

**BOND PURCHASE AGREEMENT**

Among

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT,**

**NEW OCTAGON IRB HOLDINGS LLC**  
as Servicing Agent,

**NEW OCTAGON LIMITED LIABILITY COMPANY,**

And

**NEW OCTAGON IRB HOLDINGS LLC,**  
as Purchaser

**UP TO \$39,000,000**  
**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, KENTUCKY,**  
**INDUSTRIAL BUILDING REVENUE BONDS, SERIES 2022C**  
**(SPEIGLE HEIGHTS REDEVELOPMENT PROJECT – NEW OCTAGON)**

Dated as of:

\_\_\_\_\_, 2022

## TABLE OF CONTENTS

(This Table of Contents is not a part of this Bond Purchase Agreement, but is for convenience of reference only.)

ARTICLE I DEFINITIONS.....	2
ARTICLE II REPRESENTATIONS AND WARRANTIES .....	8
Section 2.01.    Representations And Warranties Of The Issuer.....	8
Section 2.02.    Representations And Warranties Of The Purchaser.....	9
Section 2.03.    Representations And Warranties Of The Servicing Agent.....	10
Section 2.04.    Representations And Warranties Of The Company.....	10
ARTICLE III AUTHORIZATION OF ISSUANCE OF SERIES 2022C BONDS; TERMS AND CONDITIONS THEREOF.....	12
Section 3.01.    Authorization; General Terms .....	12
Section 3.02.    Ownership Of Series 2022C Bonds.....	14
Section 3.03.    Limited Liability Of Issuer.....	17
Section 3.04.    Redemption Of Series 2022C Bonds.....	18
Section 3.05.    Issuer’s Covenants .....	20
ARTICLE IV PURCHASE OF SERIES 2022C BONDS; CONDITIONS TO PURCHASE.....	21
Section 4.01.    Purchase Of Series 2022C Bonds.....	21
Section 4.02.    Conditions to Purchase .....	22
ARTICLE V RECEIPT AND USE OF SERIES 2022C BOND PROCEEDS AND PLEDGED RECEIPTS.....	23
Section 5.01.    Payment, Custody, And Application Of Series 2022C Bond Proceeds.....	23
Section 5.02.    Payment, Custody, And Application Of Pledged Receipts.....	24
Section 5.03.    Investment Or Deposit Of Monies.....	26
ARTICLE VI EVENTS OF DEFAULT AND REMEDIES .....	26
Section 6.01.    Events Of Default Defined.....	26
Section 6.02.    Acceleration And Annulment.....	27
Section 6.03.    Legal Proceedings By Bondholder .....	27
Section 6.04.    Limitations On Actions By Bondholder .....	28
Section 6.05.    Remedies Not Exclusive.....	28
Section 6.06.    Delays And Omissions Not To Impair Rights .....	28
Section 6.07.    Application Of Moneys In Event Of Default .....	28

Section 6.08.	Bondholder Entitled To All Remedies Under Act.....	29
ARTICLE VII INDEMNITY .....		29
Section 7.01.	Indemnity Of Issuer And Purchaser .....	29
Section 7.02.	Indemnity Of Servicing Agent .....	30
ARTICLE VIII AMENDMENTS AND SUPPLEMENTS.....		31
Section 8.01.	Amendments .....	31
Section 8.02.	Amendment Of Lease Agreement.....	31
ARTICLE IX THE SERVICING AGENT.....		31
Section 9.01.	Appointment.....	31
Section 9.02.	Bond Proceeds .....	31
Section 9.03.	The Bond Fund .....	32
Section 9.04.	Notices Of Default .....	32
Section 9.05.	Payment Of Fees And Expenses .....	32
Section 9.06.	Consultation Of Experts.....	33
Section 9.07.	Maintenance Of Security .....	33
Section 9.08.	Use Of Proceeds By Others.....	33
Section 9.09.	Reliance On Certificates And Other Documents.....	33
Section 9.10.	Limited Liability.....	34
Section 9.11.	No Personal Liability .....	34
Section 9.12.	Right Of Inspection.....	34
Section 9.13.	No Bond Or Surety Required .....	34
Section 9.14.	Use Of Held Funds .....	35
Section 9.15.	No Obligation To Expend Personal Funds .....	35
Section 9.16.	Successor Servicing Agents; Resignation; Removal.....	35
ARTICLE X MISCELLANEOUS.....		36
Section 10.01.	Deposit Of Funds For Payment Of Series 2022C Bonds.....	36
Section 10.02.	Applicable Law .....	36
Section 10.03.	No Rights Conferred On Others .....	36
Section 10.04.	Payments Due On Saturdays, Sundays, And Holidays .....	36
Section 10.05.	Illegal Provisions Disregarded.....	36
Section 10.06.	Notices .....	37
Section 10.07.	Counterparts.....	37

Section 10.08. Signatures.....	38
Section 10.09. Successors And Assigns.....	38
Section 10.10. Rules Of Construction.....	38
Exhibit A – Form of Registered Series 2022C Bond	

## **BOND PURCHASE AGREEMENT**

This **BOND PURCHASE AGREEMENT** is made as of \_\_\_\_\_, 2022, by and among (i) **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, a Kentucky urban-county government established pursuant to the provisions of Chapter 67A of the Kentucky Revised Statutes, (ii) **NEW OCTAGON LIMITED LIABILITY COMPANY**, a Kentucky limited liability company, and (iii) **NEW OCTAGON IRB HOLDINGS LLC**, a Kentucky limited liability company.

### **RECITALS**

**A.** All capitalized terms in this preamble shall have the meanings set forth in ARTICLE I of this Bond Purchase Agreement, unless the context requires otherwise; and

**B.** The Act authorizes the Issuer to issue industrial revenue bonds and to make the proceeds thereof available to a corporation for the purpose of financing industrial building facilities as defined in the Act, such bonds being payable from the revenues derived from the Issuer's leasing of such facilities to the Company; and under the Act, the financing of industrial buildings constitutes a public purpose; and

**C.** The Issuer has found and determined, and hereby finds and determines, that the issuance by the Issuer of the Series 2022C Bonds in order to finance the industrial building facilities and properties comprising the New Octagon Project will promote economic development and encourage the increase of industry within the environs of the Issuer and the Commonwealth and will be consistent with and in furtherance of the purposes of the Act; and

**D.** The Lease Agreement provides for the financing of the New Octagon Project by application of the proceeds of the Series 2022C Bonds and the leasing of the New Octagon Project to the Company for rentals sufficient to pay debt service on and the redemption price of the Series 2022C Bonds when due; and

**E.** Pursuant to the Bond Legislation, the Issuer has been authorized to issue the Series 2022C Bonds and to execute the Bond Documents; and

**F.** The Company has requested that the Issuer sell the Series 2022C Bonds by private, negotiated sale to the Purchaser; and

**G.** The Purchaser is willing to purchase the Series 2022C Bonds upon the terms and subject to the conditions provided herein; and

H. The Servicing Agent desires to disburse the proceeds of the Series 2022C Bonds and perform certain other functions as specified herein, all as the Issuer's designated agent; and

I. The parties desire to provide for the terms of purchase of the Series 2022C Bonds, the manner of disbursement of the proceeds thereof, and the duties and responsibilities of each party with respect thereto.

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto covenant, agree, and bind themselves as follows; provided that any obligation of the Issuer created by or arising out of this Bond Purchase Agreement shall never constitute a general obligation of or a pledge of the full faith and credit or the taxing power of the Issuer, the Commonwealth, or any political subdivision of the Commonwealth, but shall be payable solely out of the Pledged Receipts, anything herein contained to the contrary, by implication or otherwise, notwithstanding:

## **ARTICLE I DEFINITIONS**

The capitalized terms used in this Bond Purchase Agreement shall have the meanings set forth below unless the context requires otherwise. Capitalized terms used but not otherwise defined herein shall have the meanings provided by the Lease Agreement.

**"Act"** means Sections 103.200 to 103.285, inclusive, of the Kentucky Revised Statutes, as amended and in full force on the date of execution of this Bond Purchase Agreement.

**"Assignment"** means the Assignment of Lease Agreement related to the Series 2022C Bonds, dated as of even date herewith, from the Issuer to the Purchaser, and any permitted amendments or supplements thereto.

**"Astana"** means Astana LLC, a Kentucky limited liability company having a principal office address of 210 East High Street, P.O. Box 794, Lexington, Kentucky 40588, together with its successors or assigns.

**"Astana Bonds"** means the bond or bonds issued by the Issuer pursuant to the Bond Legislation designated "Lexington-Fayette Urban County Government, Kentucky, Industrial Building Revenue Bonds, Series 2022A (Speigle Heights Redevelopment Project – Astana)" which, collectively with the Series 2022C Bonds and the New Circle Bonds, carry an aggregate maximum par amount of \$39,000,000, and includes any Astana Bonds issued in exchange therefore pursuant to the Bond Legislation and the Bond Purchase Agreement related to the Astana Bonds.

**"Astana Lease Agreement"** means the Lease Agreement related to the Astana Bonds, dated as of even date herewith, by and between the Issuer and

Astana LLC, as assigned to Astana IRB Holdings LLC, the purchaser of the Astana Bonds, pursuant to said assignment, and any permitted amendments or supplements thereto.

**“Authorized Company Representative”** means the person or persons at the time designated to act on the Company’s behalf by written certificate furnished to the Issuer and the Servicing Agent containing the specimen signatures of such person or persons and signed on the Company’s behalf by its Manager. Such certificate may designate an alternate or alternates.

**“Authorized Issuer Representative”** means the person or persons at the time designated to act on the Issuer’s behalf by written certificates furnished to the Company and the Servicing Agent containing the specimen signatures of such person or persons and signed on the Issuer’s behalf by its Mayor or Urban County Council Clerk. Such certificate may designate an alternate or alternates.

**“Bond Counsel”** means Stoll Keenon Ogden PLLC, a Kentucky professional limited liability company.

**“Bond Documents”** means the Series 2022C Bonds, the Lease Agreement, this Bond Purchase Agreement, the PILOT Agreements, the Bond Legislation, and the Assignment.

**“Bond Fund”** means the fund by that name established pursuant to Section 5.02(b) hereof.

**“Bondholder”** means, initially, the Purchaser, and any person in whose name one or more of the Series 2022C Bonds are registered.

**“Bond Legislation”** means Ordinance No. [REDACTED] adopted by the Issuer’s Legislative Body on [REDACTED], 2022, authorizing the Series 2022C Bonds, the Astana Bonds, and the New Circle Bonds, and includes any permitted amendments or supplements thereto.

**“Bond Purchase Agreement”** means this Bond Purchase Agreement related to the Series 2022C Bonds, dated as of \_\_\_\_\_, 2022, by and among the Issuer, the Company, the Purchaser, and the Servicing Agent, and any permitted amendments or supplements hereto.

**“Bond Register”** has the meaning provided in Section 3.01(l) hereof.

**“Bond Service Charges”** means all payments of principal and interest on the Series 2022C Bonds, together with any other payments owed to the Bondholder pursuant to the requirements of the Bond Documents.

“**Business Day**” means a day which is not (a) a Saturday, Sunday, or legal holiday on which banking institutions in the Commonwealth or the State of New York are authorized by law to close or (b) a day on which the New York Stock Exchange is closed.

“**Closing**” means the effectuation of the issuance and sale of the Series 2022C Bonds, pursuant to this Bond Purchase Agreement, on the Closing Date.

“**Closing Date**” means                     , 2022.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commonwealth**” means the Commonwealth of Kentucky.

“**Company**” means New Octagon Limited Liability Company, a Kentucky limited liability company having a mailing address of 210 East High Street, P.O. Box 794, Lexington, Kentucky 40588, together with its successors or assigns.

“**Company Documents**” means this Bond Purchase Agreement, the Lease Agreement, the PILOT Agreements, and any permitted amendments or supplements hereto or thereto.

“**Company Parties**” has the meaning provided in Section 7.01(a) hereof.

“**Completion Date**” means the date established pursuant to a certificate of an Authorized Company Representative, pursuant to Section 3.05 of the Lease Agreement. Notwithstanding any provision contained herein or in the Lease Agreement, the Completion Date shall be a Business Day occurring on or before                     .

“**Construction Fund**” means the fund so designated which is established pursuant to Section 5.01(b) hereof.

“**Control Group**” means a group of business entities, regardless of classification for federal tax purposes, bearing the same relationship as “controlled group of corporations” provided in ~~Code~~ Section 1563 of the Code.

“**Costs of Construction**” has the meaning provided in ARTICLE I of the Lease Agreement.

“**Default**” has the meaning provided by Section 8.01 of the Lease Agreement.

“**Defaulted Interest**” has the meaning provided in Section 3.01(i) hereof.



**“Eligible Investments”** means (a) any ~~Series 2022C-Bond~~bond or other direct obligation of the United States of America; (b) any obligation of the Federal National Mortgage Association or the Government National Mortgage Association; (c) any obligation of the Federal Intermediate Credit Banks; (d) any obligation of Federal Banks for Cooperatives; (e) any obligation of Federal Land Banks; (f) any obligation of the Federal Financing Bank; (g) any bank repurchase agreement issued by a Federal Reserve member bank, fully secured by obligations of any of the kinds specified in clauses (a) through (f) above; (h) time deposits, certificates of deposit, or banker’s acceptances of banks or trust companies organized under the laws of the United States of America or any state thereof, which have combined capital and earned and unearned surplus of at least \$5,000,000 in dollars of the United States of America; (i) commercial paper or finance company paper that is rated not less than prime-one or A-1, or their equivalents, by Moody’s Investors Service, Inc. or Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc., respectively, or their successors, or both, if rated by both; or (j) any obligation of any state of the United States of America or of any political subdivision or other instrumentality of any such state that is rated at least “A” or its equivalent by either Moody’s Investors Service, Inc. or Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc., or their successors, or both, if rated by both.

**“Experts”** has the meaning provided in Section 9.06 hereof.

**“Extraordinary Services”** and **“Extraordinary Expenses”** mean all services reasonably rendered and all reasonable expenses reasonably incurred by the Servicing Agent under this Bond Purchase Agreement, other than Ordinary Services and Ordinary Expenses.

**“Indemnified Parties”** has the meaning provided in Section 7.01(a) hereof.

**“Interest Payment Date”** means (a) each February 1 beginning February 1, 2023, and ending February 1, 2062, and (b) the Maturity Date.

**“Interest Rate”** means     % per annum.

**“Issuer”** means the Lexington-Fayette Urban County Government, an urban-county government and political subdivision of the Commonwealth.

**“Lease Agreement”** means the Lease Agreement related to the Series 2022C Bonds, dated as of even date herewith, by and between the Issuer and the Company, as assigned to the Purchaser pursuant to the Assignment, and any permitted amendments or supplements thereto.

**“Legislative Body”** means the Urban County Council of the Issuer.

“**Losses**” has the meaning provided in Section 7.02 hereof.

“**Maturity Date**” means March 1, 2062.

“**Maximum Principal Amount**” means (a) \$39,000,000 less (b) the sum of all advances of industrial revenue bond proceeds by the Issuer to (i) Astana LLC under the Astana Lease Agreement and (ii) New Circle Investments LLC under the New Circle Lease Agreement.

“**New Circle**” means New Circle Investments LLC, a Kentucky limited liability company having a principal office address of 210 East High Street, P.O. Box 794, Lexington, Kentucky 40588.

“**New Circle Bonds**” means the bond or bonds issued by the Issuer pursuant to the Bond Legislation designated “Lexington-Fayette Urban County Government, Kentucky, Industrial Building Revenue Bonds, Series 2022B (Speigle Heights Redevelopment Project – New Circle)” which, collectively with the Series 2022C Bonds and the Astana Bonds, carry an aggregate maximum par amount of \$39,000,000, and includes any New Circle Bonds issued in exchange therefore pursuant to the Bond Legislation and the Bond Purchase Agreement related to the New Circle Bonds.

“**New Circle Lease Agreement**” means the Lease Agreement dated as of even date herewith, by and between the Issuer and New Circle Investments LLC, as assigned to NCI IRB Holdings LLC, the purchaser of the New Circle Bonds, pursuant to said assignment, and any permitted amendments or supplements thereto.

“**New Octagon Project**” has the meaning provided in **Exhibit B** to the Lease Agreement.

“**New Octagon Project Site**” means the real estate and interests in real estate constituting the site of the New Octagon Project, as described in **Exhibit A** to the Lease Agreement.

“**Ordinary Services**” and “**Ordinary Expenses**” mean those services normally rendered and those expenses normally incurred by a servicing agent under instruments similar to this Bond Purchase Agreement.

“**Outstanding**”, in connection with Series 2022C Bonds, means, as of the time in question, all Series 2022C Bonds authenticated and delivered under this Bond Purchase Agreement, except:

- (a) Series 2022C Bonds cancelled upon surrender, exchange, or transfer or cancelled because of payment or redemption at or before that time;

- (b) Series 2022C Bonds, or the portion thereof, for the payment, redemption, or purchase for cancellation of which sufficient moneys have been deposited and credited with the Servicing Agent on or before that date for that purpose (whether upon or before the maturity or redemption date of those Series 2022C Bonds); provided that if any of those Series 2022C Bonds are to be redeemed before their maturity, notice of that redemption shall have been given, or arrangements satisfactory to the Servicing Agent shall have been made for giving notice of that redemption, or waiver by the Bondholder of that notice, satisfactory in form to the Servicing Agent, shall have been filed with the Servicing Agent; and
- (c) Series 2022C Bonds, or the portion thereof, which are deemed to have been paid and discharged.

**“PILOT Agreements”** means, collectively, the four Payment In Lieu Of Taxes Agreements by and between the Issuer, the Company, Astana, and New Circle and any permitted amendments or supplements thereto.

**“Pledged Receipts”** means (a) any and all Rent Payments under the Lease Agreement; (b) all other moneys received by the Issuer, the Bondholder, or the Servicing Agent for the Issuer’s account, in respect of the Lease Agreement or the New Octagon Project, except certain expense, reimbursement, and indemnity payments which are, pursuant to the provisions of the Lease Agreement, to be made by the Company directly to the Issuer or the Servicing Agent; (c) unexpended proceeds derived from the sale of the Series 2022C Bonds in the Construction Fund; and (d) the income and profit from the investment of any moneys while held in the Bond Fund or the Construction Fund. Nothing herein or in the Lease Agreement shall be construed as requiring the Issuer to use or apply to the payment of Bond Service Charges any revenues from any source other than the Pledged Receipts.

**“Preexisting Encumbrances”** means a security interest in the land, personal property, real property improvements, or other components constituting the New Octagon Project. As of the Closing Date, the New Octagon Project is not subject to any Preexisting Encumbrances other than those granted to the Issuer in the Bond Documents.

**“Purchaser”** means New Octagon IRB Holdings LLC, a Kentucky limited liability company having a principal office address of 210 East High Street, P.O. Box 794, Lexington, Kentucky 40588.

**“Purchaser Documents”** means this Bond Purchase Agreement and the Assignment.

**“Regular Record Date”** means the close of business on the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding an Interest Payment Date.

**“Rent Payments”** has the meaning provided by Section 4.02(a) of the Lease Agreement.

**“Secured Parties”** means, collectively, the secured party or parties that (a) provide or provided loans to the Company or any of its affiliates and (b) in connection with such loans, hold a security interest or lien with respect to any of the Company’s property or assets, including a security interest in the Company’s right, title, and interest in and to the New Octagon Project and the Bond Documents. As of the Closing Date, the only Secured Party is the Issuer.

**“Series 2022C Bonds”** means the bond or bonds issued by the Issuer pursuant to the Bond Legislation in the Maximum Principal Amount and designated “Lexington-Fayette Urban County Government, Kentucky, Industrial Building Revenue Bonds, Series 2022C (Speigle Heights Redevelopment Project – New Octagon)” and includes any Series 2022C Bonds issued in exchange therefore pursuant to the Bond Legislation and this Bond Purchase Agreement.

**“Servicing Agent”** means New Octagon IRB Holdings LLC, a Kentucky limited liability company having a principal office address of 210 East High Street, P.O. Box 794, Lexington, Kentucky 40588, together with its successors or assigns.

**“Special Record Date”** means such date as may be fixed for the payment of defaulted interest in accordance with Section 3.01(i) hereof.

## **ARTICLE II REPRESENTATIONS AND WARRANTIES**

**Section 2.01. Representations And Warranties Of The Issuer.** The Issuer hereby agrees with and makes the following representations and warranties to the Company, the Purchaser, and the Servicing Agent, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) **Valid Existence; Legal Authority.** The Issuer is an urban-county government and political subdivision of the Commonwealth, duly-organized and existing under the laws of the Commonwealth, and has and, at the Closing Date, will have full legal right, power, and authority, pursuant to the Bond Legislation, (i) to enter into this Bond Purchase Agreement; (ii) to execute and deliver the Bond Documents; (iii) to issue, sell, and deliver the Series 2022C Bonds as provided herein; and (iv) to carry out and consummate the transactions contemplated by the Bond Documents.

**(b) Compliance With Act.** The Issuer has complied and will, at the Closing, be in compliance, in all respects, with the Act.

**(c) No Breach Or Default.** The Issuer is not in breach of or in default under (i) the Act, (ii) any applicable law or administrative regulation of the Commonwealth or the United States, or (iii) any applicable judgment or decree or any indenture, loan agreement, note, resolution, agreement, or other instrument to which the Issuer is a party or is otherwise subject; and the issuance and sale of the Series 2022C Bonds upon the terms set forth herein and in the Bond Documents, the execution and delivery by the Issuer of the Bond Documents, and its compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under the Act or any law, administrative regulation, judgment, decree, indenture, loan agreement, note, resolution, agreement, or other instrument to which the Issuer is a party or is otherwise subject.

**(d) Prior Consents And Approvals.** All approvals, consents, and orders of any governmental authority, board, agency, or commission having jurisdiction which would constitute a condition precedent to the performance by the Issuer of its obligations hereunder, the issuance of the Series 2022C Bonds, and the execution and delivery and performance by the Issuer of the Bond Documents have been obtained or will be obtained before the Closing.

**(e) Series 2022C Bonds Are Valid Obligations.** The Series 2022C Bonds, when issued, authenticated, and delivered in accordance with the Bond Documents and sold to the Purchaser as provided herein, will be the legal, valid, and binding special and limited obligations of the Issuer, issued in conformity with and entitled to the benefit and security of the Bond Documents.

**(f) Bond Documents Are Valid Obligations.** The terms and provisions of the Bond Documents will comply in all respects with the requirements of the Act and, when executed and delivered by the parties thereto, the Bond Documents will constitute the legal, valid, and binding obligations of the Issuer, enforceable in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally, from time to time in effect, and rights of acceleration, indemnity, and contribution, and the availability of equitable remedies may be limited by equitable principles.

**(g) No Suits Or Proceedings Pending Or Threatened.** There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, pending or, to the Issuer's knowledge, threatened against the Issuer, affecting the Issuer's existence or the titles of its officials and officers to their respective offices or seeking to prohibit, restrain, or enjoin the issuance, sale, or delivery of the Series 2022C Bonds or the collection of the Issuer's revenues or assets pledged or to be pledged to pay the principal of and interest on the Series 2022C Bonds, or the

pledge thereof, or in any way contesting or affecting the validity or enforceability of the Series 2022C Bonds or the Bond Documents, or contesting the Issuer's power or authority to issue the Series 2022C Bonds or to execute and deliver the Bond Documents, or wherein an unfavorable decision, ruling, or finding would materially adversely affect the validity or enforceability of the Series 2022C Bonds or the Bond Documents.

**Section 2.02. Representations And Warranties Of The Purchaser.** The Purchaser hereby agrees with and makes the following representations and warranties to the Issuer, the Company, and the Servicing Agent, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) **Valid Existence; Legal Authority.** The Purchaser is a limited liability company, duly created and existing under the laws of the Commonwealth, and has and, at the Closing Date, will have full legal right, power, and authority to enter into and to execute and deliver the Purchaser Documents, to purchase the Series 2022C Bonds as provided herein, and to carry out and to consummate the transactions contemplated herein.

(b) **Valid Obligations.** The Purchaser Documents, when executed and delivered by the parties thereto, will constitute legal, valid, and binding obligations of the Purchaser, enforceable in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally, from time to time in effect, and rights of acceleration, indemnity, and contribution, and the availability of equitable remedies may be limited by equitable principles.

**Section 2.03. Representations And Warranties Of The Servicing Agent.** The Servicing Agent hereby agrees with and makes the following representations and warranties to the Issuer, the Company, and the Purchaser, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) **Valid Existence; Legal Authority.** The Servicing Agent is a limited liability company, duly created and existing under the laws of the Commonwealth, and has and, at the Closing Date, will have full legal right, power, and authority to enter into and to execute and deliver this Bond Purchase Agreement, to service the Series 2022C Bonds as provided herein, and to carry out and to consummate the transactions contemplated herein.

(b) **Valid Obligation.** This Bond Purchase Agreement, when executed and delivered by the parties thereto, will constitute the legal, valid, and binding obligation of the Servicing Agent, enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally, from time to time in effect, and rights of acceleration, indemnity, and contribution, and the availability of equitable remedies may be limited by equitable principles.

**Section 2.04. Representations And Warranties Of The Company.** The Company hereby agrees with and makes the following representations and warranties to the Issuer, the Purchaser, and the Servicing Agent, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) **Valid Existence; Legal Authority.** The Company is a limited liability company, validly organized and existing under the laws of the Commonwealth, it is duly qualified to transact business in the Commonwealth, it has the requisite power to enter into this Bond Purchase Agreement, and it has, by proper action, duly authorized the execution and delivery of this Bond Purchase Agreement.

(b) **Compliance With Authorizing Documents.** Neither the execution and delivery of this Bond Purchase Agreement nor the consummation of the transactions contemplated hereby conflicts with or results in a breach of the terms, conditions, or provisions of the Company's Articles of Organization, Operating Agreement, any ~~corporate~~-restriction, or any agreement or instrument to which the Company is now a party or by which it is bound or to which any of the Company's property or assets is subject or (except in such manner as will not materially impair the ability of the Company to perform its obligations hereunder) of any statute, order, rule, or regulation of any court or governmental agency or body having jurisdiction over the Company or the respective property of the Company, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge, or encumbrance whatsoever upon any of the Company's property or assets under the terms of any instrument or agreement, except as set forth in this Bond Purchase Agreement and as provided in Section 103.250 of the Kentucky Revised Statutes.

(c) **No Breach Or Default.** The Company is not in breach of or in default under (i) the Act, (ii) any applicable law or administrative regulation of the Commonwealth or the United States, or (iii) any applicable judgment or decree or any indenture, loan agreement, note, resolution, agreement, or other instrument to which the Company is a party or is otherwise subject; and the issuance and sale of the Series 2022C Bonds upon the terms set forth herein and in the Bond Documents, the execution and delivery by the Company of the Bond Documents, and its compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under the Act or any law, administrative regulation, judgment, decree, indenture, loan agreement, note, resolution, agreement, or other instrument to which the Company is a party or is otherwise subject.

(d) **Prior Consents And Approvals.** To the Company's knowledge, no consent, approval, authorization, or other order of any federal, state, or local governmental authority, not previously obtained or given, is required in connection with the acquisition, construction, installation, and equipping of the New Octagon Project or the consummation of the transactions contemplated hereby.

(e) **Company Documents Are Valid Obligations.** The Company Documents have been duly executed and delivered by the Company and constitute legal, valid, and binding obligations of the Company in accordance with their respective terms, except to the extent that enforcement thereof may be limited (i) by laws, rulings, and decisions affecting remedies, (ii) by bankruptcy, insolvency, reorganization, moratorium, or other laws affecting the enforcement of creditors' rights, and (iii) by the exercise of judicial discretion in accordance with general principles of equity.

(f) **No Suits Or Proceedings Pending Or Threatened.** There are no actions, suits, or proceedings pending or, to the Company's knowledge, threatened against or affecting the Company before any court or before any governmental or administrative body or agency which might result in any material adverse change in the Company's operations, business, property, assets, or condition (financial or otherwise); and the Company is not in default with respect to or under any applicable statute, rule, writ, injunction, decree, order, or regulation of any governmental agency which might have consequences that would materially and adversely affect the Company's operations, business, property, or assets.

(g) **Inducement By Issuer.** The Bond Legislation and the Issuer's agreement in prior correspondence and discussions described therein, under which the Issuer conditionally agreed to issue the Series 2022C Bonds for the purposes set forth herein, have encouraged and induced the Company to undertake the acquisition, construction, installation, and equipping of the New Octagon Project, and the Company believes that such undertaking will promote economic development and encourage the increase of industry within the environs of the Issuer and the Commonwealth.

**ARTICLE III  
AUTHORIZATION OF ISSUANCE OF SERIES 2022C BONDS;  
TERMS AND CONDITIONS THEREOF**

**Section 3.01. Authorization; General Terms.**

(a) **Authorization Of Bond Issuance.** As authorized by the Issuer's Legislative Body pursuant to the Bond Legislation, the Issuer shall issue, execute, and deliver the Series 2022C Bonds to the Purchaser in accordance with the requirements of this Bond Purchase Agreement and the Bond Legislation.

(b) **Form Of Series 2022C Bonds.** The Series 2022C Bonds shall conform substantially with the form of the Series 2022C Bonds attached hereto as **Exhibit A**.

(c) **Designation.** The Series 2022C Bonds shall be designated "Lexington-Fayette Urban County Government, Kentucky, Industrial Building Revenue Bonds, Series 2022C (Speigle Heights Redevelopment Project – New Octagon)".



(d) **Authorized Denominations.** The Series 2022C Bonds shall be issuable only in authorized denominations of \$10,000 and any integral multiples of \$0.01 in excess of \$10,000.

(e) **Maximum Principal Amount.** The Series 2022C Bonds shall be limited to a maximum aggregate principal amount equal to the Maximum Principal Amount.

(f) **Issuance Date.** The Series 2022C Bonds shall be dated as of the Closing Date.

(g) **Maturity Date.** The Series 2022C Bonds shall mature on the Maturity Date.

(h) **Interest Rate.** Interest on the Series 2022C Bonds shall be computed at the Interest Rate computed upon the basis of a 360-day year, consisting of twelve, thirty-day months.

(i) **Interest Payments.** Interest shall be payable on the Series 2022C Bonds on each Interest Payment Date. Interest on any Series 2022C Bond on each Interest Payment Date in respect thereof shall be payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, at the principal office of the Servicing Agent. Interest on any Series 2022C Bond which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person in whose name that Series 2022C Bond is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Series 2022C Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date (herein called “**Defaulted Interest**”) shall forthwith cease to be payable to the owner of such Series 2022C Bond on the relevant Regular Record Date or Interest Payment Date by virtue of having been such owner, and such Defaulted Interest shall be paid to the person in whose name the Series 2022C Bond is registered at the close of business on a Special Record Date to be fixed by the Servicing Agent, such date to be no more than fifteen nor fewer than ten days before the date of proposed payment. The Servicing Agent shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class, postage prepaid, to the Bondholder at its address as it appears in the Bond Register, not fewer than ten days before such Special Record Date.

Subject to the foregoing provisions of this Section 3.01(i), each Series 2022C Bond delivered under this Bond Purchase Agreement, upon registration of transfer of any other Series 2022C Bond, shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2022C Bond.

Notwithstanding anything in this Bond Purchase Agreement to the contrary, as long as (i) the Series 2022C Bonds are held by the Purchaser or an assignee of the Purchaser related to or for the benefit of an entity constituting a member of any Control Group to which the Company belongs and (ii) the lessee under the Lease Agreement is the Company, the Company’s obligation to make interest payments on the Series 2022C Bonds and the Purchaser’s or such assignee’s right to receive payment of such interest on the Series 2022C Bonds in the same

amounts may be satisfied by intercompany journal entries reflecting intercompany interest payments and receipts, and no cash funds need be transferred during such period. The provisions of the immediately preceding sentence shall survive any bankruptcy or liquidation of the Company, the Purchaser, or such assignee.

**(j) Principal Payment.** Principal shall be payable on the Series 2022C Bonds on the Maturity Date. The principal or redemption price of any Series 2022C Bond shall be payable when due, upon surrender of such Series 2022C Bond, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, at the principal office of the Servicing Agent.

Notwithstanding anything in this Bond Purchase Agreement to the contrary, as long as (i) the Series 2022C Bonds are held by the Purchaser or an assignee of the Purchaser related to or for the benefit of an entity constituting a member of any Control Group to which the Company belongs and (ii) the lessee under the Lease Agreement is the Company, the Company's obligation to make principal payments on the Series 2022C Bond ~~may offset~~ and the Purchaser's or such assignee's right to receive payment of such principal on the Series 2022C Bonds in the same amounts ~~and~~ may be satisfied by intercompany journal entries reflecting intercompany payment and receipt of such principal, and no cash funds need be transferred during such period. The provisions of the immediately preceding sentence shall survive any bankruptcy or liquidation of the Company, the Purchaser, or such assignee.

**(k) Registration Required.** All Series 2022C Bonds shall be issued in fully-registered form and the Series 2022C Bonds shall initially be issued and registered in the name of the Purchaser.

**(l) Bond Register.** The Servicing Agent shall act as registrar and transfer agent for the Series 2022C Bonds. The Issuer shall cause to be kept, at the office of the Servicing Agent, a register (the "**Bond Register**") in which, subject to such reasonable regulations as it or the Servicing Agent may prescribe, the Issuer shall provide for the registration of the Series 2022C Bonds and for the registration of transfers, surrenders, or redemptions of the Series 2022C Bonds. The Issuer shall cause the Servicing Agent to designate a specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register shall be kept.

The Servicing Agent shall, at such time as reasonably requested by the Company, certify and furnish to the Company the Bondholder's name and address and any other relevant information reflected in the Bond Register, and the Company shall, for all purposes, be fully entitled to rely upon the information so furnished to it and shall have no liability or responsibility in connection with the preparation thereof, except to the extent that any such information was furnished or supplied to the Servicing Agent by any such entity.

**(m) Execution.** The Series 2022C Bonds shall be executed by the manual, e-mail, or facsimile signature of the Mayor of the Issuer and an impression or a facsimile of the Issuer's seal, which shall be placed thereon and attested to by the manual or facsimile signature of the

Urban County Council Clerk of the Issuer. Series 2022C Bonds executed as above provided may be issued notwithstanding that any official or officer signing such Series 2022C Bonds or whose facsimile signature appears thereon shall have ceased to hold office at the time of issuance or shall not have held office at the date of the Series 2022C Bond.

### **Section 3.02. Ownership Of Series 2022C Bonds.**

**(a) Persons Deemed Owners.** The Issuer and the Servicing Agent may deem and treat the person in whose name any Series 2022C Bond is registered as the absolute owner thereof (whether or not such Series 2022C Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of and interest on such Series 2022C Bond (subject Section 3.01(i) hereof) and for all other purposes, and neither the Issuer nor the Servicing Agent shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Series 2022C Bond.

**(b) Transfer And Exchange.** As provided in Section 3.01(l) hereof, the Issuer shall cause a Bond Register to be kept at the designated office of the Servicing Agent. Upon surrender for registration of transfer of any Series 2022C Bond at such office after the Completion Date, the Issuer shall execute and deliver, in the name of the transferee, a new fully registered Series 2022C Bond of an authorized denomination for the aggregate principal amount which the registered owner is entitled to receive.

At the option of the Purchaser, the Purchaser may transfer the Series 2022C Bonds to (i) any entity constituting a member of any Control Group to which the Purchaser belongs on any date after the Completion Date and (ii) to any Secured Party, in connection with the exercise of rights and remedies with respect to any pledge or collateral assignment of the Purchaser's right, title, and interest in and to the Series 2022C Bonds. Upon such transfer, the Issuer shall issue, and the Servicing Agent shall deliver, a new Series 2022C Bond of the same principal amount upon surrender of the Series 2022C Bonds to be exchanged. Whenever any Series 2022C Bonds are so surrendered for exchange, the Issuer shall execute, and the Servicing Agent shall authenticate and deliver, the Series 2022C Bonds which the Bondholder is entitled to receive.

All Series 2022C Bonds presented for registration of transfer, redemption, or payment (if so required by the Issuer or the Servicing Agent) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Servicing Agent, duly executed by the owner or by his attorney duly authorized in writing.

No service charge shall be made to a Bondholder for any exchange or registration of transfer of Series 2022C Bonds, but the Issuer or the Servicing Agent may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

Neither the Issuer nor the Servicing Agent, on the Issuer's behalf, shall be required (i) to register the transfer or exchange of any Series 2022C Bond during a period beginning at the opening of business fifteen days before the day of mailing of a notice of redemption of Series 2022C Bonds selected for redemption and ending at the close of business on the day of such mailing, or (ii) to register the transfer or exchange of any Series 2022C Bond so selected for redemption in whole or in part.

New Series 2022C Bonds delivered upon any registration of transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Series 2022C Bonds surrendered, shall be secured by this Bond Purchase Agreement, and shall be entitled to all the security and benefits hereof to the same extent as the Series 2022C Bonds surrendered.

**(c) Mutilated, Destroyed, Lost, Or Stolen Series 2022C Bonds.** If any Series 2022C Bond shall become mutilated, lost, stolen, or destroyed, the Bondholder shall be entitled to the issuance of a substitute Series 2022C Bond only as follows:

(i) in the case of a lost, stolen, or destroyed Series 2022C Bond, the Bondholder shall (A) provide notice of the loss, theft, or destruction to the Issuer and the Servicing Agent within a reasonable time after the Bondholder receives notice of the loss, theft, or destruction, (B) request the issuance of a substitute Series 2022C Bond, and (C) provide evidence, satisfactory to the Issuer and the Servicing Agent, of the ownership and the loss, theft, or destruction of the affected Series 2022C Bond;

(ii) in the case of a mutilated Series 2022C Bond, the Bondholder shall surrender the Series 2022C Bond to the Servicing Agent for cancellation; and

(iii) in all cases, the Bondholder shall provide indemnity against any and all claims arising out of or otherwise related to the issuance of substitute Series 2022C Bonds pursuant to this Section 3.02(c) satisfactory to the Issuer, the Servicing Agent, and the Company.

Upon compliance with the foregoing, a new Series 2022C Bond of like tenor and denomination, but bearing a number not contemporaneously Outstanding, executed by the Issuer, shall be delivered by the Issuer to the Bondholder, at the Bondholder's expense. Notwithstanding the foregoing, the Issuer shall not be required to deliver any substitute Series 2022C Bond for a Series 2022C Bond which has been called for redemption or which has matured or is about to mature and, in any such case, the principal or redemption price and interest then due or becoming due shall be paid by the Servicing Agent in accordance with the terms of the mutilated, lost, stolen, or destroyed Series 2022C Bond, without substitution therefor.

Every substituted Series 2022C Bond issued pursuant to this Section 3.02(c) shall constitute an additional contractual obligation of the Issuer and shall be entitled to all the benefits of this Bond Purchase Agreement equally and proportionately with any and all other Series 2022C Bonds duly issued hereunder. If the Series 2022C Bond alleged to have been

destroyed, lost, or stolen shall be enforceable by anyone, the Issuer may recover the substitute Series 2022C Bond from the Bondholder to whom it was issued or from anyone taking under the Bondholder, except a bona-fide purchaser for value without notice.

All Series 2022C Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Series 2022C Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary, with respect to the replacement or payment of negotiable instruments or investment or other securities without their surrender.

**(d) Cancellation Of Surrendered Series 2022C Bonds.** Series 2022C Bonds surrendered for payment, redemption, transfer, or exchange and Series 2022C Bonds surrendered to the Servicing Agent by the Issuer or by the Company for cancellation shall be cancelled by the Servicing Agent, which shall notify the Company and the Issuer of such cancellation. Cancelled Series 2022C Bonds shall be destroyed by the Servicing Agent unless the Company or the Issuer, in writing, direct otherwise.

**(e) Actions Of Bondholder; Evidence Of Ownership.** Any action to be taken by the Bondholder may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by the Bondholder in person or by agent appointed in writing. The fact and date of the execution by any person of any such instrument may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Where such execution is by an officer of a corporation or an officer or member of a partnership or limited liability company, on behalf of such corporation, partnership, or company, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the person executing the same, may also be proved in any other manner which the Servicing Agent deems sufficient. Any action by the owner of any Series 2022C Bond shall bind all future owners of the same Series 2022C Bond in respect of anything done or suffered by the Issuer or the Servicing Agent in pursuance thereof.

### **Section 3.03. Limited Liability Of Issuer.**

**(a) Special And Limited Obligations Of Issuer.** The Series 2022C Bonds (i) shall be special and limited obligations of the Issuer payable solely from the Pledged Receipts and other rights that may be pledged hereunder and (ii) shall be a valid claim of the respective holders thereof only against the funds established under this Bond Purchase Agreement and other moneys held by the Servicing Agent for the benefit of the Series 2022C Bonds and the payments due or to become due under the Lease Agreement, all of which are hereby assigned and pledged hereunder for the equal and ratable payment of the Series 2022C Bonds and shall be used for no other purpose than as set out above, except as may be otherwise expressly authorized in this Bond Purchase Agreement. The parties recognize that the statutory mortgage lien provided by Section 103.250 of the Kentucky Revised Statutes exists upon the New Octagon

Project in favor of the Bondholder. It is expressly acknowledged, as a condition of the purchase of the Series 2022C Bonds under this Bond Purchase Agreement, that the statutory mortgage lien provided for the Series 2022C Bonds pursuant to the Bond Legislation and Section 103.250 of the Kentucky Revised Statutes is subordinate to the claims of any Secured Party. Notwithstanding the foregoing, such subordination shall not extinguish the obligations set forth herein.

The Series 2022C Bonds do not constitute a debt or liability of the Issuer, the Commonwealth, or of any agency or political subdivision thereof, other than a special and limited obligation of the Issuer, or a pledge of the full faith and credit of the Issuer, the Commonwealth, or any agency or political subdivision thereof, other than a special and limited obligation of the Issuer, but shall be payable solely from the Pledged Receipts. The issuance of the Series 2022C Bonds under the provisions of the Act does not directly, indirectly, or contingently obligate the Issuer, the Commonwealth, or any agency or political subdivision thereof to levy any form of taxation for the payment thereof or to make any appropriation for their payment, and the Series 2022C Bonds and the interest payable thereon do not now and shall never constitute a debt of the Issuer, the Commonwealth, or any agency or political subdivision thereof within the meaning of the constitution or the statutes of the Commonwealth and do not now and shall never constitute a charge against the credit or taxing power of the Issuer, the Commonwealth, or any agency or political subdivision thereof. The Issuer and the Commonwealth shall not, in any event, be liable for the payment of the principal of or interest on the Series 2022C Bonds or for the performance of any pledge, obligation, or agreement of any kind whatsoever which may be undertaken by the Issuer. No breach by the Issuer of any such pledge, mortgage, obligation, or agreement may impose any liability, pecuniary or otherwise, upon the Issuer or the Commonwealth or any charge upon its general credit or against its taxing power.

**(b) Immunity Of Officials, Officers, And Employees Of Issuer.** No recourse shall be had for the payment of the principal of or interest on any of the Series 2022C Bonds or for any claim based thereon or upon any obligation, covenant, or agreement in this Bond Purchase Agreement against any past, present, or future official, officer, director, member, employee, or agent of the Issuer or the Commonwealth, or any incorporator, official, officer, director, member, trustee, employee, or agent of any successor entity or body politic of the Issuer or of the Commonwealth or any agency or instrumentality thereof, as such, either directly or through the Issuer or any successor entity or body politic or of the Commonwealth or any agency or instrumentality thereof, under any rule of law or equity, statute, or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officials, officers, directors, trustees, members, employees, or agents, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of this Bond Purchase Agreement and the issuance of the Series 2022C Bonds.

#### **Section 3.04. Redemption Of Series 2022C Bonds.**

**(a) Redemption Dates And Prices.** The Series 2022C Bonds shall be subject to redemption before maturity in the amounts, at the times, and in the manner provided in this Section 3.04. Payment of the redemption price of any Series 2022C Bond shall be made on or after the redemption date only upon the surrender to the Servicing Agent of any Series 2022C Bond so redeemed.

The Series 2022C Bonds are subject to redemption at the option of the Company, upon behalf of the Issuer, before maturity, in whole at any time and in part on any Business Day (subject only to the notice requirements of Section 3.04(d) hereof), at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date.

The Series 2022C Bonds shall also be subject to mandatory redemption, on any Business Day, from surplus moneys remaining in the Construction Fund, at any time (subject only to the notice requirements of Section 3.04(d) hereof), at a redemption price of 100% of the principal amount of Series 2022C Bonds to be redeemed, plus accrued interest to the date of redemption, such redemption to be within ninety days following the Servicing Agent's receipt of the certificate required by the provisions of Section 3.05 of the Lease Agreement, to the extent such surplus moneys are not otherwise directed by the Company to be used to pay the costs of additional industrial building facilities incident to the New Octagon Project.

**(b) Company Direction Of Optional Redemption.** The Servicing Agent shall call Series 2022C Bonds for optional redemption only when it shall have been notified by the Company, on behalf of the Issuer, to do so. Notice of any optional redemption to the Servicing Agent shall specify the principal amount of Series 2022C Bonds to be redeemed and the redemption date. The Company will give the notice to the Servicing Agent and to the Issuer at least five Business Days but not more than thirty Business Days before the day on which the Servicing Agent is required to give notice of such optional redemption to the Bondholders.

**(c) Selection Of Series 2022C Bonds To Be Called For Redemption.** Except as otherwise provided herein or in the Series 2022C Bonds, if less than all the Series 2022C Bonds are to be redeemed, the particular Series 2022C Bonds to be called for redemption shall be selected by any method determined by the Servicing Agent to be fair and reasonable. The Servicing Agent shall treat any Series 2022C Bond of a denomination greater than the minimum authorized denomination for the Series 2022C Bonds as representing that number of separate Series 2022C Bonds each of that minimum authorized denomination (and, if any Series 2022C Bond is not in a denomination that is an integral multiple of the minimum authorized denomination, one separate Series 2022C Bond of the remaining principal amount of the Series 2022C Bond) as can be obtained by dividing the actual principal amount of such Series 2022C Bond by that minimum authorized denomination; provided that no Series 2022C Bond shall be redeemed in part if it results in the unredeemed portion of the Series 2022C Bond being in a principal amount other than an authorized denomination.

**(d) Notice Of Redemption.**

(i) The notice of the call for redemption of Series 2022C Bonds shall be prepared by the Servicing Agent, at the expense of the Company, and shall identify (A) the complete official name of the issue; (B) the Series 2022C Bonds or portions thereof to be redeemed by designation, letters, numbers, or other distinguishing marks, interest rate, maturity date, and principal amount; (C) the redemption price to be paid; (D) the date fixed for redemption; (E) the place, by name and address, where the amounts due upon redemption are payable; and (F) the name and telephone number of the person to whom inquiries regarding the redemption may be directed. The notice shall be given by the Servicing Agent, on behalf of the Issuer, by mailing a copy of the redemption notice by first class mail, postage prepaid, at least five Business Days but no more than thirty Business Days before the date fixed for redemption, to the Bondholder subject to redemption in whole or in part at the Bondholder's address shown on the Bond Register on the day preceding that mailing. Failure to receive notice pursuant to this Section 3.04(d)(i) or any defect in that notice, as to any Series 2022C Bond, shall not affect the validity of the proceedings for the redemption of any Series 2022C Bond.

(ii) All Series 2022C Bonds or portions thereof so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption are on deposit with the Servicing Agent at that time, and will no longer be considered Outstanding under this Bond Purchase Agreement.

**(e) Partial Redemptions.** Any Series 2022C Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Series 2022C Bonds called for redemption in the notice provided for in Section 3.04(d)(i) hereof (with due endorsement by, or a written instrument of transfer in form satisfactory to the Servicing Agent duly executed by, the Bondholder), and the Issuer shall execute and the Servicing Agent shall deliver to the owner of such Series 2022C Bond, without service charge, a new Series 2022C Bond or Series 2022C Bonds, of any authorized denomination as requested by such owner, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2022C Bond so surrendered.

### **Section 3.05. Issuer's Covenants.**

**(a) Payment Of Principal Of And Interest On Series 2022C Bonds.** The Issuer shall promptly pay or cause to be paid the principal or redemption price of and the interest on every Series 2022C Bond issued hereunder, according to the terms thereof, but shall be required to make such payment or cause such payment to be made only out of the Pledged Receipts.

**(b) Existence; Compliance With Laws.** To the extent permitted by law, the Issuer (i) shall maintain its existence; (ii) shall use its best efforts to maintain and renew all its rights, powers, privileges, and franchises; and (iii) shall comply with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements, and directions of any legislative, executive, administrative, or judicial body relating to the Issuer's participation in the New Octagon Project or the issuance of the Series 2022C Bonds.



(c) **Enforcement Of Lease Agreement; Prohibition Against Amendments Of Lease Agreement; Notice Of Default.** The Issuer shall cooperate with the Bondholder in enforcing the payment of all amounts under the Lease Agreement and shall require the Company to perform its obligations thereunder. So long as no Event of Default hereunder shall have occurred and be continuing, the Issuer may exercise all its rights under the Lease Agreement as amended, supplemented, or otherwise modified from time to time; provided that it shall not, except as provided in Section 10.06 of the Lease Agreement, amend the Lease Agreement without the Bondholder's consent.

(d) **Further Assurances.** Except to the extent otherwise provided in this Bond Purchase Agreement, the Issuer shall not enter into any contract or take any action by which the rights of the Servicing Agent, the Bondholder, or the Company may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Bond Purchase Agreement.

#### **ARTICLE IV PURCHASE OF SERIES 2022C BONDS; CONDITIONS TO PURCHASE**

**Section 4.01. Purchase Of Series 2022C Bonds.** Upon the terms and conditions and upon the basis of the representations herein set forth, the Purchaser agrees to purchase from the Issuer, and the Issuer agrees to sell to the Purchaser, the Lexington-Fayette Urban County Government, Kentucky, Industrial Building Revenue Bonds, Series 2022C (Speigle Heights Redevelopment Project – New Octagon) in an aggregate principal amount up to the Maximum Principal Amount, dated as of the Issuance Date, authorized by the Bond Legislation adopted by the Issuer's Legislative Body, acting as its duly authorized legislative body, which Bond Legislation approves this Bond Purchase Agreement securing and setting out the terms of the Series 2022C Bonds. The purchase price for the Series 2022C Bonds shall be at par, in an amount up to the Maximum Principal Amount. The Series 2022C Bonds shall mature as to principal, shall be subject to redemption, and shall bear interest per annum as set forth in and subject to the terms of this Bond Purchase Agreement.

On the Closing Date, at a time to be mutually agreed upon by the parties hereto, the Issuer will deliver to the Purchaser, at its offices at 210 East High Street, P.O. Box 794, Lexington, Kentucky 40588, together with its successors or assigns, or such other location as the parties may agree upon, the issue of Series 2022C Bonds, initially as a single fully registered typewritten Series 2022C Bond, registered to the Purchaser and duly executed, and the Issuer will also deliver all other documents required by Bond Counsel; and the Purchaser will accept such delivery and pay to the Servicing Agent the initial installment of the purchase price thereof, in the amount specified in the Company's first requisition for an advance of Series 2022C Bond proceeds filed with the Purchaser in accordance with Section 3.08 of the Lease Agreement on or before the Closing Date, by wire transfer or any other manner acceptable to the Servicing Agent and Bond Counsel, for application in accordance with the provisions of Section 5.01 hereof and Section 3.08 of the Lease Agreement. Until, but no later than, the

Completion Date, the Purchaser will make advances of Series 2022C Bond proceeds from time to time, according to the cited sections of this Bond Purchase Agreement and the Lease Agreement. The Purchaser hereby agrees to note on **Schedule A** to its Series 2022C Bond all increases and decreases in the principal amount thereof resulting from any advance or redemption; provided, however, that upon any inconsistency in the principal amount of said Series 2022C Bonds as reflected on **Schedule A** thereto and in the records of the Servicing Agent, the records of the Servicing Agent shall control. Following the Completion Date, the Purchaser shall tender its Series 2022C Bond, the outstanding principal amount of which, on the Completion Date, shall be noted on **Schedule A** attached thereto, to the Servicing Agent in exchange for a Series 2022C Bond or Series 2022C Bonds in such outstanding principal amount without **Schedule A** attached.

