

## **FIFTH AMENDMENT TO BOND PURCHASE AND LOAN AGREEMENT**

This **FIFTH AMENDMENT TO BOND PURCHASE AND LOAN AGREEMENT** (the "Amendment" or "Fifth Amendment"), is made as of \_\_\_\_\_, 2014 (the "Effective Date"), among the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky (the "Issuer"), **LEXINGTON CHRISTIAN ACADEMY, INC.**, a Kentucky non-profit corporation, with an address of 450 W. Reynolds Road, Lexington, Kentucky 40503 (the "Borrower"), and **CENTRAL BANK & TRUST CO.**, a Kentucky banking corporation, whose address is 300 West Vine Street, Lexington, Kentucky 40507 (the "Purchaser"). Capitalized terms not defined above or in the recitals hereto shall have the meanings set forth in the original Bond Purchase and Loan Agreement dated as of September 1, 2009, unless the context or use clearly indicates another meaning or intent.

### **Recitals.**

**WHEREAS**, Borrower, Issuer, and Purchaser entered into a Bond Purchase and Loan Agreement dated as of August 1, 2009 ("Original Loan Agreement"). On September 1, 2009, in connection with the Loan Agreement, Borrower entered into a Series 2009 Reimbursement Note in the amount of \$12,800,000.00 and a Promissory Note in the amount of \$12,800,000.00 (collectively, the "Note");

**WHEREAS**, Borrower and Purchaser entered into that certain First Amendment to Bond Purchase and Loan Agreement dated as of January 4, 2010 ("First Amendment"), that certain Second Amendment to Bond Purchase and Loan Agreement dated November 19, 2010 ("Second Amendment"), that certain Third Amendment to Bond Purchase and Loan Agreement dated July 2, 2012 ("Third Amendment"), and that certain Fourth Amendment to Bond Purchase and Loan Agreement dated July 16, 2013 ("Fourth Amendment," together with the Original Loan Agreement, First Amendment, Second Amendment, and Third Amendment, the "Loan Agreement") to amend certain financial covenants contained in the Loan Agreement;

**WHEREAS**, Borrower, Issuer, and Purchaser desire to amend the terms of the Loan Agreement to adjust the interest rate on the Series 2012 Promissory Note, the Series 2012 Bond, and the Series 2012 Reimbursement Note and to make other revisions; and

**WHEREAS**, Borrower and Purchaser desire to amend the Loan Agreement and all other documents executed in connection therewith (the "Loan Documents") under the terms and conditions contained herein.

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. **Interest Rate.** The interest rate on the Series 2012 Promissory Note, the Series 2012 Bond and the Series 2012 Reimbursement Note is amended in its entirety as follows: A fixed rate of interest equal to 4.25% per annum, until September 2, 2019, the First Interest Rate Change Date. On the First Interest Rate Change Date, the interest rate payable hereunder will be

reset to an annual interest rate that is equal to Two and One Half Percent (2.50%) per annum plus the prior month's 5 Year Average Constant Maturity Treasury Rate, as published in the Federal Reserve Specific Interest Rate Release H.15 until September 2, 2024, the Second Interest Rate Change Date; provided however, the interest rate shall never fall below 4.25% per annum. On the Second Interest Rate Change Date, the interest rate payable hereunder will be reset to an annual interest rate that is equal to Two and One Half Percent (2.50%) per annum plus the prior month's 5 Year Average Constant Maturity Treasury Rate, as published in the Federal Reserve Specific Interest Rate Release H.15 until September 2, 2029; provided however, the interest rate shall never fall below 4.25% per annum.

All interest calculations under this Note will be made based on a year of 360 days for the actual number of days in each interest period.

2. Amended Notes, etc. The Issuer, the Borrower and the Purchaser agree to provide an Amended and Restated Series 2014 Promissory Note, an Amended and Restated Series 2014 Bond and an Amended and Restated Series 2014 Reimbursement Note, amended and restated to reflect the modification of the terms as provided herein, which shall be attached to the original Loan Agreement as the new Exhibit B-1 (Amended and Restated Series 2014 Promissory Note); Exhibit C-1 (Amended and Restated Series 2014 Bond); and Exhibit E-1 (Amended and Restated Series 2014 Reimbursement Note).

3. Bank Fee. Borrower shall pay a onetime, not annual, fee of Twenty-Eight Thousand Dollars (\$28,000.00).

4. Loan Documents. The terms, conditions and provisions of the Loan Documents are incorporated herein and made a part hereof by this reference as if fully set forth herein. The Loan Documents shall be deemed to be amended hereby to the minimum extent necessary to reflect the amendments contained in this Fifth Amendment. The Loan Documents shall remain in full force and effect and shall remain as security for the payment of all principal, interest and other charges, fees and expenses due and payable under the Note.

