



FINANCIAL ADVISOR ENGAGEMENT CONTRACT

April 21, 2015

Honorable Jim Gray, Mayor
Lexington-Fayette Urban Co Govt.
200 East Main Street
Lexington, Kentucky 40507

Dear Honorable Jim Gray:

We understand that the Lexington-Fayette Urban County Government ("LFUCG") plans to issue Bonds (the "Projects"). We submit for your consideration, the following proposal to act as Financial Advisor for LFUCG in connection with the Projects.

In our capacity as Financial Advisor, we will do the following:

- (a) We will immediately make available to you the experience and facilities of our firm to work with a nationally recognized Bond Counsel, retained at your expense, in cooperation with you in the development of a plan for the financing of the Projects. We will coordinate with your attorneys to prepare all minutes, resolutions, notices, leases, ordinances, and other necessary documents incident to the authorization, issuance and delivery of the financing. The expense of Bond Counsel may be paid from proceeds of the financing if agreed upon by the lending financial institution.
- (b) At our expense, we will assist and advise you as to maturities, call prices and all other important bond or loan features, and the timing of your financing.
- (c) We will provide, at our expense, the necessary computer hardware, software, and the technical experience to structure the proposed loan or bond issue in such a way that all of the legal and technical requirements are met, allowing the loan or bonds to be legally issued.
- (d) We and your attorneys will assist, advise and work with you for the purpose of developing the best plan possible for a sound and marketable issue of the loan or bond issue.
- (e) All expenses in connection with the retention of a trustee paying agent bank will be borne by LFUCG.

In consideration of the services rendered and the risk of the expense to be assumed by us, it is agreed that we shall be paid out of bond proceeds, if desired, a fee equal to \$1.00 per \$1,000 of par amount for each series of bonds issued (\$10,000 minimum/\$50,000 maximum). This fee shall be paid to us upon the sale and delivery of the bond issue.

Information

LFUCG recognizes and confirms that Hilliard Lyons, in acting pursuant to this engagement, will be using information in reports and other information provided by others, including, without limitation, information provided by or on behalf of LFUCG and that Hilliard Lyons does not assume responsibility for and may rely, without independent verification, on the accuracy and completeness of any such reports and information. Hilliard Lyons hereby warrants that information relating to LFUCG that is furnished to Hilliard Lyons by or on behalf of LFUCG will be fair, accurate and complete and will not contain any material omission or misstatements of fact.

Conflicts

LFUCG acknowledges that Hilliard Lyons by virtue of its activities as a full-service financial institution, may presently have or may enter into relationships, contractual or otherwise, with certain parties who may participate in the transactions contemplated by this engagement.

Governing Law

This letter agreement is governed by the laws of the Commonwealth of Kentucky without regard to conflicts of law principles.

Hilliard Lyons and LFUCG agree to waive trial by jury in any action, proceeding or counterclaim brought by or on behalf of either party with respect to any matter whatsoever relating to or arising out of any actual or proposed transaction or the engagement of or performance by Hilliard Lyons hereunder.

Termination

This letter agreement may be terminated by LFUCG at any time or by Hilliard Lyons at any time upon 30 days written notice.

Other

This letter agreement contains the entire agreement between us and supersedes all prior understanding, whether written or oral. This letter agreement may be executed in counterparts. This letter agreement may not be amended except in writing signed by all parties hereto.

LFUCG may not assign or delegate any of its rights or obligations hereunder without our prior written consent.

LFUCG hereby affirms that there are no other outstanding commitments relating to the above proposal which would be binding on LFUC G and which would in any way impair the validity of this agreement.

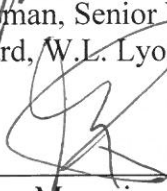
In regard to continuing Disclosure Requirements, LFUCG agrees to comply with all the requirements of Securities and Exchange commission rule 15(c)2-12, as amended, relating to financial statement disclosures and certain event disclosures relating to the loan or bonds on an ongoing basis until the loan or bonds are paid in full if it is determined that LFUCG is subject to rule 15 (c)2-12. Hilliard Lyons will assist LFUCG in its efforts to maintain compliance with rule 15(c)2-12, if said rule applies to the financing as it is ultimately structured between LFUCG and the lending financial institution.

Respectfully submitted,

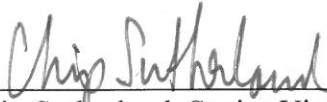
By:



Steve Grossman, Senior Vice President, Lexington Complex Manager
J.J.B. Hilliard, W.L. Lyons, LLC



Greg Phillips, Managing Director, Public Finance
J.J.B. Hilliard, W.L. Lyons, LLC



Chip Sutherland, Senior Vice President, Public Finance
J.J.B. Hilliard, W.L. Lyons, LLC

The foregoing proposal is hereby accepted on _____, 2015

By:

Honorable Jim Gray, Mayor
Lexington-Fayette Urban County Government