Notwithstanding anything in this Bond Purchase Agreement to the contrary, as long as (a) the Series 2022C Bonds are held by the Purchaser or an assignee of the Purchaser related to or for the benefit of an affiliate of the Company and (b) the lessee under the Lease Agreement is the Company, the Purchaser's obligation to pay consideration for the Series 2022C Bonds and the Company's right to receive payment of such consideration for the Series 2022C Bonds in the same amounts may be satisfied by intercompany journal entries reflecting intercompany payments and receipts, and no cash funds need be transferred between the Purchaser and the Company. The provisions of the immediately preceding sentence shall survive any bankruptcy or liquidation of the Company, the Purchaser, or such assignee.

**Section 4.02. Conditions to Purchase.** The Purchaser's duty to purchase the Series 2022C Bonds hereunder is subject to the Purchaser's receipt of each of the following items, each such receipt being a condition precedent to such duty:

- (a) The fully executed Series 2022C Bonds;
- (b) The fully executed Lease Agreement;
- (c) Original executed counterparts of the Assignment signed by the Purchaser and an Authorized Issuer Representative;
- (d) A copy of the Bond Legislation duly certified by the Urban County Council Clerk of the Issuer;
- (e) A copy of the resolutions of the Company's authorized and designated representatives authorizing the Company's execution and delivery of the Company Documents;
- (f) A true and correct copy of the Company's current Articles of Organization and Operating Agreement, certified by the Company's Manager;
- (g) An opinion of Issuer's counsel (i) as to the due organization and valid existence of the Issuer; (ii) as to the due authorization, execution, delivery, and

enforceability of all legislation adopted and agreements and instruments executed and delivered by the Issuer in connection with the issuance of the Series 2022C Bonds; and (iii) as to such other matters as the Purchaser may reasonably request, all in form and substance satisfactory to the Purchaser and to Bond Counsel;

**(h)** An opinion of Bond Counsel to the effect, among other things, (i) that the Series 2022C Bonds are valid and legally binding special and limited obligations of the Issuer, enforceable in accordance with their terms and the terms of this Bond Purchase Agreement, secured in the manner provided herein; (ii) that under the Constitution and laws of the Commonwealth and official interpretations thereof, the Series 2022C Bonds are exempt from ad valorem taxation by the Commonwealth and all of its political subdivisions; and (iii) that based on existing statutes, rules, and regulations, the sale of the Series 2022C Bonds is exempt from registration under the Securities Act of 1933, as amended, and the securities laws of the Commonwealth, and no filing in respect of the sale of the Series 2022C Bonds is required under the securities laws of the Commonwealth; provided, however, that the opinion may be made subject to the qualification that the rights and remedies set forth in the Bond Documents and other related documents may be limited by bankruptcy, reorganization, and other laws of general application related to or affecting the enforcement of creditor's rights and by the application of usual equitable principles where equitable remedies are sought;

**(i)** A closing certificate of the Company, signed by an Authorized Company Representative, in form and substance satisfactory to the Purchaser and the Issuer;

**(j)** A closing certificate of the Issuer, signed by an Authorized Issuer Representative, in form and substance satisfactory to the Purchaser; and

**(k)** Any and all other documents and items, including, without limitation, financing statements, certificates, and opinions of counsel as may be required by Bond Counsel or by the Purchaser.

If either the Issuer or the Company shall be unable to satisfy the conditions to the obligations of the Purchaser contained herein, then the Purchaser shall be under no obligation to purchase the Series 2022C Bonds and this Bond Purchase Agreement shall terminate and the parties hereto shall be under no further obligation hereunder.

The Purchaser shall have the right, before the Closing Date, to cancel its obligations to purchase the Series 2022C Bonds if, between the date hereof and the Closing Date, (i) 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 (ii) a general banking moratorium shall have been declared by federal or state authorities.

**ARTICLE V**  
**RECEIPT AND USE OF SERIES 2022C BOND PROCEEDS**  
**AND PLEDGED RECEIPTS**

**Section 5.01. Payment, Custody, And Application Of Series 2022C Bond Proceeds.**

(a) **Series 2022C Bond Proceeds.** Proceeds of the Series 2022C Bonds shall be paid by the Purchaser to the Servicing Agent from time to time, in accordance with the terms of this Bond Purchase Agreement, upon the Purchaser's receipt of requisitions of the Company in accordance with the provisions of Section 3.08 of the Lease Agreement; provided that all such proceeds shall be advanced by the Purchaser by the Completion Date and no proceeds shall be advanced thereafter. The total amount of all such advances shall not exceed the Maximum Principal Amount.

(b) **Construction Fund.** There is hereby created and established with the Servicing Agent a fund to be designated "Lexington-Fayette Urban County Government – Speigle Heights Redevelopment Project, Series 2022C Industrial Building Construction Fund." The proceeds of the Series 2022C Bonds shall be deposited in the Construction Fund and shall be applied by the Servicing Agent according to the following provisions of this Section 5.01.

(c) **Disbursements From Construction Fund.** The Servicing Agent is hereby authorized and directed to make disbursements from the Construction Fund in accordance with and as required by the provisions of Section 3.08 of the Lease Agreement. The Servicing Agent shall keep and maintain complete and detailed records pertaining to the Construction Fund and all disbursements therefrom, and after the New Octagon Project has been completed (as evidenced by the filing with the Servicing Agent of a certificate of the Authorized Company Representative in accordance with Section 3.05 of the Lease Agreement), the Servicing Agent shall file an accounting thereof with the Issuer and the Company. The Company shall transfer title to any assets acquired after the Closing Date with disbursements from the Construction Fund to the Issuer pursuant to Section 3.03(f) of the Lease Agreement. Proceeds of the Series 2022C Bonds deposited into the Construction Fund shall be expended solely for Costs of Construction and costs of issuance of the Series 2022C Bonds.

Notwithstanding anything in this Bond Purchase Agreement to the contrary, as long as (i) the Series 2022C Bonds are held by the Purchaser or an assignee of the Purchaser related to or for the benefit of an entity constituting a member of any Control Group to which the Company belongs and (ii) the lessee under the Lease Agreement is the Company, the funding of and disbursements from the Construction Fund may be satisfied by intercompany journal entries reflecting intercompany payment, receipt, and disbursement of such funds, and no cash funds need be transferred during such period. The provisions of the immediately preceding sentence shall survive any bankruptcy or liquidation of the Company, the Purchaser, or such assignee.

(d) **Completion Of Project.** The completion of the New Octagon Project and payment of all Costs of Construction shall be evidenced by the filing with the Servicing Agent of the certificate required by the provisions of Section 3.05 of the Lease Agreement. As soon as

practicable and, in any event, within ninety days following the receipt of the certificate referred to in the preceding sentence, any balance remaining in the Construction Fund, including the earnings from investments thereof (other than amounts retained by the Servicing Agent pursuant to such certificate and not applied toward the purchase or redemption of Series 2022C Bonds) shall be, at the direction of the Company, (i) transferred from the Construction Fund to the Bond Fund and applied to the redemption of Series 2022C Bonds as set forth in Section 3.04(a) or Section 3.04(d)(ii) hereof, or (ii) applied to pay the costs of the additional industrial building facilities incident to the New Octagon Project.

Any redemption of Series 2022C Bonds pursuant to this Section 5.01(d) shall constitute the satisfaction of a like amount of indebtedness represented by the Lease Agreement. The Servicing Agent shall notify the Company of any credit, satisfaction, or payment in respect of the Lease Agreement arising under this Section 5.01(d).

**Section 5.02. Payment, Custody, And Application Of Pledged Receipts.**

**(a) Pledged Receipts To Be Paid Over To Servicing Agent.** The Issuer has caused the Pledged Receipts to be paid directly to the Servicing Agent pursuant to the Assignment. If, notwithstanding these arrangements, the Issuer receives any Pledged Receipts, the Issuer shall immediately pay over the same to the Servicing Agent.

**(b) Bond Fund.**

(i) There is hereby established with the Servicing Agent a fund to be known as the Bond Fund, the moneys in which, in accordance with Section 5.02(c) hereof, the Servicing Agent shall use to pay (A) the principal or redemption price of the Series 2022C Bonds as they mature or become due, upon surrender thereof, and (B) the interest on the Series 2022C Bonds as it becomes payable.

(ii) There shall be deposited into the accounts of the Bond Fund, from time to time, the following: (A) all Rent Payments under the Lease Agreement representing principal, redemption price, or interest on the Series 2022C Bonds, and (B) all other moneys received by the Servicing Agent under and pursuant to the provisions of this Bond Purchase Agreement or the Lease Agreement, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

(iii) Except as provided in subsection (iv) hereof, moneys in the Bond Fund shall be used solely for the payment of the principal or redemption price of the Series 2022C Bonds and interest on the Series 2022C Bonds.

(iv) Any amounts remaining in the Bond Fund after payment in full of the principal or redemption price of and interest on the Series 2022C Bonds (or provision for payment thereof) shall be paid to the Company.

Notwithstanding anything in this Bond Purchase Agreement to the contrary, as long as (1) the Series 2022C Bonds are held by the Purchaser or an assignee of the Purchaser related to or for the benefit of an entity constituting a member of any Control Group to which the Company belongs and (2) the lessee under the Lease Agreement is the Company, the funding of and disbursements from the Bond Fund may be satisfied by intercompany journal entries reflecting intercompany payment, receipt, and disbursement of such funds, and no [cash](#) funds need be transferred during such period. The provisions of the immediately preceding sentence shall survive any bankruptcy or liquidation of the Company, the Purchaser, or such assignee.

**(c) Pledged Receipts To Be Held For The Bondholder; Certain Exceptions.** Until applied as provided in this Bond Purchase Agreement to the payment of Series 2022C Bonds, the Pledged Receipts shall be held by the Servicing Agent in the Bond Fund for the Bondholder's benefit, except that any portion of the Pledged Receipts representing the principal or redemption price of any Series 2022C Bonds, and interest on any Series 2022C Bonds previously matured or called for redemption in accordance with Section 3.04 hereof, shall be held on behalf of the Servicing Agent for the benefit of the owners of such Series 2022C Bonds only.

#### **Section 5.03. Investment Or Deposit Of Monies.**

**(a) Deposits.** All moneys received by the Servicing Agent under this Bond Purchase Agreement shall be held by the Servicing Agent until or unless invested or deposited as provided in Section 5.03(b) hereof.

**(b) Investment Or Deposit Of Bond Fund.** At the direction of an Authorized Company Representative (which, if given orally, shall be promptly confirmed in writing), the Servicing Agent shall invest moneys held in the Bond Fund in accordance with the Company's investment policies in Eligible Investments maturing on or before the date or dates when the payments in respect of principal of or interest on the Series 2022C Bonds for which such moneys are held are to become due. Any such investments shall be held by or under the control of the Servicing Agent and shall be deemed at all times a part of the Bond Fund.

The interest and income received upon such investments of the Bond Fund and any interest paid by the Servicing Agent or any other depository and any profit or loss resulting from the sale of any investment shall be credited to the Bond Fund. Any deficiency in the Bond Fund shall be satisfied by the Company pursuant to Section 4.02 of the Lease Agreement.

**(c) Investment Or Deposit Of Construction Fund.** The Servicing Agent shall, at the request and direction of an Authorized Company Representative, invest moneys held in the Construction Fund in accordance with the Company's investment policies in Eligible Investments; provided, however, that all Eligible Investments shall mature (and all deposits in time accounts shall be subject to withdrawal without penalty) not later than the date when the amounts will foreseeably be needed for purposes of this Bond Purchase Agreement.

Each direction of the Company to make an investment of moneys in the Construction Fund shall constitute a representation on the part of the Company that such investment complies with the requirements of this Bond Purchase Agreement. The interest and income received upon such investments of the Construction Fund and any interest paid by any depository and any profit or loss resulting from the sale of any investment shall be added or charged to the Construction Fund.

