer, all as of the day and year first above written, but actually on the dates of the respective acknowledgments.

**LEXINGTON-FAYETTE URBAN COUNTY  
AIRPORT BOARD**

By: \_\_\_\_\_

Chair  
Lexington-Fayette Urban County  
Airport Board

ATTEST:

By: \_\_\_\_\_

Secretary  
Lexington-Fayette Urban County  
Airport Board

**U.S. BANK NATIONAL ASSOCIATION, as  
Bond Trustee**

By: \_\_\_\_\_

Name:  
Title: