

ORDINANCE NO. _____

AN ORDINANCE OF LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AUTHORIZING THE ISSUANCE OF LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT VARIOUS PURPOSE GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE SUBSERIES, FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT INCLUDING, BUT NOT LIMITED TO, THE OUTSTANDING GENERAL OBLIGATION BONDS LISTED ON EXHIBIT A HERETO; APPROVING A FORM OF BOND; AUTHORIZING DESIGNATED OFFICERS TO EXECUTE AND DELIVER THE BONDS; AUTHORIZING THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT TO PROVIDE FOR THE DEFEASANCE OF CERTAIN OUTSTANDING PRIOR BONDS WITH MONIES AVAILABLE FOR SUCH PURPOSE; PROVIDING FOR THE PAYMENT AND SECURITY OF THE BONDS; CREATING A BOND PAYMENT FUND AND ESCROW FUNDS; MAINTAINING THE HERETOFORE ESTABLISHED SINKING FUND; AUTHORIZING A CERTIFICATE OF AWARD FOR THE ACCEPTANCE OF THE BID OF THE BOND PURCHASER FOR THE PURCHASE OF THE REFUNDING OBLIGATIONS; AUTHORIZING AN ESCROW TRUST AGREEMENT; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the Lexington-Fayette Urban County Government, heretofore issued certain general obligation bonds, including, but not limited to, those listed on *Exhibit A* hereto, which were authorized and issued pursuant to the respective Ordinances and for the respective purposes set forth therein (collectively, the “Prior Bonds”); and

WHEREAS, the Lexington-Fayette Urban County Government has determined that the present conditions of the municipal market are much more favorable than at the time the Prior Bonds were issued and that it is therefore advantageous and in the best interests of the Lexington-Fayette Urban County Government to proceed with the issuance of its Various Purpose General Obligation Refunding Bonds, (the “Refunding Obligations”), in one or more subseries, on a tax-exempt or taxable basis in the principal amount or respective principal amounts required to accomplish the refunding of the Prior Bonds and enable the Lexington-Fayette Urban County Government to realize debt service savings, provided that the refunding of the Prior Bonds shall result in debt service savings for the Lexington-Fayette Urban County Government as determined by the Commissioner of Finance and the municipal advisor to the Lexington-Fayette Urban County Government; and

WHEREAS, pursuant to the Constitution and Laws of the Commonwealth of Kentucky, and particularly KRS 66.011 et. seq. (the “Act”), an urban county government may issue bonds, subject to the requirements of the Act, to refund outstanding bonds or obligations issued to pay all

or any portion of the costs of any public project that an urban county government is authorized to acquire, improve or construct; and

WHEREAS, the Lexington-Fayette Urban County Government desires to refund the Prior Bonds through the issuance of the Refunding Obligations to be sold and awarded to the successful bidder (the “Purchaser”) at public, competitive sale in accordance with the provisions of Chapter 424 of the Kentucky Revised Statutes, as amended.

WHEREAS, upon the advice of the Lexington-Fayette Urban County Government’s Municipal Advisor, Robert W. Baird & Co., Incorporated (the “Municipal Advisor”), the public, competitive sale of the Refunding Obligations may be conducted by awarding the Refunding Obligations to an underwriter via a public offering (a “Public Offering”) or to a financial institution or other sophisticated investor to hold for its own investment in a limited public offering (a “Limited Public Offering”), depending on which method results in the greatest benefit to the Lexington-Fayette Urban County Government at the time of advertising for such sale. In addition, with respect to the defeasance of certain Prior Bonds of the Lexington-Fayette Urban County Government by depositing cash and/or Escrow Securities into an escrow fund, such defeasance of certain Prior Bonds will enable the Lexington-Fayette Urban County Government, in the judgment of the Commissioner of Finance, based on the written advice of the Municipal Advisor, to obtain net present value debt service savings with respect to such defeasance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Lexington-Fayette Urban County Government (the “Urban County Council”), as follows:

SECTION 1. Necessity, Authorization and Purpose. The Lexington-Fayette Urban County Government hereby declares that it is necessary to issue and authorizes the issuance of its Various Purpose General Obligation Refunding Bonds, in one or more subseries, on a tax-exempt or taxable basis in the principal amount or respective principal amounts required to (i) accomplish the refunding of all or a portion of the Prior Bonds, and (ii) pay the costs of issuance of the Refunding Obligations.

The exact principal amount of Refunding Obligations to be issued and the determinations as to which Prior Bonds shall be refunded shall be established in the Certificate of Award to be executed by the Mayor of the Lexington-Fayette Urban County Government (the “Certificate of Award”) awarding the Refunding Obligations to the Purchaser; provided that the aggregate principal amount of the Refunding Obligations shall not exceed \$75,000,000.

The Lexington-Fayette Urban County Government hereby declares that it is necessary to provide for and authorizes the defeasance of certain Prior Bonds by the deposit of cash and/or Escrow Securities (as defined herein) into an escrow fund pursuant to an Escrow Trust Agreement (as defined herein) in amounts required to (i) accomplish the cash defeasance of all or a portion of the Prior Bonds, and (ii) pay the costs associated with such cash defeasance.

SECTION 2. Form. The Refunding Obligations shall be issued as fully registered Bonds, shall be designated “Various Purpose General Obligation Refunding Bonds” or should other designation as provided in the Certificate of Award, shall express upon their faces the purpose for which they are issued, that they are issued under the Act and shall be substantially in the form set forth in *Annex A*. The Refunding Obligations shall be in denominations as requested by the Purchaser thereof and established in the Certificate of Award, which shall be in integral multiples of five thousand dollars (\$5,000). If the Refunding Obligations are sold in a Limited Public Offering, no Refunding Obligation shall be transferrable to another holder in an amount less than \$100,000 regardless of the amount of authorized denominations established in the Certificate of Award. The Refunding Obligations shall be dated their date of issuance and delivery or such other date as is determined in the Certificate of Award. Interest on the Refunding Obligations shall bear interest from their respective dates payable on dates approved by the Commissioner of Finance, (each an “Interest Payment Date”) beginning on a date approved by the Commissioner of Finance, at the stated interest rate or rates on the principal amount thereof or as otherwise provided in the Certificate of Award. The Refunding Obligations shall be serial or term bonds maturing, in the years and in the amounts to be established in the Certificate of Award after advertised competitive sale of the Refunding Obligations based on the interest rates set forth in the successful bid for the Refunding Obligations (the “Bid”) and the provisions of this Section 2, provided that the final maturity date of the Refunding Obligations shall be as set forth in the Certificate of Award. The interest rate or rates on the Refunding Obligations shall be determined in the Certificate of Award based on the Bid; provided that the aggregate true interest cost of the Refunding Obligations shall not exceed six percent (6.0%).

The Refunding Obligations shall be subject to optional and/or mandatory redemption as provided in the Certificate of Award. At least thirty (30) days before any optional or mandatory sinking fund redemption date of any Refunding Obligations, a financial institution as determined in the Certificate of Award to serve as paying agent and registrar (the “Paying Agent and

Registrar”) shall cause a notice of such redemption either in whole or in part, signed by the Paying Agent and Registrar, to be mailed, first class, postage prepaid, to all registered owners of the Refunding Obligations to be redeemed at their addresses as they appear on the registration books kept by the Paying Agent and Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption of Refunding Obligations for which such notice has been sent. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Refunding Obligations being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive number or letters, if any, of such Refunding Obligations to be redeemed.

On the date so designated for redemption, notice having been mailed in the manner under the conditions hereinabove provided and moneys for payment of the redemption price being held in the Bond Payment Fund (as defined herein) by the Paying Agent and Registrar for the registered owners of the Refunding Obligations to be redeemed, the Refunding Obligations so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Refunding Obligations on such date, interest on the Refunding Obligations so called for redemption shall cease to accrue, and the registered owners of such Refunding Obligations shall have no right in respect thereof except to receive payment of the redemption price thereof.

The forms of Notice of Bond Sale, Official Terms and Conditions of Sale of Bonds, Bid Form and Official Statement, shall be in such form as approved by Bond Counsel (as defined herein), the Municipal Advisor and by the Commissioner of Finance.

SECTION 3. Execution and Delivery. The Refunding Obligations shall be executed by the manual or facsimile signature of the Mayor and duly attested by the manual or facsimile signature of the Clerk of the Urban County Council (which, together with any other person as may be authorized by resolution are referred to as “Designated Officers”), shall have the seal of the Lexington-Fayette Urban County Government or a facsimile thereof affixed thereto, and shall bear the manual authenticating signature of an authorized representative of the bank designated in the Certificate of Award as the Paying Agent and Registrar for the Refunding Obligations. The Designated Officers are further authorized and directed to deliver the Refunding Obligations to the Purchaser, upon the terms and conditions provided herein, in the Certificate of Award and in the Bid, receive the proceeds therefor, execute and deliver such certificates and other closing

documents and take such other action as may be necessary or appropriate in order to effectuate the proper issuance, sale and delivery of the Refunding Obligations.

The Lexington-Fayette Urban County Government authorizes and directs the Paying Agent and Registrar to authenticate the Refunding Obligations and to deliver the Refunding Obligations to the Purchaser upon payment of the purchase price thereof.

SECTION 4. Payment. Payment of or on account of the interest on and principal of the Refunding Obligations shall be made directly to the Paying Agent and Registrar for the account of the registered owner. Interest on the Refunding Obligations shall be payable by check, mailed to the person whose name appears on the fifteenth day preceding an Interest Payment Date on the bond registration records as the registered owner, on each Interest Payment Date or by other transfer of funds acceptable to such registered owner and the Paying Agent and Registrar. Principal shall be payable in such coin or currency of the United States of America as shall be legal tender for the payment of public and private debts at the time and place of payment upon delivery of the Refunding Obligations to the Paying Agent and Registrar or by other transfer of funds acceptable to the Paying Agent and Registrar and such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid.

SECTION 5. Bond Payment Fund, Payment of Bonds. There is hereby established with the Paying Agent and Registrar a bond payment fund in the name of the Lexington-Fayette Urban County Government to be known as the Various Purpose General Obligation Refunding Bonds, Bond Payment Fund (the "Bond Payment Fund"), into which the Lexington-Fayette Urban County Government covenants to deposit, and into which the Designated Officers are hereby authorized and directed to deposit from the Sinking Fund (hereinafter established), on or before the twenty-fifth (25th) day of each month which precedes an Interest Payment Date on the Refunding Obligations, the amount required to pay principal of and interest due on the Refunding Obligations on such Interest Payment Date. The Paying Agent and Registrar shall, without further authorization from the Lexington-Fayette Urban County Government, withdraw from the Bond Payment Fund, on such Interest Payment Date of the Refunding Obligations, the amounts necessary to pay principal of, and interest on, the Refunding Obligations to the registered owner of the same. If the Refunding Obligations are sold in a Limited Public Offering, the Lexington-

Fayette Urban County Government may hold, maintain, and administer the Bond Payment Fund as Paying Agent and Registrar.

The Paying Agent and Registrar is hereby appointed Bond Payment Fund Depository with respect to the Refunding Obligations.

If the Lexington-Fayette Urban County Government shall fail or refuse to make any required deposit in the Bond Payment Fund from the Sinking Fund, the Paying Agent and Registrar shall (i) notify any agency of the Commonwealth of Kentucky or any political subdivision thereof which may collect and distribute taxes or revenues for the Lexington-Fayette Urban County Government to seek any available necessary or proper remedial action; and (ii) upon being indemnified against cost and expense, exercise any remedy provided in the Act or at law or in equity for the benefit of the owner of the Refunding Obligations or its assignee, and shall disburse all funds so collected to the owners of the Refunding Obligations as payment of the Refunding Obligations. If the Refunding Obligations are sold in a Limited Public Offering, the registered owner of the Refunding Obligations may take these actions if the Lexington-Fayette Urban County Government fails to perform such actions in its capacity as Paying Agent and Registrar.

SECTION 6. General Obligation; Maintenance of Sinking Fund. The Refunding Obligations shall be full general obligations of the Lexington-Fayette Urban County Government and, for the payment of said Refunding Obligations and the interest thereon, the full faith, credit and revenue of the Lexington-Fayette Urban County Government are hereby pledged for the prompt payment thereof. During the period the Refunding Obligations are outstanding, there shall be and there hereby is levied on all the taxable property in the Lexington-Fayette Urban County Government, in addition to all other taxes, without limitation as to rate, a direct tax annually in an amount sufficient to pay the principal of and interest on the Refunding Obligations when and as due, it being hereby found and determined that current tax rates are within all applicable limitations. 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 lawfully available funds of the Lexington-Fayette Urban County Government are available for the payment of the Refunding Obligations and are appropriated for such purpose, the amount of such direct tax upon all of the taxable

property in the Lexington-Fayette Urban County Government shall be reduced by the amount of such other funds so available and appropriated.

Pursuant to prior ordinances of the Lexington-Fayette Urban County Government with respect to the Prior Bonds, there has heretofore been established with the Lexington-Fayette Urban County Government a sinking fund which is hereby ordered to be maintained and continued. The funds derived from said tax levy hereby required or other lawfully available funds shall be placed in the sinking fund and, together with interest collected on the same, are irrevocably pledged for the payment of the interest on and principal of all bonds issued under the Act and Tax-Supported Leases when and as the same fall due. Amounts shall be transferred from the sinking fund to the Bond Payment Fund at the times and in the amounts required by Section 5 hereof.

SECTION 7. Award; Certificate of Award. The Refunding Obligations shall be sold at public, competitive sale. The Lexington-Fayette Urban County Government shall comply with the requirements of KRS Chapter 424 by advertising for bids for the purchase of the Refunding Obligations. Upon the advice of the Municipal Advisor, the Refunding Obligations may be sold in a Public Offering or a Limited Public Offering, depending on which method results in the greatest benefit to the Lexington-Fayette Urban County Government, such method to be determined by the Municipal Advisor at the time of advertising of the sale of the Refunding Obligations.

(a) Sale by Public Offering. If the Refunding Obligations are to be sold in a Public Offering, the final principal amount of, the principal amortization of, and the interest rate or rates on the Refunding Obligations shall be established in accordance with the requirements of Sections 1 and 2 hereof and the Certificate of Award. The Lexington-Fayette Urban County Government shall comply with the requirements of KRS Chapter 66 by advertising for bids for the purchase of the Refunding Obligations. The Mayor, the Clerk of the Urban County Council, the Commissioner of Finance and/or Chief Administrative Officer are hereby authorized to prepare such instruments and to distribute such information as shall be necessary to accomplish the foregoing, including preparation of a Preliminary Official Statement (the "Preliminary Official Statement") which Preliminary Official Statement is to be deemed final in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). In order to enable prospective purchasers to submit bids for the purchase of the Refunding Obligations, the Lexington-Fayette Urban

County Government hereby covenants and agrees that it will execute, comply with and carry out all of the provisions of a continuing disclosure certificate (the “Continuing Disclosure Certificate”) in connection with the issuance of the Refunding Obligations. Failure to comply with any such provisions of the Continuing Disclosure Certificate shall not constitute a default on the Refunding Obligations; however, any holder of the Refunding Obligations, including the beneficial owners of the Refunding Obligations, may take such action as may be necessary and appropriate, including seeking specific performance, to cause the Lexington-Fayette Urban County Government to comply with its obligations under the Continuing Disclosure Certificate. Further, the Mayor is hereby authorized and directed on behalf of the Lexington-Fayette Urban County Government to execute all such instruments as shall be necessary to accomplish all of the foregoing.

(b) Sale by Limited Public Offering. If the Refunding Obligations are sold in a Limited Offering, the final principal amount of, the principal amortization of, and the interest rate or rates on the Refunding Obligations shall be established in accordance with the requirements of Sections 1 and 2 hereof, this Section 7, and the Certificate of Award. The Refunding Obligations shall be sold to the bidder offering the best proposal pursuant to a solicitation for proposals. The Mayor is hereby authorized to execute the Certificate of Award without further action of the Urban County Council setting forth the terms of the Refunding Obligations and any other provisions required by and not inconsistent with this Bond Ordinance. The Refunding Obligations shall be awarded to the respondent who provides the best response to the Request for Proposals and prepared for the Lexington-Fayette Urban County Government by the Municipal Advisor and not necessarily to the lowest bidder. Evaluation of responses by the Lexington-Fayette Urban County Government shall consider the following criteria, and which criteria are not exclusive: (i) the net interest cost to the Lexington-Fayette Urban County Government achieved by the financing on the terms proposed by each bidder; (ii) the complexity of the legal structure and administration of each proposed refunding; (iii) closing fees and charges to be charged by each bidder; (iv) optional redemption and prepayment premiums, conditions, and restrictions to be imposed by each bidder; and (v) other material terms and conditions required by bidders that impact the value or effectiveness of the refunding and issuance of the Refunding Obligations for the Lexington-Fayette Urban County Government. Bidders

shall be limited to institutions or persons having knowledge and experience in financial and business matters who are capable of evaluating the merits and risks of the Refunding Obligations, who are not purchasing for more than one account, and do not intend to redistribute the Refunding Obligations. To the extent deemed necessary by the Municipal Advisor, the Lexington-Fayette Urban County Government hereby approves the preparation of any necessary documents related to the solicitation for the purchase of the Refunding Obligations (collectively, the “Limited Offering Documents”) to be prepared by the Lexington-Fayette Urban County Government or Dinsmore & Shohl LLP (“Bond Counsel”) or Municipal Advisor in the usual and customary form, and approves the distribution of such Limited Offering Documents to potential bidders. Upon application from any prospective bidder for the Refunding Obligations, the Lexington-Fayette Urban County Government will furnish any material information about the Lexington-Fayette Urban County Government and its finances which may be reasonably requested, but no official statement or similar documents will be provided.

On the date the Lexington-Fayette Urban County Government awards the Refunding Obligations to the Purchaser, the Lexington-Fayette Urban County Government and the Purchaser shall execute and delivery a Bond Purchase Agreement in the form attached hereto as *Exhibit B* (the “Purchase Agreement”). The Designated Officers are hereby authorized and directed to execute and deliver the Purchase Agreement on behalf of the Lexington-Fayette Urban County Government, substantially in the form attached hereto, with such changes therein as the Designated Officers executing such documents on behalf of the Lexington-Fayette Urban County Government shall approve, such approval to be conclusively evidenced by their execution and delivery thereof.

SECTION 8. Registered Owner; Transfer; Exchange. As long as the Refunding Obligations executed and delivered hereunder shall remain outstanding, the Paying Agent and Registrar shall maintain an office for the Registration of such Refunding Obligations and shall also keep at such office books for such registration and transfers. The registered owner of the Refunding Obligations, as set forth in the registration books maintained by the Paying Agent and Registrar on the fifteenth (15th) day preceding an Interest Payment Date, or its assignees, for purposes of this Bond Ordinance, to the extent of its interest, shall be treated as the owner of the Refunding Obligations and shall be entitled to all rights and security of the owner of the Refunding

Obligations hereunder. If the Refunding Obligations are sold in a Limited Public Offering, the Lexington-Fayette Urban County Government may serve as Paying Agent and Registrar, which shall be memorialized in the Certificate of Award, and the Lexington-Fayette Urban County Government shall maintain a record of the ownership of the Refunding Obligations.

Upon surrender for registration of transfer of the Refunding Obligations at the office of the Paying Agent and Registrar with a written instrument of transfer satisfactory to the Paying Agent and Registrar, duly executed by the registered owner or the registered owner's duly authorized attorney, or, so long as the Refunding Obligations are in book-entry form in accordance with the Operational Arrangements of DTC, the Paying Agent and Registrar shall execute and deliver, in the name of the designated transferee or transferees, one or more Bonds of the same series of any authorized denomination and of a like tenor and effect.

All Refunding Obligations, upon surrender thereof at the office of the Paying Agent and Registrar, may, at the option of the registered owner thereof be exchanged for an equal aggregate principal amount of Refunding Obligations of the same series of any authorized denomination.

In all cases in which the privilege of exchanging or transferring Refunding Obligations is exercised, the Paying Agent and Registrar shall execute and deliver Refunding Obligations in accordance with the provisions of this Section. Every such exchange or transfer of Refunding Obligations, whether temporary or definitive, shall be without charge; provided that the Paying Agent and Registrar may impose a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

SECTION 9. Book-entry System. For purposes of this Bond Ordinance, the following terms shall have the following meanings:

“Book entry form” or “book entry system” means a form or system under which (i) the beneficial right to payment of principal of and interest on the Refunding Obligations may be transferred only through a book entry, and (ii) physical Refunding Obligation certificates in fully registered form are issued only to the Depository or its nominee as registered owner, with the Refunding Obligations “immobilized” to the custody of the Depository, and the book entry maintained by others than the Lexington-Fayette Urban County Government or the Paying Agent and Registrar is the record that identifies the owners of beneficial interests in those Refunding

Obligations and that principal and interest.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, together with its Participants or otherwise, a book entry system to record ownership of beneficial interests in Refunding Obligations or principal and interest, and to effect transfers of Refunding Obligations, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Participant” means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

All or any portion of the Refunding Obligations may be initially issued to a Depository for use in a book entry system, and the provisions of this Section 7 shall apply to such Refunding Obligations, notwithstanding any other provision of this Bond Ordinance. If and as long as a book entry system is utilized with respect to any such Refunding Obligations: (i) there shall be such number of Refunding Obligations of each maturity as the Depository shall specify; (ii) those Refunding Obligations shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners of Refunding Obligations in book entry form shall have no right to receive Refunding Obligations in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Refunding Obligations in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of beneficial interests shall be made only by book entry by the Depository and its Participants; and (v) the Refunding Obligations as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Urban County Council. Debt service charges on Refunding Obligations in book entry form registered in the name of a Depository or its nominee shall be payable in the manner provided in the Lexington-Fayette Urban County Government's agreement with the Depository to the Depository or its authorized representative (i) in the case of interest, on each Interest Payment Date, and (ii) in all other cases, upon presentation and surrender of Refunding Obligations as provided in this Bond Ordinance.

The Paying Agent and Registrar may, with the approval of the Lexington-Fayette Urban County Government, enter into an agreement with the beneficial owner or registered owner of any

Refunding Obligation in the custody of a Depository providing for making all payments to that owner of principal and interest on that Refunding Obligation or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Bond Ordinance, without prior presentation or surrender of the Refunding Obligation, upon any conditions which shall be satisfactory to the Paying Agent and Registrar and to the Lexington-Fayette Urban County Government. That payment in any event shall be made to the person who is the registered owner of that Refunding Obligation on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Paying Agent and Registrar shall furnish a copy of each of those agreements, certified to be correct by the Paying Agent and Registrar, to any other paying agents for Refunding Obligations and to the Lexington-Fayette Urban County Government. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Bond Ordinance.

The Mayor of the Lexington-Fayette Urban County Government is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the Lexington-Fayette Urban County Government a letter agreement among the Lexington-Fayette Urban County Government, the Paying Agent and Registrar and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Refunding Obligations to the Depository for use in a book entry system.

If any Depository determines not to continue to act as depository for the Refunding Obligations for use in a book entry system, the Lexington-Fayette Urban County Government and the Paying Agent and Registrar may attempt to establish a securities depository/book entry relationship with another qualified Depository under this Bond Ordinance. If the Lexington-Fayette Urban County Government and the Paying Agent and Registrar do not or are unable to do so, the Lexington-Fayette Urban County Government and the Paying Agent and Registrar, after the Paying Agent and Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Refunding Obligations from the Depository and authenticate and deliver Refunding Obligation certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing definitive Refunding Obligations), if the event is not the result of action or inaction by the Urban County Council or the Paying Agent and Registrar, of those persons requesting such issuance.

SECTION 10. Disposition of Proceeds. The proceeds of the sale of the Refunding Obligations, except accrued interest, if any, shall be deposited as follows: (a) accrued interest, if any, shall be deposited to the Bond Payment Fund created in Section 5 hereof; (b) an amount sufficient to refund the Prior Bonds to be refunded, as set forth in the Certificate of Award, shall be deposited in the Escrow Fund created by the Escrow Trust Agreement authorized in Section 11 hereof and used to redeem the Prior Bonds as provided in the Escrow Trust Agreement for the Prior Bonds; and (c) the remainder of the proceeds shall be deposited to a special cost of issuance account in the name of Lexington-Fayette Urban County Government to be known as the Various Purpose General Obligation Refunding Bonds, Costs of Issuance Fund (the “Costs of Issuance Fund”) hereby established and directed to be held by the Paying Agent and Registrar and used to pay the costs of issuance of the Refunding Obligations.

SECTION 11. Authorization of Escrow Trust Agreement. The Lexington-Fayette Urban County Government shall enter into an escrow trust agreement (the “Escrow Trust Agreement”) with the escrow trustee named therein (the “Escrow Trustee”), for the purpose of providing sufficient funds to refund and/or cash defease the Prior Bonds. The Escrow Trustee shall receive compensation for its services in accordance with the Escrow Trust Agreement. The Designated Officers are hereby each separately authorized and directed to execute said Escrow Trust Agreement on behalf of the Lexington-Fayette Urban County Government.

SECTION 12. Purchase of Escrow Securities. With respect to the funding of any escrow fund(s) necessary or appropriate in connection with the refunding and/or defeasance of the Prior Bonds with a portion of the proceeds of the Refunding Obligations or cash from the Lexington-Fayette Urban County Government to purchase the Escrow Securities, the Designated Officers are hereby authorized to take any and all appropriate action for the order and purchase, at the appropriate time, of escrow securities such as state and local government securities, open market treasuries and similar defeasance obligations (the “Escrow Securities”) for the credit of such escrow fund(s) pursuant to the provisions of the Escrow Trust Agreement. Such Escrow Securities may be in the form or forms recommended in writing by the Municipal Advisor and approved by Dinsmore & Shohl LLP. The Municipal Advisor is hereby specifically authorized to procure on behalf of the Lexington-Fayette Urban County Government, at the appropriate time, escrow securities such as open market treasuries and similar defeasance obligations for the credit of the escrow fund(s) as provided in the Escrow Trust Agreement. Any attorney with the firm of

Dinsmore & Shohl LLP is hereby specifically authorized to execute and file on behalf of the Lexington-Fayette Urban County Government any subscriptions for United States Treasury Obligations, State and Local Government Series, as may be necessary, in order to fund, in part, such escrow fund(s) in connection with the refunding and/or cash defeasance of the Prior Bonds. In addition, the Mayor of the Lexington-Fayette Urban County Government is hereby authorized to employ a verification agent with respect to the refunding and/or cash defeasance of the Prior Bonds.

SECTION 13. Appointment and Engagement of Bond Counsel. Dinsmore & Shohl LLP, Lexington, Kentucky (“Bond Counsel”) is hereby appointed as bond counsel (“Bond Counsel”), to provide the Issuer with its services in connection with the issuance, sale, and delivery of the Refunding Obligations. Bond Counsel shall be paid a fee of \$2.00 per \$1,000 of Refunding Obligations issued, inclusive of related expenses, provided, however, that publication expenses and transcripts incurred by Bond Counsel shall be reimbursed separately. Such services as Bond Counsel shall include additional research and drafting with respect to Public Offering and Limited Public Offering for refunding the Prior Bonds. A Designated Officer is hereby authorized and directed to execute and deliver on behalf of the Lexington-Fayette Urban County Government any appropriate agreements and/or engagement letters in connection with such appointment.

SECTION 14. Municipal Advisor. Robert W. Baird and Co. Incorporated is hereby appointed Municipal Advisor to the Lexington-Fayette Urban County Government in connection with the issuance, sale and delivery of the Refunding Obligations. The Municipal Advisor shall be paid a fee of \$1.00 per \$1,000 of Refunding Obligations issued or as otherwise provided in the Certificate Award. A Designated Officer is hereby authorized and directed to execute and deliver on behalf of the Issuer any appropriate agreements and/or engagement letters in connection with such appointment.

SECTION 15. Discharge of Bond Ordinance. If the Lexington-Fayette Urban County Government shall pay or cause to be paid, or there shall otherwise be paid, to the owners of the Refunding Obligations the total principal and interest due or to become due thereon through maturity, in the manner stipulated therein and in this Bond Ordinance, then the pledges made under this Bond Ordinance, and all covenants, agreements and other obligations of the Lexington-Fayette Urban County Government hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

SECTION 16. Restriction on Use of Proceeds. This Urban County Council for and on behalf of the Lexington-Fayette Urban County Government hereby covenants that to the extent the Refunding Obligations are tax-exempt, it will restrict the use of any tax-exempt proceeds of the Refunding Obligations hereby authorized in such manner and to such extent, if any, and take such other action as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or “arbitrage bonds” under Sections 103(b)(2) and 148 of the Code, and the regulations prescribed thereunder. The Mayor or any other officer having responsibility with respect to the issuance of the certificates, is authorized and directed to give an appropriate certificate on behalf of the Lexington-Fayette Urban County Government, on the date of delivery of the Refunding Obligations, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148 and regulations thereunder.

These Refunding Obligations are not designated “qualified tax-exempt obligations” for the purposes set forth Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

SECTION 17. Filing. The Designated Officers are hereby authorized to undertake and cause all filings of notices or information which may be required by law to be filed by the Lexington-Fayette Urban County Government, including, but not limited to, the filing with the State Local Debt Officer required by law.

SECTION 18. Severability. If any one or more of the provisions of this Bond Ordinance should be determined by a court of competent jurisdiction to be contrary to law, then such provisions shall be deemed to be severable from all remaining provisions and shall not affect the validity of such other provisions.

SECTION 19. Inconsistent Actions. All prior ordinances, resolutions or parts thereof inconsistent herewith are hereby repealed.

SECTION 20. Open Meetings Compliance. All meetings of the Urban County Council and of its committees and any other public bodies, at which the formal actions in connection with the issuance of the Refunding Obligations were taken, or at which deliberations that resulted in such formal actions were held, were open meetings, and such formal actions were taken and any such deliberations took place while such meetings, after proper notice, were open

to the public, in compliance with all legal requirements including KRS Sections 61.810, 61.815, 61.820 and 61.825.

SECTION 21. Effective Date. This Bond Ordinance shall become effective immediately upon adoption and publication of a summary thereof, as provided by law.

[Remainder of page intentionally left blank]

INTRODUCED AND GIVEN FIRST READING at a duly convened meeting of the Urban County Council of the Lexington-Fayette Urban County Government on the _____ day of _____, 2021.

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 ____ day of _____, 2021.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: _____
Linda Gorton
Mayor

ATTEST:

By: _____
Abigail Allan
Urban County Council Clerk

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 a Bond Ordinance duly enacted by the Urban County Council of the Lexington-Fayette Urban County Government at a duly convened meeting held on the ____ day of _____, 2021, signed by the Mayor 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 ____ day of _____, 2021.

Abigail Allan
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

By: _____
John C. Merchant, Esq.

ANNEX A

[IF A PUBLIC OFFERING]

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

[IF A LIMITED PUBLIC OFFERING]

LIMITATION ON RESALE. This Series 20[] Bond and the issue of which it is a part have not been registered under the Securities Act of 1933, as amended. This Series 20[] Bond cannot be resold or transferred without registration under the Securities Act of 1933, as amended, or unless an exemption therefrom is available.

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
VARIOUS PURPOSE GENERAL OBLIGATION REFUNDING BOND

No. AR-__

Table with 5 columns: Maturity Date, CUSIP Number, Interest Rate, Bond Date, Interest Payment Dates. Values include '1, 20[]', '____%', '____, 2021', and '____ 1 and ____ 1, commencing ____ 1, 20[]'.

REGISTERED HOLDER: _____

PRINCIPAL AMOUNT: \$_____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS: That the Lexington-Fayette Urban County Government (the "Lexington-Fayette Urban County Government"), for value received, hereby acknowledges itself obligated to, and promises to pay to the registered holder identified above, or registered assigns, the principal sum identified above (or, if any part thereof has been paid, the balance thereof remaining unpaid), on the maturity date specified above, and to pay interest on said principal sum (or, if any part thereof has been paid, the balance thereof remaining unpaid) from the date hereof, payable each ____ 1 and ____ 1, commencing ____ 1, 20[], at the Interest Rate per annum identified above, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto. The principal and interest of this bond are payable, without deduction for exchange, collection, or service charges, in lawful money of the United States of America. Principal is payable at the principal office of _____, _____, _____, or any successor (the "Paying Agent and Registrar") or by other transfer of funds acceptable to the Paying Agent and Registrar and such owner. All interest on this bond and principal payable prior to the final maturity date shall be payable by check or draft mailed to the record date registered owner hereof at the address shown on the registration records kept by the Paying Agent and Registrar or by other transfer of funds acceptable to the Trustee and such owner. The record date shall be the fifteenth day of the month preceding each interest payment date.

This Series 20[] Bond is one of an issue of Refunding Obligations of like tenor and effect, except as to denomination and maturity, numbered from AR-1 upward, inclusive, of the denomination of \$_____ or any integral multiple thereof originally aggregating _____ dollars (\$_____) in principal amount, issued for the purpose of (i) refunding all or a portion of the following outstanding bonds (a) \$_____, (b) \$_____, (c) \$_____ (collectively, the "Prior Bonds,"); and (ii) paying the costs of issuance of the Refunding Obligations, all pursuant to and in full compliance with the general laws of the Commonwealth of Kentucky and Chapter 66 of the Kentucky Revised Statutes, and pursuant to an ordinance duly adopted by the Urban County Council of the Lexington-Fayette Urban County Government on the ____ day of

IN WITNESS WHEREOF, the Lexington-Fayette Urban County Government has caused this Series 20[___] Bond to be signed either manually or by facsimile in its name by its Mayor and duly attested either manually or by facsimile by its Urban County Council Clerk and an impression or facsimile of the Lexington-Fayette Urban County Government's seal to be imprinted hereon, as of the date set forth above.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

Linda Gorton
Mayor

(SEAL)

Attest:

Urban County Council Clerk

CERTIFICATE OF AUTHENTICATION

This is to certify that this Series 20[___] Bond is one of the Refunding Obligations described hereinabove.

_____,
_____, _____

By: _____

Name:

Title:

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Lexington-Fayette Urban County Government or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of CEDE & Co or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to CEDE & Co, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, CEDE & Co, has an interest herein.

CERTIFICATE

It is hereby certified that the following is a correct and complete copy of the text of the legal opinion of Dinsmore & Shohl LLP, Attorneys, Lexington, Kentucky, regarding the issue of which the within Series 20[___] Bond is one, the original of which opinion was manually executed, dated and issued as of the date of delivery of and payment for said issue and a copy of which is on file with the undersigned.

Urban County Council Clerk

[INSERT FORM OF APPROVING OPINION]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:

(please print or typewrite social security number or other identifying number and name and address of transferee)

the within Series 20[___] Bond and does hereby irrevocably constitute and appoint the _____ or its successor as Paying Agent and Registrar to transfer the said Series 20[___] Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Note: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Series 20[___] Bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT A

THE PRIOR BONDS

Pursuant to the foregoing Bond Ordinance, all or a portion of the outstanding general obligation bonds of the Lexington-Fayette Urban County Government, including, but not limited to, the outstanding general obligation bonds listed in the following table (collectively, the "Prior Bonds"), may be refunded with a portion of the proceeds of its Refunding Obligations or additional general obligation refunding bonds to be issued pursuant thereto.

1. **Bond Issue:** \$6,275,000 Various Purpose General Obligation Refunding Bonds, Series 2012B, dated June 21, 2012

(A) **Authorizing Ordinance(s):** Ordinance No. 65-2012

(B) **Purpose:** (i) advance refund a portion of the outstanding principal amount of the \$4,570,000 Lexington-Fayette Urban County Government General Obligation Bonds, Series 2002C and the \$9,640,000 Lexington-Fayette Urban County Government General Obligation Bonds (Day Treatment Center, Multi-Use Facility and Expansion Area Boulevard Projects), Series 2004C and (ii) pay the costs of issuance of the Series 2012B Bonds.

2. **Bond Issue:** \$11,275,000 Various Purpose General Obligation Bonds, Series 2013A, dated March 28, 2013

(A) **Authorizing Ordinance(s):** Ordinance No. 20-2013

(B) **Purpose:** (i) financing various street and highway improvements including the rehabilitation and paving of existing roads and streets throughout Lexington, Fayette County, Kentucky, and (ii) paying certain costs related to the issuance of the Series 2013A Bonds

3. **Bond Issue:** \$6,005,000 Various Purpose General Obligation Refunding Bonds, Series 2013B, dated March 28, 2013

(A) **Authorizing Ordinance(s):** Ordinance No. 28-2013

(B) **Purpose:** (i) advance refund a portion of the outstanding principal amount of the \$9,640,000 Lexington-Fayette Urban County Government General Obligation Bonds (Day Treatment Center, Multi-Use Facility and Expansion Area Boulevard Projects), Series 2004C (the "Series 2004C Bonds"), (ii) advance refund a portion of the outstanding principal amount of and the \$4,490,000 Lexington-Fayette Urban County Government General Obligation Bonds, Series 2005C (the "Series 2005C Bonds"), (iii) advance refund a portion of the outstanding principal amount of and the \$10,310,000 Lexington-Fayette Urban County Government General Obligation Bonds (Stormwater Improvements, Neighborhood Redeployment, Bluegrass Aspendale Parkway, Veterans Park Fire Station and Police Car Projects), Series 2006B, (the "Series 2006B Bonds" and, together with the Series 2004C Bonds and the Series 2005C Bonds, the "Prior Bonds"), and (v) pay the costs of issuance of the Series 2013B Bonds.

4. **Bond Issue:** \$55,925,000 Various Purpose General Obligation Refunding Bonds, Series 2014A, dated May 1, 2014

(A) **Authorizing Ordinance(s):** Ordinance No. 108-2013

(B) **Purpose:** (i) refund the entire outstanding principal amount of \$60,470,000 of the Lexington-Fayette Urban County Government Taxable General Obligation Public Project Bonds, Series 2010A (Build America Bonds – Direct Pay), originally issued in the principal amount of \$69,320,000; and (ii) pay the costs of issuance of the Series 2014A Bonds.

5. **Bond Issue:** \$19,845,000 Various Purpose General Obligation Refunding Bonds, Series 2015A, dated June 3, 2015

(A) **Authorizing Ordinance(s):** Ordinance No. 023-2015

(B) **Purpose:** (a) refunding all or a portion of the remaining outstanding principal amount of the (i) \$2,055,000 Lexington Fayette Urban County Government General Obligation Bonds, Series 2006C (Development Rights Project) (the "Series 2006C Bonds,"), (ii) \$24,830,000 Lexington-Fayette Urban County Government General Obligation Various Purpose Bonds, Series 2009A (the "Series 2009A Bonds"), and/or (iii) \$8,950,000 Lexington-Fayette Urban County Government Various Purpose General Obligation Public Projects Bonds, Series 2010G (Federally Taxable – Recovery Zone Economic Development Bonds – Direct Payment to the Issuer) (the "Series 2010G Bonds" and together with the Series 2006C Bonds, and the Series 2009A Bonds and (b) paying the costs of issuance of the Series 2015A Bonds.

6. **Bond Issue:** \$24,860,000 Various Purpose General Obligation Bonds, Series 2015B, dated September 29, 2015

(A) **Authorizing Ordinance(s):** Ordinance No. 103-2015

(B) **Purpose:** (i) financing the acquisition of various projects for departments within the Lexington-Fayette Urban County Government, including, but not limited to, (i) software system upgrades, safety operations center and other safety related projects, road resurfacing, road maintenance, road upgrades and street scapes, renovations, repairs and upgrades related to public buildings, renovations, repairs and upgrades related to park projects, and providing financial assistance to Bluegrass Community and Technical College for the construction of a new facility to be owned by Bluegrass Community and Technical College, and (ii) providing funding for a program to preserve and manage agricultural, rural and natural lands, including the purchase of conservation easements or development rights; and (iii) paying the costs of issuance of the Series 2015B Bonds.

7. **Bond Issue:** \$22,450,000 Taxable General Obligation Bonds, Series 2016A (Historic Courthouse Project), dated June 21, 2016

(A) **Authorizing Ordinance(s):** Ordinance No. 92-2016

(B) **Purpose:** restoring, rehabilitating and adaptively re-using the historic Fayette County Courthouse (the "Historic Courthouse Project") located at 215 West Main Street in downtown Lexington, Fayette County, Kentucky by providing economic development assistance to the Historic Courthouse Project and financing an economic redevelopment grant in the amount of \$22,450,000; and (ii) paying certain costs related to the issuance of the Series 2016A Bonds.

8. **Bond Issue:** \$8,870,000 Tax-Exempt Various Purpose General Obligation Bonds Series 2016B, dated June 21, 2016

(A) **Authorizing Ordinance(s):** Ordinance No. 93-2016

(B) **Purpose:** (i) the design and infrastructure improvements for Town Branch Commons Corridor an innovative multimodal greenway that will link two regional trail systems, the Legacy Trail and Town Branch Trail; (ii) sidewalk improvements and enhancements located in the Versailles Road area; and (iii) street improvements including widening, opening, extending, realigning, grading, repaving, resurfacing otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas and other public ways throughout Lexington, Fayette County; and (iv) paying the costs of issuance of the Series 2016B Bonds.

9. **Bond Issue:** \$37,555,000 Various Purpose General Obligation Bonds, Series 2016C, dated September 30, 2016

(A) **Authorizing Ordinance(s):** Ordinance No. 148-2016

(B) **Purpose:** financing the acquisition of various projects for departments within the Lexington-Fayette Urban County Government, including, but not limited to, (i) the construction, installation and equipping of a new fire station, software system upgrades, safety operations and other safety related projects, road resurfacing, road maintenance, road upgrades, street scapes and sidewalk improvements, renovations, repairs and upgrades related to public buildings, renovations, repairs and upgrades related to park projects, and providing financial assistance to Lexington Center Corporation for the expansion and replacement of the Lexington Convention Center, (ii) providing funding for a program to preserve and manage agricultural, rural and natural lands, including the purchase of conservation easements or development rights; and (iii) paying certain costs related to the issuance of the Series 2016C Bonds.

10. **Bond Issue:** \$28,495,000 Various Purpose General Obligation Refunding Bonds Series 2016D, dated September 30, 2016

(A) **Authorizing Ordinance(s):** Ordinance No. 149-2016

(B) **Purpose:** (i) currently refunding the entire remaining outstanding principal amount of \$32,625,000 of the Lexington-Fayette Urban County Government General Obligation Public Projects Refunding Bonds, Series 2006D, originally issued in the principal amount of \$56,850,000; and (ii) paying the costs of issuance of the Series 2016D Bonds.

11. **Bond Issue:** \$32,435,000 Various Purpose General Obligation Bonds, Series 2017A, dated September 27, 2017

(A) **Authorizing Ordinance:** Ordinance No. 133-2017

(B) **Purpose:** (i) financing the construction, installation, renovations, repairs and upgrades and equipping of fire stations, software system upgrades, safety operations and other safety related projects, new firetrucks, new police equipment, new police cars, road resurfacing, road maintenance, road upgrades, street scapes and sidewalk improvements, renovations, repairs and upgrades related to public buildings, renovations, repairs and upgrades related to park projects, and various other improvements within departments of the Lexington-Fayette Urban County Government, (ii) providing funding for a program to preserve and manage agricultural, rural and natural lands, including the purchase of conservation easements or development rights, and (iii) paying certain costs related to the issuance of the Series 2017A Bonds.

12. **Bond Issue:** \$22,445,000 Taxable General Obligation Pension Funding Refunding Bonds, Series 2017B, dated September 27, 2017

(A) **Authorizing Ordinance:** Ordinance No. 134-2017

(B) **Purpose:** (i) refunding a portion in the principal amount of \$19,990,000 of the remaining outstanding principal amount of the Lexington-Fayette Urban County Government Taxable General Obligation Pension Funding Bonds, Series 2010D, originally issued in the principal amount of \$35,825,000, the proceeds of which were used for the purpose of funding certain unfunded liabilities to the Policemen's and Firefighters' Retirement Fund of the Lexington-Fayette Urban County Government, and (ii) paying the costs of issuance of the Series 2017B Bonds.

13. **Bond Issue:** \$42,055,000 Various Purpose General Obligation Bonds, Series 2018A, dated September 25, 2018

(A) **Authorizing Ordinance(s):** Ordinance No. 055-2018

(B) **Purpose:** (i) financing the construction, installation, renovations, repairs and upgrades and equipping of fire stations, safety operations and other safety related projects, new firetrucks, new police equipment, new police cars, road resurfacing, road maintenance, road upgrades, streetscapes and sidewalk improvements, pedestrian safety improvements, renovations, repairs and upgrades related to public buildings, renovations, repairs and upgrades related to park projects, providing financial assistance to the Lexington Center Corporation for the expansion and replacement of the Lexington Convention Center and various other improvements within departments of the Lexington-Fayette Urban County Government, and (ii) paying certain costs related to the issuance of the Series 2018A Bonds.

14. **Bond Issue:** \$18,110,000 Various Purpose General Obligation Bonds, Series 2019, dated November 13, 2019

(A) **Authorizing Ordinance:** Ordinance No. 73-2019

(B) **Purpose:** (i) financing the repairs and upgrades and equipping of fire stations, safety operations, new firetrucks and other fire safety related projects, new police equipment, new police cars, road resurfacing, road maintenance, road upgrades, streetscapes and sidewalk improvements, pedestrian safety improvements, renovations, repairs and upgrades related to public buildings, new voting machines and various other improvements within departments of the Lexington-Fayette Urban County Government, (ii) providing funding for a program to preserve and manage agricultural, rural and natural lands, including the purchase of conservation easements or development rights, and (iii) paying certain costs related to the issuance of the Series 2019 Bonds.

15. **Bond Issue:** \$22,450,000 Taxable General Obligation Bonds, Series 2016A (Historic Courthouse Project), dated June 21, 2016

(A) **Authorizing Ordinance(s):** Ordinance No. 92-2016

(B) **Purpose:** restoring, rehabilitating and adaptively re-using the historic Fayette County Courthouse (the “Historic Courthouse Project”) located at 215 West Main Street in downtown Lexington, Fayette County, Kentucky by providing economic development assistance to the Historic Courthouse Project and financing an economic redevelopment grant in the amount of \$22,450,000; and (ii) paying certain costs related to the issuance of the Series 2016A Bonds.

16. **Bond Issue:** \$8,870,000 Tax-Exempt Various Purpose General Obligation Bonds Series 2016B, dated June 21, 2016

(A) **Authorizing Ordinance(s):** Ordinance No. 93-2016

(B) **Purpose:** (i) the design and infrastructure improvements for Town Branch Commons Corridor an innovative multimodal greenway that will link two regional trail systems, the Legacy Trail and Town Branch Trail; (ii) sidewalk improvements and enhancements located in the Versailles Road area; and (iii) street improvements including widening, opening, extending, realigning, grading, repaving, resurfacing otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas and other public ways throughout Lexington, Fayette County; and (iv) paying the costs of issuance of the Series 2016B Bonds.

17. **Bond Issue:** \$37,555,000 Various Purpose General Obligation Bonds, Series 2016C, dated September 30, 2016

(A) **Authorizing Ordinance(s):** Ordinance No. 148-2016

(B) **Purpose:** financing the acquisition of various projects for departments within the Lexington-Fayette Urban County Government, including, but not limited to, (i) the construction, installation and equipping of a new fire station, software system upgrades, safety operations and other safety related

projects, road resurfacing, road maintenance, road upgrades, street scapes and sidewalk improvements, renovations, repairs and upgrades related to public buildings, renovations, repairs and upgrades related to park projects, and providing financial assistance to Lexington Center Corporation for the expansion and replacement of the Lexington Convention Center, (ii) providing funding for a program to preserve and manage agricultural, rural and natural lands, including the purchase of conservation easements or development rights; and (iii) paying certain costs related to the issuance of the Series 2016C Bonds.

**EXHIBIT B
TO
BOND ORDINANCE**

FORM OF BOND PURCHASE AGREEMENT

* * * * *

[\$[Par]]
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
VARIOUS PURPOSE GENERAL OBLIGATION REFUNDING BONDS

BOND PURCHASE AGREEMENT

[Award Date]

Mayor
Lexington-Fayette Urban County Government
200 East Main Street
Lexington, Kentucky 40507

_____:

In response to the solicitation of the Lexington-Fayette Urban County Government (the “Lexington-Fayette Urban County Government”), the undersigned (the “Purchaser”) has previously submitted its proposal dated [Proposal Date] (the “Proposal”), and the Purchaser hereby offers to enter into this Bond Purchase Agreement (this “Agreement”) with the Lexington-Fayette Urban County Government for the purchase by it and sale by the Lexington-Fayette Urban County Government the Bonds of the Lexington-Fayette Urban County Government described below. This offer is made subject to acceptance by the Lexington-Fayette Urban County Government before the Closing (hereinafter defined), and upon acceptance this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon both the Lexington-Fayette Urban County Government and the Purchaser.

1. Upon the terms and conditions and upon the basis of the representations herein set forth, the Purchaser hereby agrees to purchase from the Lexington-Fayette Urban County Government, and the Lexington-Fayette Urban County Government hereby agrees to sell to the Purchaser, the Lexington-Fayette Urban County Government’s General Obligation Bonds, Series 20[___], in a principal amount of \$[Par], dated [Closing Date] (the “Bonds”). The Bonds have been authorized by an ordinance adopted by the Lexington-Fayette Urban County Council on April _____, 2021 (the “Ordinance”), which Ordinance sets out the terms of the Bonds. The Bonds shall mature as to principal and shall bear interest as set out in the Ordinance and the Certificate of Award executed by the Mayor of the Lexington-Fayette Urban County Government on [Award Date] (the “Award Certificate” and, together with the Ordinance, the “Authorizing Legislation”). Reference is made to the Authorizing Legislation for a further description of the Bonds.

2. The Lexington-Fayette Urban County Government shall deliver to the Purchaser, or cause to be delivered to the Purchaser, after acceptance hereof by the Lexington-Fayette Urban County Government and at or before the Closing (hereinafter defined), an executed or certified copy of the Authorizing Legislation and other documents required to be delivered under the terms of the Authorizing Legislation and this Agreement.

3. On [Closing Date], at 10:00 a.m. (local time), at the offices of the Purchaser in [_____] (the “Closing”), the Lexington-Fayette Urban County Government will deliver to the Purchaser the Bonds as [number] Bonds in fully registered form as provided in the Authorizing Legislation, registered to the Purchaser and duly executed, together with all other documents required by Bond Counsel, Dinsmore & Shohl LLP; and the Purchaser will accept such delivery of the Bonds and will pay the Lexington-Fayette Urban County Government the purchase price thereof, by wire transfer or any other manner acceptable to the Lexington-Fayette Urban County Government and Bond Counsel, for application in accordance with the provisions of the Ordinance. The Bonds will be made available for examination at or before Closing.

4. The Purchaser has entered into this Agreement in reliance upon the representations and agreements of the Lexington-Fayette Urban County Government herein and in the Authorizing Legislation and performance by the Lexington-Fayette Urban County Government of its obligations hereunder and thereunder, both as of the date hereof and as of the date of Closing. The Purchaser acknowledges and represents that the Bonds are being sold and originally issued to the Purchaser as a fully knowledgeable purchaser and that the Bonds are not being publicly distributed. The Purchaser has knowledge and extensive experience in financial and business matters, including the purchase of securities for investment, and is capable of evaluating the merits and risks of investment in the Bonds and is able to bear the economic risks of such investment in the Bonds. No official statement or prospectus has been prepared by the Lexington-Fayette Urban County Government in connection with the sale of the Bonds to the Purchaser and, in purchasing the Bonds, the Purchaser is acquiring it solely upon investigation independently made by it into the financial condition of the Lexington-Fayette Urban County Government and information regarding the Lexington-Fayette Urban County Government already furnished to or known to the Purchaser. The Purchaser understands the Bonds are payable solely from the sources set out in the Ordinance. The Purchaser has received and reviewed the documentation described herein in connection with the issuance of the Bonds and has further received all materials and information requested by the Purchaser in connection with the issuance of the Bonds. The Purchaser represents that it is purchasing the Bonds for its own account and not with any intention of resale or distribution thereof; and the Purchaser represents that any future transfer or sale of the Bonds by the Purchaser to others will be carried out only on the basis of compliance with the requirements of the laws and regulations which are applicable to any such action, upon the advice of counsel. Notwithstanding the foregoing, the Purchaser may participate with other banks in the benefits of its ownership of the Bonds, provided that the Lexington-Fayette Urban County Government's obligations under the Ordinance and the Bonds shall extend only to the Purchaser. The Lexington-Fayette Urban County Government hereby represents and warrants to the Purchaser that to the Lexington-Fayette Urban County Government's knowledge the materials and information provided by the Lexington-Fayette Urban County Government to the Purchaser described in this paragraph 4 are true and accurate; provided, however, no such representations or warranties are made with respect to forward-looking statements or financial projections contained therein.

5. The Purchaser's obligations under this Agreement are and shall be subject to the following further conditions:

(a) At the Closing, the Authorizing Legislation and other related documents shall be in full force and effect and shall not have been amended, modified, or supplemented except as may have been agreed to in writing by the Purchaser;

(b) At the time of Closing, the Purchaser shall receive:

(i) any documents referred to in Section 2 above;

(ii) the approving opinion, dated as of the date of Closing, of Bond Counsel, to the general effect, among other things, that the Bonds are a valid general obligation of the Lexington-Fayette Urban County Government, secured in the manner provided in the Ordinance; that based on certain representations, warranties, and covenants of the Lexington-Fayette Urban County Government, interest on the Bonds is not included in gross income for federal and Kentucky income tax purposes;

(iii) any commitment, closing, or bank counsel fee described by the Purchaser's bid for the Bonds;

(iv) such additional certificates, opinions, or other documents as the Purchaser or Bond Counsel may reasonably require to evidence the accuracy, as of the Closing, of the representations and warranties of the Lexington-Fayette Urban County Government in the Bonds-related documents and the due performance and satisfaction by the Lexington-Fayette Urban County Government at or before such time of all agreements then to be performed and all conditions then to be satisfied by the Lexington-Fayette Urban County Government;

(c) The Purchaser shall have the right before the Closing to cancel its obligations to purchase the Bonds if between the date hereof and the time of Closing: (i) legislation shall have been enacted by the Congress of the United States, a decision shall have been rendered by a Court of the United States or a ruling shall have been made or a regulation shall have been

proposed or adopted by the Treasury Department or the Internal Revenue Service of the United States with respect to federal taxation of interest received on obligations of the general character of the Bonds which in the Purchaser's reasonable opinion make untrue or incorrect in any material respect any statement or information contained in the documents relating to the issuance of the Bonds or causes such documents or information contained therein to be misleading in any material respect; or (ii) trading in securities generally on the New York Stock Exchange shall have been suspended or minimal prices shall have been established on such Exchange by the Securities and Exchange Commission or by such Exchange; or (iii) a general banking moratorium shall have been declared by federal or state authorities; and

(d) The conditions of the bid submitted by the Purchaser shall have been met by the Lexington-Fayette Urban County Government to the satisfaction of the Purchaser.

6. The Lexington-Fayette Urban County Government will furnish, or cause to be furnished, to the Purchaser not later than nine months immediately following the end of each fiscal year of the Lexington-Fayette Urban County Government, beginning with the fiscal year ending June 30, 2021, the Lexington-Fayette Urban County Government's audited financial statements for the fiscal year ending the immediately preceding June 30th.

7. If the Lexington-Fayette Urban County Government shall be unable to satisfy the conditions precedent to Closing in Section 5 hereof, the Purchaser may elect to terminate this Agreement and thereafter neither the Purchaser nor the Lexington-Fayette Urban County Government shall have any further obligations hereunder.

[Signature page to follow]

SIGNATURE PAGE TO BOND PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Lexington-Fayette Urban County Government and the Purchaser have caused this Bond Purchase Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date first written above.

[PURCHASER NAME]

By: _____

Title: _____

Accepted this [Award Date].

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

By: _____

Linda Gorton
Mayor