## ARTICLE VI EVENTS OF DEFAULT AND REMEDIES

**Section 6.01. Events Of Default Defined.** Each of the following shall be an “Event of Default” hereunder:

- (a) Payment of the principal or redemption price of any Series 2022C Bond is not made when it becomes due and payable, at maturity or upon call for redemption;
- (b) Payment of any interest on any Series 2022C Bond is not made within fifteen days of when it becomes due and payable;
- (c) The Issuer shall fail to perform duly and punctually any of the covenants, conditions, agreements, and provisions contained in the Series 2022C Bonds or in this Bond Purchase Agreement, other than as referred to in subsection (a) and (b) of this Section 6.01; or
- (d) A “Default” shall occur as that term is defined pursuant to Section 8.01 of the Lease Agreement.

Upon the occurrence of any Event of Default under this Section 6.01, the Servicing Agent shall immediately give notice of that Event of Default to the Issuer, the Company, the Secured Parties, and the Bondholder.

**Section 6.02. Acceleration And Annulment.** If any Event of Default occurs and is continuing, the Bondholder may, by notice in writing to the Issuer, the Servicing Agent, and the Company, declare the principal of and all interest on all Series 2022C Bonds then Outstanding to be immediately due and payable; and upon such declaration, the said principal, together with interest accrued thereon to the date of acceleration, shall become due and payable immediately at the place of payment provided therein, anything in this Bond Purchase Agreement or in the Series 2022C Bonds to the contrary notwithstanding; and on the date of declaration of any acceleration hereunder, the Bondholder may immediately thereafter exercise such rights as it may have as the assignee of the Lease Agreement to declare all payments thereunder to be due and payable immediately.

If, after the principal of the Series 2022C Bonds has become due and payable, all arrears of interest upon the Series 2022C Bonds are paid by the Issuer and the Company performs all things with respect to which it may have been in default hereunder and pays the reasonable charges of the Issuer, the Servicing Agent, and the Bondholder, including reasonable attorneys’

fees, then, and in every such case, such payment and performance shall constitute an automatic annulment of such acceleration and its consequences, and such annulment shall be binding upon the Issuer, the Servicing Agent, and the Bondholder. No such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon. Immediately upon such annulment, the Bondholder shall cancel, by written notice to the Company, any demand for payment under the Lease Agreement made by the Bondholder pursuant to this Section 6.02. The Bondholder shall promptly give written notice of such annulment to the Issuer and the Servicing Agent.

**Section 6.03. Legal Proceedings By Bondholder.** If any Event of Default has occurred and is continuing, the Bondholder may:

(a) By mandamus, or other suit, action, or proceeding at law or in equity, enforce all rights of the Bondholder, including (i) the right to require the Issuer (A) to enforce any rights under the Lease Agreement, (B) to carry out any other provisions of this Bond Purchase Agreement for the Bondholder's benefit, and (C) to perform its duties under the Act, and (ii) the right to appoint a receiver to administer the New Octagon Project on behalf of the Issuer, as provided in Section 103.250 of the Kentucky Revised Statutes;

(b) Bring suit upon the Series 2022C Bonds and the Lease Agreement;

(c) By action or suit in equity, require the Issuer to account as if it were the trustee of an express trust for the Bondholder; and

(d) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the Bondholder's rights.

If an Event of Default under Section 6.01(d) hereof occurs and is continuing, the Bondholder may enforce each and every right available to it as the assignee of the Lease Agreement pursuant to the Assignment.

**Section 6.04. Limitations On Actions By Bondholder.** Notwithstanding any other provision of this Bond Purchase Agreement, the obligation of the Issuer shall be absolute and unconditional to pay hereunder, but solely from the Pledged Receipts and other funds pledged under this Bond Purchase Agreement, the principal or redemption price of and interest on the Series 2022C Bonds to the Bondholder on the respective due dates thereof, and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of the Bondholder to enforce such payment.

**Section 6.05. Remedies Not Exclusive.** No remedy herein conferred is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.



**Section 6.06. Delays And Omissions Not To Impair Rights.** No delays or omissions in respect of exercising any right or power accruing upon any Default or Event of Default shall impair such right or power or be a waiver of such Default or Event of Default, and every remedy given by this ARTICLE VI may be exercised from time to time and as often as may be deemed expedient.

**Section 6.07. Application Of Moneys In Event Of Default.** Any moneys received by the Issuer or the Servicing Agent under this ARTICLE VI (but not including moneys held pursuant to Section 10.01 hereof) shall be applied in the following order:

(a) To the payment of the Issuer's reasonable costs and expenses, including counsel fees, incurred in connection with the Event of Default;

(b) To the payment of the Servicing Agent's reasonable costs, expenses, and accrued fees, including counsel fees, any disbursements of the Servicing Agent with interest, and its reasonable compensation; and

(c) To the payment of principal or redemption price (as the case may be) and interest then owing on the Series 2022C Bonds, and in case such moneys shall be insufficient to pay the same in full, then to the payment of principal or redemption price and interest ratably, without preference or priority of one over another or of any installment of interest over any other installment of interest.

The surplus, if any, shall be paid to the Company or the person lawfully entitled to receive the same as a court of competent jurisdiction may direct.

**Section 6.08. Bondholder Entitled To All Remedies Under Act.** It is the purpose of this ARTICLE VI to provide such remedies to the Bondholder as may be lawfully granted under the provisions of the Act, but should any remedy herein granted be held unlawful, the Bondholder shall nevertheless be entitled to every remedy provided by the Act. It is further intended that, insofar as lawfully possible, the provisions of this ARTICLE VI shall apply to and be binding upon any trustee or receiver appointed under applicable law.

## ARTICLE VII INDEMNITY

### **Section 7.01. Indemnity Of Issuer And Purchaser.**

(a) The Company shall and does hereby release, discharge, or exonerate the Issuer and ~~their~~its officials, officers, directors, members, employees, or agents and the Purchaser and any of its officials, officers, directors, members, employees, or agents (hereinafter the "**Indemnified Parties**") from, agrees that the Indemnified Parties shall not be liable for, agrees and covenants that neither the Company nor any of the Company's agents, contractors, servants, employees, or licensees (collectively, the "**Company Parties**") will initiate litigation or sue upon, and agrees to protect, defend, indemnify, and hold harmless the Indemnified Parties:

(i) from and against any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the New Octagon Project or the additional real estate constituting the New Octagon Project, or the use thereof, or arising from any act or failure to act by the Company Parties, or arising from any accident, injury, or damage whatsoever caused, in whole or in part, to any person, corporation, limited liability company, or partnership occurring during the term of the Lease Agreement, or against all losses, claims, costs, damages, liabilities, and expenses (including out-of-pocket and incidental expenses and fees and expenses of in-house or outside counsel) which they may incur in connection with or arising out of the direct or indirect application of the proceeds of the lease thereunder, and from and against all costs, liabilities, and expenses (including out-of-pocket and incidental expenses and fees and expenses of in-house or outside counsel) incurred in or in connection with any claim, action, or proceeding brought thereon; provided, however, that the indemnity in this Section 7.01(a)(i) shall be effective only to the extent of any loss in excess of amounts paid to the Indemnified Parties from any insurance carried with respect to the loss sustained; and

(ii) from and against any and all costs, liabilities, expenses (including out-of-pocket and incidental expenses and fees and expenses of in-house or outside counsel), and claims arising from any breach or default on the part of the Company in connection with its execution and performance of any covenant or agreement on the part of the Company to be performed pursuant to the terms of any Company Document, or in connection with the issuance of the Series 2022C Bonds or other matters relating to the Company.

Subject to this Section 7.01, in case any action or proceeding is brought against the Indemnified Parties by reason of any of the foregoing, the Company, upon notice from the Indemnified Parties, covenants to resist or defend such action or proceeding at the expense of the Company. None of the Indemnified Parties shall settle or compromise such claim, action, or proceeding without the Company's written consent, as applicable, which shall not be unreasonably withheld, if there exists no Event of Default by the Company. Nothing contained in this Section 7.01(a), however, shall require the Company to indemnify the Indemnified Parties from any cost, liability, expense, loss, or claim arising out of or resulting from the willful misconduct or gross negligence of any such person.

**(b)** Notwithstanding the foregoing, the Company shall be entitled to pursue its remedies against either the Issuer or the Purchaser for damages to the Company resulting directly from personal injury or property damage caused by the gross negligence or willful misconduct of either the Issuer or the Purchaser, respectively.

**(c)** The indemnity set forth herein (i) shall be in addition to any other obligations of the Company owed to the Purchaser or other Bondholder or amounts due hereunder to the Issuer, or at common law or otherwise, (ii) shall survive any termination of this Bond Purchase Agreement or the Lease Agreement and the resignation or removal of the Servicing Agent for

any reason, and (iii) shall not be subject to set-off by the Company. The indemnifications are intended to and shall be enforceable to the full extent permitted by law.

**Section 7.02. Indemnity Of Servicing Agent.** The Company shall indemnify, defend, and save harmless the Servicing Agent from any and all claims, liabilities, losses, damages, fines, penalties, and expenses (including out-of-pocket and incidental expenses and fees and expenses of in-house or outside counsel) (“**Losses**”) arising out of or in connection with (a) the exercise of the Servicing Agent’s duties under this Bond Purchase Agreement, except to the extent that such Losses are due to the negligence or willful misconduct of the Servicing Agent, or (b) its following any instructions or other directions from the Company, except to the extent that its following any such instruction or direction is expressly forbidden by the terms hereof. The provisions of this paragraph shall survive the termination of this Bond Purchase Agreement. Such indemnifications are intended to and shall be enforceable by the Servicing Agent or any of its officers, directors, or employees, respectively.

Notwithstanding anything to the contrary in this Section 7.02, the Company shall have no obligation to defend, protect, indemnify, and hold harmless the Servicing Agent and its officials, officers, directors, members, employees, and agents from and against any and all claims, demands, causes of action, cost, expenses, or damages in any way resulting from or connected with the negligence or willful misconduct of the Servicing Agent.

## **ARTICLE VIII AMENDMENTS AND SUPPLEMENTS**

**Section 8.01. Amendments.** This Bond Purchase Agreement may be amended from time to time by a supplemental bond purchase agreement consented to by the Issuer, the Company, the Servicing Agent, the Bondholder, and the Secured Parties.

Before the Issuer, the Company, the Servicing Agent, and the Bondholder shall enter into any supplemental bond purchase agreement pursuant to this Section 8.01, there shall have been delivered to the Bondholder an opinion of Bond Counsel stating that such supplemental bond purchase agreement is authorized or permitted by the Act and is authorized under this Bond Purchase Agreement, and that such supplemental bond purchase agreement will, upon the execution and delivery thereof, be valid and binding upon the Issuer in accordance with its terms.

**Section 8.02. Amendment Of Lease Agreement.** If the Issuer and the Company propose to amend the Lease Agreement in such a manner as would adversely affect the interests of the Bondholder or any Secured Party, the Company shall notify the Bondholder of the proposed amendment and the Bondholder must consent before such amendment can become effective. Before any amendment of the Lease Agreement shall be effective, there shall have been delivered to the Issuer and the Company an opinion of Bond Counsel that such amendment is permitted by the Act.

**ARTICLE IX  
THE SERVICING AGENT**

**Section 9.01. Appointment.** The Issuer hereby appoints the Servicing Agent as the Issuer's exclusive servicing agent under this Bond Purchase Agreement and in connection with all agreements and instruments executed and delivered in connection with the issuance of the Series 2022C Bonds. Any act of the Servicing Agent performed in connection with the Series 2022C Bond or the Servicing Agent's duties hereunder shall not be imputed to the Issuer unless such act was performed pursuant to the Issuer's express written direction or in accordance with the Issuer's express written permission.

**Section 9.02. Bond Proceeds.** Upon issuance of the Series 2022C Bonds to, and payment for the Series 2022C Bonds by, the Purchaser, the Servicing Agent shall deposit \$[Requisition No. 1 Amount] of the proceeds of the sale of the Series 2022C Bonds into the Construction Fund and apply such funds as provided by Section 5.01(c) hereof. Notwithstanding anything in this Bond Purchase Agreement to the contrary, as long as (a) the Series 2022C Bonds are held by the Purchaser or an assignee of the Purchaser related to or for the benefit of an entity constituting a member of any Control Group to which the Company belongs and (b) the lessee under the Lease Agreement is the Company, the payment of the purchase price of the Series 2022C Bonds by the Purchaser and the deposit of such funds by the Servicing Agent may be satisfied by intercompany journal entries reflecting intercompany payment, receipt, and disbursement of such funds, and no cash funds need be transferred during such period. The provisions of the immediately preceding sentence shall survive any bankruptcy or liquidation of the Company, the Purchaser, or such assignee.

**Section 9.03. The Bond Fund.**

**(a) Duties Regarding Funds.** Upon issuance of the Series 2022C Bonds to the Purchaser, the Servicing Agent shall establish the Bond Fund, as provided in Section 5.01 hereof. The Servicing Agent shall deposit all Rent Payments received by it in the Bond Fund and shall pay, invest, and otherwise apply moneys in the Bond Fund as herein provided. The Issuer specifically hereby authorizes and directs the Servicing Agent to withdraw sufficient funds from the Bond Fund, if any, available for such purpose to pay the Bond Service Charges, as the same become due and payable, and to pay such funds to the Bondholder, which authorization and direction the Servicing Agent hereby accepts. Notwithstanding anything in this Bond Purchase Agreement to the contrary, as long as (i) the Series 2022C Bonds are held by the Purchaser or an assignee of the Purchaser related to or for the benefit of an affiliate of the Company and (ii) the lessee under the Lease Agreement is the Company, the payment of the purchase price of the Series 2022C Bonds by the Purchaser and the deposit of all Rent Payments received by the Servicing Agent in the Bond Fund may be satisfied by intercompany journal entries reflecting intercompany payment, receipt, and disbursement of such funds, and no cash funds need be transferred during such period. The provisions of the immediately preceding sentence shall survive any bankruptcy or liquidation of the Company, the Purchaser, or such assignee.