5. Representations and Warranties. To induce Purchaser to enter into this Fifth Amendment, Borrower represents and warrants as follows:

5.1 The representations and warranties of Borrower contained in the Loan Documents are deemed to have been made again on and as of the date of execution of this Fifth Amendment.

5.2 No Event of Default (as such term is defined in the Loan Documents) or event or condition which with the lapse of time or giving of notice or both would constitute an Event of Default exists on the date hereof.

5.3 Borrower represents and warrants that Borrower has no claims, counterclaims, setoffs, actions or causes of actions, damages or liabilities of any kind or nature whatsoever whether at law or in equity, in contract or in tort, whether now accrued or hereafter maturing (collectively, "Claims") against Purchaser, its direct or indirect parent corporation or any direct or indirect affiliates of such parent corporation, or any of the foregoing's respective directors, officers, employees, agents, attorneys and legal representatives, or the heirs, administrators,

successors or assigns of any of them (collectively, "Purchaser Parties") that directly or indirectly arise out of, are based upon or are in any manner connected with any Prior Related Event. As an inducement to Purchaser to enter into this Fifth Amendment, Borrower on behalf of itself, and all of its successors and assigns hereby knowingly and voluntarily releases and discharges all Purchaser Parties from any and all Claims, whether known or unknown, that directly or indirectly arise out of, are based upon or are in any manner connected with any Prior Related Event. As used herein, the term "Prior Related Event" means any transaction, event, circumstance, action, failure to act, occurrence of any sort or type, whether known or unknown, which occurred, existed, was taken, permitted or begun at any time prior to the Effective Date or occurred, existed, was taken, was permitted or begun in accordance with, pursuant to or by virtue of any of the terms of the Loan Documents or any documents executed in connection with the Loan Documents or which was related to or connected in any manner, directly or indirectly to the extension of credit represented by the Loan Documents.

6. General.

6.1 Except as expressly modified herein, the Loan Documents, as amended, are and remain in full force and effect.

6.2 Nothing contained herein will be construed as waiving any default or Event of Default under the Loan Documents or will affect or impair any right, power or remedy of Purchaser under or with respect to the Loan Documents, as amended, or any agreement or instrument guaranteeing, securing or otherwise relating to any of the Loan.

6.3 All representations and warranties made by Borrower herein will survive the execution and delivery of this Fifth Amendment.

6.4 This Fifth Amendment will be binding upon and inure to the benefit of Borrower and Purchaser and their respective successors and assigns.

6.5 This Fifth Amendment will in all respects be governed and construed in accordance with the laws of the Commonwealth of Kentucky.

6.6 This Fifth Amendment may be attached to the Note as an allonge.

[SIGNATURES ON FOLLOWING PAGES]

Executed as of the Effective Date.

**ISSUER:**

**LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT**

By: \_\_\_\_\_  
Jim Gray, Mayor

(SEAL)  
ATTEST:

\_\_\_\_\_  
Meredith Nelson, Clerk

**BORROWER:**

**LEXINGTON CHRISTIAN  
ACADEMY, INC.**

By: \_\_\_\_\_  
\_\_\_\_\_, Chairman of the  
Board of Directors

**PURCHASER:**

**CENTRAL BANK & TRUST CO.,**  
a Kentucky banking corporation

By: \_\_\_\_\_  
Mark Fox, Vice President

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

The foregoing Fifth Amendment was subscribed, sworn to and acknowledged before me on the \_\_\_ day of \_\_\_\_\_, 2014, by \_\_\_\_\_, as Chairman of the Board of Directors of Lexington Christian Academy, Inc., a Kentucky non-profit corporation, for and on behalf of such corporation.

\_\_\_\_\_  
NOTARY PUBLIC, State at Large  
My Commission Expires:\_\_\_\_\_

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

The foregoing Fifth Amendment was subscribed, sworn to and acknowledged before me on the \_\_\_ day of \_\_\_\_\_, 2014, by Mark Fox as the Vice President of Central Bank & Trust Co., a Kentucky banking corporation, for and on behalf of the bank.

\_\_\_\_\_  
NOTARY PUBLIC, State at Large  
My Commission Expires:\_\_\_\_\_

EXHIBIT B-1

Amended and Restated Series 2014 Promissory Note

EXHIBIT C-1

Amended and Restated Series 2014 Bond

EXHIBIT E-1

Amended and Restated Series 2014 Reimbursement Note