**(b) Recordkeeping.** The Servicing Agent shall keep proper and complete records pertaining to the Bond Fund and shall prepare and furnish to the Issuer and to the Company, upon request of either, annual statements within forty-five days after the end of each calendar year showing all funds received, deposited, invested, disbursed, or paid by it in connection with the Series 2022C Bonds during such calendar year.

**Section 9.04. Notices Of Default.** The Servicing Agent shall forthwith notify the Issuer of any Default under the Lease Agreement of which the Servicing Agent has knowledge; provided, however, that except with respect to default by the Company in making Rent Payments as and when due, the Servicing Agent shall not be deemed to have knowledge nor be required to take notice of any Default until it has received written notice thereof at its notice address set forth in the Lease Agreement, from the Company or the Bondholder, specifically describing such Default.

**Section 9.05. Payment Of Fees And Expenses.** The Servicing Agent shall be entitled to payment or reimbursement, or both, from the Company for reasonable fees for its Ordinary Services rendered pursuant to its duties and obligations as Servicing Agent and all advances, counsel fees, and other Ordinary Expenses reasonably and necessarily made or incurred by it in connection with such Ordinary Services and, if it should become necessary that the Servicing Agent perform Extraordinary Services, it shall be entitled to reasonable extra compensation from the Company therefor and to reimbursement from the Company for reasonable and necessary Extraordinary Expenses in connection therewith; provided that if such Extraordinary Services or Extraordinary Expenses are occasioned by the neglect or misconduct of the Servicing Agent, it shall not be entitled to compensation or reimbursement therefor. Any amounts payable to the Servicing Agent pursuant hereto shall be payable on demand and shall bear interest from the date of demand therefore at the Interest Rate.

**Section 9.06. Consultation Of Experts.** The Servicing Agent may perform any of its duties by or through attorneys, agents, receivers, or employees and shall be entitled to advice of counsel and independent experts of nationally recognized standing (“**Experts**”) concerning all duties hereunder, and may, in all cases, pay such reasonable compensation to all such attorneys, experts, agents, receivers, and employees as may reasonably be employed in connection herewith. The Servicing Agent may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer, the Company, or the Bondholder) or any expert approved by the Servicing Agent in the exercise of reasonable care. The Servicing Agent shall not be responsible for any loss or damage resulting from any action taken or not taken in good faith in reliance upon such opinion or advice or for any default or neglect of such attorney, expert, or receiver employed and selected by it with reasonable care.

**Section 9.07. Maintenance Of Security.** The Servicing Agent shall not be responsible (a) for any recital herein or in the Series 2022C Bonds; (b) for the validity, priority, recording or rerecording, or filing or re-filing of this Bond Purchase Agreement or the Lease Agreement or any financing statements, amendments thereto, or continuation statements; (c) for insuring the New Octagon Project; (d) for the validity of the execution by the Issuer of this Bond Purchase

Agreement, the Assignment, the Lease Agreement, or of any supplements thereto or instruments of further assurance; or (e) for the sufficiency of the security for the Series 2022C Bonds. The Servicing Agent shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the Issuer or on the part of the Company under this Bond Purchase Agreement, the Lease Agreement, or the Assignment.

**Section 9.08. Use Of Proceeds By Others.** The Servicing Agent shall not be accountable for the application of the proceeds of any Series 2022C Bonds which has been made by or on behalf of the Company, the Issuer, or any other person.

**Section 9.09. Reliance On Certificates And Other Documents.** The Servicing Agent shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Servicing Agent pursuant to this Bond Purchase Agreement, upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent, is the Bondholder, shall be conclusive and binding upon any future Bondholder.

As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper, or proceeding, the Servicing Agent shall be entitled to rely upon a certificate signed on behalf of the Issuer by an Authorized Issuer Representative or any other authorized officer thereof as sufficient evidence of the facts therein contained, and, before the occurrence of an Event of Default of which the Servicing Agent has knowledge, shall also be entitled to rely upon a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may, at its discretion, obtain such further evidence deemed necessary or advisable, but shall, in no case, be bound to secure the same. The Servicing Agent may accept (a) a certificate of an officer, or an assistant thereto, having charge of the appropriate records to the effect that legislation or any ordinance or resolution in the form therein set forth has been adopted by the Issuing Authority, or (b) a certificate of the Authorized Company Representative to the effect that resolutions in the form therein set forth have been adopted by the Company's Managers, as conclusive evidence that such legislation, ordinance, or resolution has been duly adopted by the Company and is in full force and effect. With respect to any action or authorization by the Company, the Servicing Agent may accept as conclusive evidence thereof any certificate of an Authorized Company Representative.

Notwithstanding anything contained elsewhere in this Bond Purchase Agreement, the Servicing Agent shall have the right, but shall not be required, to demand, in respect of the withdrawal of any cash or any action whatsoever within the purview of this Bond Purchase Agreement, any showings, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that required by the terms hereof as a condition of such action by the Servicing Agent, deemed desirable for the purpose of establishing the right to withdrawal of any cash or the taking of any other action by the Servicing Agent.

Legislation, ordinances, resolutions, opinions, certificates, and other instruments provided for in this Bond Purchase Agreement may be accepted by the Servicing Agent as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection, and authority to the Servicing Agent for its actions taken hereunder.

**Section 9.10. Limited Liability.** The permissive right of the Servicing Agent to do things enumerated in this Bond Purchase Agreement shall not be construed as a duty and the Servicing Agent shall not be answerable for other than its negligence or willful misconduct. The Servicing Agent shall not be liable for any error of judgment made in the absence of bad faith by a responsible officer.

**Section 9.11. No Personal Liability.** The Servicing Agent shall not be personally liable for any debts contracted, or for injury or damage to persons or to personal property, or for salaries or nonfulfillment of contracts, relating to the New Octagon Project.

**Section 9.12. Right Of Inspection.** At any and all reasonable times, the Servicing Agent and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right fully to inspect any and all books, papers, and records of the Company pertaining to the New Octagon Project and the Series 2022C Bonds and to make copies of and take such memoranda from and in regard thereto as may be desired.

**Section 9.13. No Bond Or Surety Required.** The Servicing Agent shall not be required to give any Series 2022C Bonds or surety in respect of its duties under this Bond Purchase Agreement.

**Section 9.14. Use Of Held Funds.** Unless otherwise provided herein, all moneys received by the Servicing Agent under this Bond Purchase Agreement shall, until used or applied or invested as herein provided, be held for the purposes for which they were received but need not be segregated from other funds, except to the extent required by this Bond Purchase Agreement or by law. The Servicing Agent shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon with the Issuer or the Company.

**Section 9.15. No Obligation To Expend Personal Funds.** No provision of this Bond Purchase Agreement shall require the Servicing Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

**Section 9.16. Successor Servicing Agents; Resignation; Removal.** Any corporation or association into which the Servicing Agent may be converted or merged, or with which it or any successor to it may be consolidated, or to which it may sell or transfer its assets and business as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party, ipso facto, shall be and become successor Servicing Agent hereunder and shall be and become vested with all of the duties, discretions, immunities, privileges, and all other matters as was its predecessor, without

the execution or filing of any instrument or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

The Servicing Agent may, at any time, resign as Servicing Agent by giving sixty days' written notice thereof to the Issuer, the Company, and the Bondholder, and such resignation shall take effect at the appointment of a successor Servicing Agent by the Issuer and acceptance by the successor Servicing Agent of such appointment. The Servicing Agent shall cooperate with any successor Servicing Agent to assure the continual performance of all duties of the Servicing Agent without interruption.

The Servicing Agent may be removed at any time by an instrument or concurrent instruments in writing delivered to the Servicing Agent, the Bondholder, and the Company and signed by the Issuer.

In case the Servicing Agent hereunder shall resign or be removed, be dissolved, or otherwise become incapable of acting hereunder or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor shall be appointed by the Issuer. Every such successor Servicing Agent appointed pursuant to the provisions of this Section 9.16 shall be willing to accept its duties under the terms and conditions of this Bond Purchase Agreement.

Every successor Servicing Agent appointed hereunder shall execute, acknowledge, and deliver to its predecessor and also to the Issuer, the Bondholder, and the Company, an instrument in writing accepting such appointment hereunder, and thereupon, such successor, without any further act, shall become fully vested with all the rights, duties, and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of its successor or the Issuer, execute and deliver an instrument transferring to such successor Servicing Agent all the rights of such predecessor hereunder and shall duly assign, transfer, and deliver all property, securities, and moneys held by it as Servicing Agent to its successor. Should any instrument in writing from the Issuer be required by any successor Servicing Agent for more fully and certainly vesting in such successor the rights and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged, and delivered by the Issuer.

Upon a change in the office of Servicing Agent, the predecessor Servicing Agent which has resigned or been removed shall cease to be custodian of any funds it may hold pursuant to this Agreement and the successor Servicing Agent shall become such custodian.

## ARTICLE X MISCELLANEOUS

**Section 10.01. Deposit Of Funds For Payment Of Series 2022C Bonds.** If the principal or redemption price of any Series 2022C Bonds becoming due, either at maturity or by call for redemption or otherwise, together with all interest accruing thereon to the due date, has been paid or provision therefor made with the Servicing Agent, all interest on such Series 2022C



Bonds shall cease to accrue on the due date and all of the Issuer's liability with respect to such Series 2022C Bonds shall likewise cease, except as herein provided. Thereafter, the owners of such Series 2022C Bonds shall be restricted exclusively to the funds so deposited for any claim of any nature whatsoever with respect to such Series 2022C Bonds, and the Servicing Agent shall hold such funds in trust for such owners.

**Section 10.02. Applicable Law.** This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the Commonwealth.

**Section 10.03. No Rights Conferred On Others.** Except as expressly provided herein, nothing contained herein shall confer any right upon any person other than the parties hereto, the Company and the owners of the Series 2022C Bonds. Notwithstanding anything in this Section 10.03 to the contrary, the Secured Parties are express third-party beneficiaries of this Bond Purchase Agreement.

**Section 10.04. Payments Due On Saturdays, Sundays, And Holidays.** If any date of maturity of the principal of any Series 2022C Bonds or date fixed for redemption of any Series 2022C Bonds is a day which is not a Business Day and the Servicing Agent is closed, then payment of principal of or interest on the Series 2022C Bonds need not be made by the Servicing Agent on that date, but that payment may be made on the next succeeding Business Day on which the Servicing Agent is open for business, with the same force and effect as if that payment were made on the Interest Payment Date, Maturity Date, or date fixed for redemption, and no interest shall accrue for the period after that date.

**Section 10.05. Illegal Provisions Disregarded.** If any term or provision of this Bond Purchase Agreement or the Series 2022C Bonds or the application thereof for any reason or circumstance shall, to any extent, be held invalid or unenforceable, the remaining provisions or the application of such term or provision to persons and situations other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision hereof and thereof shall be valid and enforceable to the fullest extent permitted by law.

**Section 10.06. Notices.** All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered personally or received by facsimile transmission, overnight delivery service, or United States mail, and, in each case, addressed as follows:

if to the Issuer, to:	Lexington-Fayette Urban County Government 200 East Main Street Lexington, Kentucky 40507 Attn: Mayor
-----------------------	---

if to the Servicing Agent, to:	New Octagon IRB Holdings LLC 210 East High Street P.O. Box 794 Lexington, Kentucky 40588
--------------------------------	---

Attn: Member

if to the Purchaser, to:

New Octagon IRB Holdings LLC  
210 East High Street  
P.O. Box 794  
Lexington, Kentucky 40588  
Attn: Member

if to the Company, to:

New Octagon Limited Liability Company  
210 East High Street  
P.O. Box 794  
Lexington, Kentucky 40588  
Attn: Member

With a copy to:

Stoll Keenon Ogden PLLC  
500 West Jefferson Street  
Suite 2000  
Louisville, Kentucky 40202  
Attn: Tax Department Chair

**Section 10.07. Counterparts.** This Bond Purchase Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument. It will not be necessary, in proving this Bond Purchase Agreement in any proceeding, to produce or account for more than one counterpart of this Bond Purchase Agreement. This Bond Purchase Agreement will become effective when one or more counterparts have been signed by each party and delivered to the other parties, respectively. Any party may deliver an executed copy of this Bond Purchase Agreement (and an executed copy of any documents contemplated by this Lease Agreement) by facsimile transmission to another party or e-mailed .pdf files of scanned copies bearing their respective signatures, and such delivery will have the same force and effect as any other delivery of a manually signed copy of this Bond Purchase Agreement (or such other document).

**Section 10.08. Signatures.** Signature pages to this Bond Purchase Agreement may be exchanged by facsimile or electronic mail and each party hereto agrees to be bound by its facsimile or .pdf signature.

**Section 10.09. Successors And Assigns.** All the covenants, promises, and agreements in this Bond Purchase Agreement contained by or on behalf of the Issuer, the Purchaser, or the Servicing Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

**Section 10.10. Rules Of Construction.**

(a) **General.** The singular form of any word used herein shall include the plural, and vice versa. The use herein of a word of any gender shall include correlative words of all genders. Unless otherwise specified, the word “including” shall mean “including, without limitation,” the word “or” shall mean “and/or,” and the word “any” shall mean “any and all.”

(b) **References.** Unless otherwise specified, references to Articles, Sections, and other subdivisions of this Bond Purchase Agreement are to the designated Articles, Sections, and other subdivisions of this Bond Purchase Agreement as originally executed. The words “hereof,” “herein,” “hereunder,” and words of similar import refer to this Bond Purchase Agreement as a whole.

(c) **Captions.** The captions or headings in this Bond Purchase Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or Sections of this Bond Purchase Agreement.

(d) **Accounting Terms.** All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP.

(e) **Exhibits.** **Exhibit A** attached hereto is hereby incorporated by reference into this Bond Purchase Agreement and constitutes a part hereof.

*[Signature Page To Follow]*

**SIGNATURE PAGE TO SERIES 2022C BOND PURCHASE AGREEMENT**

IN WITNESS WHEREOF, this Bond Purchase Agreement has been executed as of the date first written above.

**LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT**

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

Linda Gorton  
Mayor

Attest:

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

Abigail Allan  
Urban County Council Clerk

**NEW OCTAGON IRB HOLDINGS LLC,**  
a Kentucky limited liability company, as  
Servicing Agent and Purchaser

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

Nicholas T. Feldman  
Manager

**NEW OCTAGON LIMITED LIABILITY  
COMPANY,**

a Kentucky limited liability company

By: **New Circle Investments LLC,** a  
Kentucky limited liability company,  
Manager

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

Nicholas T. Feldman  
Manager

EXHIBIT A

FORM OF REGISTERED SERIES 2022C BOND

LIMITATION ON RESALE. THIS SERIES 2022C BOND AND THE ISSUE OF WHICH IT IS A PART HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THIS SERIES 2022C BOND CANNOT BE RESOLD OR TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNLESS AN EXEMPTION THEREFROM IS AVAILABLE.

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, KENTUCKY,  
INDUSTRIAL BUILDING REVENUE BONDS, SERIES 2022C  
(SPEIGLE HEIGHTS REDEVELOPMENT PROJECT – NEW OCTAGON)

Maturity Date	Interest Rate	Date of the Series 2022C Bonds
February 1, 2062	%	, 2022

**Registered Owner:** New Octagon IRB Holdings LLC

**Principal Sum:** The Outstanding (as defined in the Bond Purchase Agreement) principal amount shown on Schedule A attached hereto and made a part hereof. [This legend is to be replaced on the Completion Date, by the actual amount outstanding on that date as shown on **Schedule A** attached hereto.]

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT (the “*Issuer*”), a Kentucky urban-county government established pursuant to the provisions of Chapter 67A of the Kentucky Revised Statutes and political subdivision of the Commonwealth of Kentucky (the “*Commonwealth*”), for value received, hereby promises to pay (but only from the sources hereinafter set out) to the Registered Owner named above, or registered assigns, the Principal Sum stated above on the Maturity Date stated above, unless this Series 2022C Bond shall have been called for redemption, in whole or in part, and payment of the redemption price shall have been duly made or provided for, upon surrender hereof, and to pay (but only out of the sources hereinafter set out) to the Registered Owner hereof interest on the Outstanding Series 2022C

Bonds from time to time from the last date to which interest has accrued and been paid or duly provided for, or, if no interest has been paid or duly provided for, from the later of the Date of the Series 2022C Bonds set forth above and the respective dates of advance of portions of the Principal Sum stated above by the initial Registered Owner hereof in accordance with the Bond Purchase Agreement and the Lease Agreement hereinafter referred to, until payment or receipt of said Principal Sum has been made or provided for, at     % per annum payable on each February 1, beginning February 1, 2023 and continuing through and including February 1, 2062 and the Maturity Date (each an "*Interest Payment Date*"), or if any such date is not a Business Day (as defined below), then the first immediately succeeding Business Day. For purposes of this paragraph, "*Business Day*" means a day which is not (i) a Saturday, Sunday, or legal holiday on which banking institutions in the Commonwealth or the State of New York are authorized by law to close or (ii) a day on which the New York Stock Exchange is closed. Principal and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Series 2022C Bond is registered at the close of business of the Servicing Agent on the Regular Record Date for such interest. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner on such Regular Record Date and may be paid to the person in whose name this Series 2022C Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Servicing Agent or may be paid at any time in any other lawful manner, all as more fully provided in the Bond Purchase Agreement. The principal or redemption price of this Series 2022C Bond shall be paid at New Octagon IRB Holdings LLC, 210 East High Street, P.O. Box 794, Lexington, Kentucky 40588 (the "*Servicing Agent*"). Except as provided in the Bond Purchase Agreement, the interest on this Series 2022C Bond shall be payable in immediately available funds to the Registered Owner. Interest on this Series 2022C Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

**THE PRINCIPAL OR REDEMPTION PRICE OF AND INTEREST ON THE SERIES 2022C BONDS (HEREINAFTER DEFINED) ARE PAYABLE SOLELY FROM THE FUNDS PLEDGED FOR THEIR BENEFIT PURSUANT TO THE BOND PURCHASE AGREEMENT. THIS BOND AND THE INTEREST THEREON DO NOT REPRESENT OR CONSTITUTE AN INDEBTEDNESS OF THE ISSUER OR THE COMMONWEALTH OF KENTUCKY OR ANY POLITICAL SUBDIVISION OF THE COMMONWEALTH OF KENTUCKY WITHIN THE MEANING OF THE PROVISIONS OF THE CONSTITUTION OR STATUTES OF THE COMMONWEALTH OF KENTUCKY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE ISSUER, THE COMMONWEALTH OF KENTUCKY, OR ANY POLITICAL SUBDIVISION THEREOF.**

If an Event of Default, as defined in the Bond Purchase Agreement, occurs, the principal of all Series 2022C Bonds issued under the Bond Purchase Agreement may become due and

payable upon the conditions, in the manner, and with the effect provided in the Bond Purchase Agreement.

No recourse shall be had for the payment of the principal of or interest on any of the Series 2022C Bonds or for any claim based thereon or upon any obligation, covenant, or agreement in the Bond Purchase Agreement against any past, present, or future official, officer, director, member, employee, or agent of the Issuer or the Commonwealth, or any incorporator, official, officer, director, member, trustee, employee, or agent of any successor entity or body politic of the Issuer or of the Commonwealth or any agency or instrumentality thereof, as such, either directly or through the Issuer or any successor entity or body politic or of the Commonwealth or any agency or instrumentality thereof, under any rule of law or equity, statute, or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, officials, officers, directors, trustees, members, employees, or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Bond Purchase Agreement and the issuance of the Series 2022C Bonds.

It is certified and recited that there have been done or performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened (i) precedent to and in the issuing of the Series 2022C Bonds in order to make them legal, valid, and binding special and limited obligations of the Issuer, and (ii) precedent to and in the execution and delivery of the Bond Purchase Agreement and the Lease Agreement (as hereinafter defined); that payment in full for the Series 2022C Bonds has been received; and that the Series 2022C Bonds do not exceed or violate any constitutional or statutory limitation.

This Series 2022C Bond is one of a duly authorized series (the "*Series 2022C Bonds*") issued under a Bond Purchase Agreement dated as of [REDACTED], 2022 (as amended, supplemented, or otherwise modified from time to time, the "*Bond Purchase Agreement*"), between the Issuer, New Octagon Limited Liability Company (the "*Company*"), the Servicing Agent, and New Octagon IRB Holdings LLC, as the Purchaser (the "*Purchaser*"). The aggregate permissible Outstanding principal amount of the Series 2022C Bonds is limited to \$39,000,000 less the amount of bond proceeds (other than proceeds of the Series 2022C Bonds) advanced by the Issuer to companies related to the Company for other portions of the Speigle Heights Redevelopment Project. The Series 2022C Bonds are issued by the Issuer under the provisions of Sections 103.200 through 103.285 of the Kentucky Revised Statutes for the purpose of financing a portion of the costs of the acquisition, construction, installation, improving, commissioning, and equipping, by the Company, of certain industrial building facilities and properties (the "*Speigle Heights Redevelopment Project*") in the County of Fayette, Kentucky. Except as otherwise expressly indicated or unless the context otherwise requires, the capitalized terms used herein have the meanings given in the Bond Purchase Agreement.

The Series 2022C Bonds are payable solely from payments made by the Company of Rent Payments (as defined in the Lease Agreement) and additional rental payments in

accordance with the provisions of Sections 6.13 and 6.14 of a Lease Agreement dated as of [REDACTED], 2022, between the Issuer, as lessor, and the Company, as lessee (as amended, supplemented, or otherwise modified from time to time, the "*Lease Agreement*"), and any other moneys held by the Servicing Agent under the Bond Purchase Agreement for such purpose. The Series 2022C Bonds are dated as of the date of their original issuance (the "*Date of the Series 2022C Bonds*"). Except as otherwise specified in the Bond Purchase Agreement, this Series 2022C Bond is entitled to the benefits of the Bond Purchase Agreement equally and ratably, both as to principal and interest, with all other Series 2022C Bonds issued under the Bond Purchase Agreement, to which reference is made for a description of (i) the rights of the owners of the Series 2022C Bonds; (ii) the rights and obligations of the Issuer; (iii) the rights, duties, and obligations of the Servicing Agent; and (iv) the provisions relating to amendments to and modifications of the Bond Purchase Agreement.

The Series 2022C Bonds shall be subject to optional redemption before maturity, in whole at any time and in part on any Business Day (subject only to the notice requirements set forth in the Bond Purchase Agreement), at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date.

The Series 2022C Bonds shall also be subject to mandatory redemption, from surplus moneys remaining in the Construction Fund, at a redemption price of 100% of the principal amount of the Series 2022C Bonds to be redeemed, plus accrued interest to the date of redemption, at any time within ninety days (subject only to the notice requirements set forth in the Bond Purchase Agreement) following the Servicing Agent's receipt of the certificate required by the provisions of Section 3.05 of the Lease Agreement, to the extent such surplus moneys are not otherwise directed by the Company to be used to pay the costs of additional Industrial Building facilities incident to the New Octagon Project.

Any notice of redemption shall identify the Series 2022C Bonds or portions thereof to be redeemed and shall be given by first class mail, e-mail, facsimile, or FedEx to the registered owner of each Series 2022C Bond to be redeemed in whole or in part, at the address shown on the Bond Register of the Issuer, not more than thirty Business Days and not fewer than five Business Days before the redemption date. All Series 2022C Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption and any accrued interest payable on the redemption date are on deposit at the principal place of payment at that time.

The Series 2022C Bonds are issuable only as fully registered Series 2022C Bonds in the denominations of \$10,000 and any integral multiples of \$0.01 in excess of \$10,000. Subject to the limitations provided in the Bond Purchase Agreement and upon payment of any tax or governmental charge, if any, Series 2022C Bonds may be exchanged for a like aggregate principal amount of Series 2022C Bonds of other authorized denominations.

Except as set forth in this Series 2022C Bond and as otherwise provided in the Bond Purchase Agreement, the person in whose name this Series 2022C Bond is registered shall be



deemed the owner hereof for all purposes, and the Issuer and the Servicing Agent shall not be affected by any notice to the contrary.

*[Signature Page to Follow]*

**SIGNATURE PAGE TO SERIES 2022C BOND**

**IN WITNESS WHEREOF**, the Lexington-Fayette Urban County Government has caused this Series 2022C Bond to be executed in its name by the manual signature of its Mayor, and the seal of the Issuer to be impressed hereon and attested by the manual signature of its Urban County Council Clerk, all as of the Date of the Series 2022C Bonds shown above.

**LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT**

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

Linda Gorton  
Mayor

Attest:

\_\_\_\_\_  
Abigail Allan  
Urban County Council Clerk



<b>Summary report:</b>	
<b>Litera® Change-Pro for Word 10.7.0.7 Document comparison done on 6/5/2022 10:18:58 AM</b>	
<b>Style name:</b> Default Style	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> dm://EDOCSDM/8720404/3	
<b>Modified filename:</b> EDOCSDM-#8720404-v4-2022C _ _SPEIGLE _ - IRB Bond Purchase Agmt (New Octagon).docx	
<b>Changes:</b>	
<u>Add</u>	8
<del>Delete</del>	6
<del>Move From</del>	0
<u>Move To</u>	0
<u>Table Insert</u>	0
<del>Table Delete</del>	0
<u>Table moves to</u>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>14</b>