

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT PUBLIC FACILITIES CORPORATION FORMALLY AUTHORIZING THE ISSUANCE OF MORTGAGE REVENUE REFUNDING BONDS (COURT FACILITIES PROJECT), SERIES 2016, AND AUTHORIZING THE EXECUTION OF A LEASE AND A MORTGAGE RELATIVE TO SAID FINANCING SO AS TO PROVIDE SECURITY TO THE BONDHOLDERS; AND PROVIDING FOR THE SALE OF SAID BONDS.

WHEREAS, Lexington-Fayette Urban County Government Public Facilities Corporation (the "Corporation") is a non profit, no-stock corporation created and organized for public, civic and governmental purposes to serve as an agency and instrumentality and as the constituted authority of the Lexington-Fayette Urban County Government (the "Urban County Government") in the acquisition and financing of public projects in furtherance of the proper public purpose of the Urban County Government; and

WHEREAS, the Corporation has previously issued its Lexington-Fayette Urban County Government Public Facilities Corporation Mortgage Revenue Bonds, Series 1998, dated July 15, 1998 (the "Series 1998 Bonds") in the original principal amount of \$69,120,000, for the purpose of financing the acquisition, construction and equipping of a court facility and related offices and parking facilities project (the "Project") for the Urban County Government and the Kentucky Administrative Office of the Courts (the "AOC"), and

WHEREAS, the Corporation issued its Lexington-Fayette Urban County Government Public Facilities Corporation Mortgage Revenue Refunding Bonds (Court Facilities Project), Series 2006, dated December 21, 2006 (the "Series 2006 Bonds") in the original principal amount of \$66,725,000 for the purpose of refinancing and advance refunding the outstanding Series 1998 Bonds, and

WHEREAS, the Corporation and the Urban County Government desire to issue the Corporation's Mortgage Revenue Refunding Bonds (Court Facilities Project), Series 2016, to be dated the date of delivery (the "Series 2016 Bonds"), in an amount not to exceed \$51,000,000 to pay the costs of refinancing and current refunding of the outstanding Series 2006 Bonds, and

WHEREAS, the Lexington-Fayette Urban County Council has directed the Corporation to act as its agency, instrumentality and constituted authority in connection with the refinancing and current refunding of the Series 2006 Bonds;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT PUBLIC FACILITIES CORPORATION DOES HEREBY RESOLVE, AS FOLLOWS:

Section 1. The Corporation shall act as the agency and instrumentality of, and as the constituted authority of the Urban County Government in the issuance of the Corporation's Mortgage Revenue Refunding Bonds (Court Facilities Project), Series 2016," to be dated the date of delivery, in a principal amount not to exceed \$51,000,000 (the "Series 2016 Bonds"), as hereinafter particularly described. The proceeds of the Series 2016 Bonds shall be applied to the payment of the cost of refinancing and current refunding of the Series 2006 Bonds, and to pay discount, if any, and expenses incurred in the issuance of the Series 2016 Bonds.

Section 2. The Corporation shall issue and there are hereby authorized to be issued the Series 2016 Bonds paying interest semiannually on April 1 and October 1 of each year, commencing April 1, 2017, and maturing as to principal annually on October 1 of each year, commencing October 1, 2017, in the amounts as set forth in the Mortgage, as defined below; provided that the Series 2016 Bonds may be called for redemption prior to maturity under the terms and conditions set forth in the Mortgage hereinafter described.

Section 3. When the Series 2016 Bonds have been sold as hereinafter provided, each Series 2016 Bond shall be executed by the original or reproduced facsimile signature of the President of the Corporation, attested by the original or reproduced facsimile signature of the Secretary of the Corporation. The Series 2016 Bonds shall then be delivered to _____, as trustee (the "Trustee") for authentication. Upon authentication by the Trustee, the President and Secretary are thereupon authorized to cause the Series 2016 Bonds and customary delivery papers and certifications to be delivered to the purchaser thereof upon payment of the purchase price, and of the sale shall thereupon immediately be delivered into the custody of the Trustee, to be treated handled and disposed of as set forth in the Mortgage.

Section 4. In order to secure the payment of the Series 2016 Bonds, the Corporation shall create, in favor of the Trustee for the benefit of the Bondholders, various rights and powers and shall further assign unto the Trustee other rights, revenues and income incident to the Project. A certain Mortgage Deed of Trust (the "Mortgage") by and between the Corporation and the Trustee, submitted to the Board of Directors of the Corporation, is hereby approved and adopted for that purpose, and the same shall be executed in the name and on behalf of the Corporation by the President and the Secretary. Said officers shall acknowledge the same and tender said instrument to the Trustee with the request that it be approved, accepted and executed. Said Mortgage is incorporated in this Resolution by reference, the same as if reproduced in its entirety. All of the provisions set forth in said instrument are hereby adopted and confirmed, and the Corporation and the Trustee shall be firmly bound thereby.

Section 5. The Corporation shall enter into a certain Lease Agreement (the "Lease") by and among the Corporation, the Urban County Government and the AOC. Said Lease is incorporated in this Resolution by reference, the same as if reproduced in its entirety. All of the provisions set forth in said instrument are hereby adopted and confirmed, and the Corporation, the Urban County Government and the AOC shall be firmly bound thereby.

Section 6. The Lease shall be executed in the name and on behalf of the Corporation by the President and attested by the Secretary. Said officers are authorized and directed to

acknowledge said instrument, and after execution on behalf of the Urban County Government, the same, together with the Mortgage, shall be recorded in the office of the Fayette County Clerk.

Section 7. As heretofore set forth, the Corporation shall assign all of its rights under said Lease and all rentals and revenues to be received by the Corporation thereunder, together with all of the Corporation's rights arising under other agreements, particularly identified in the Lease, to the Trustee, as additional security for the payment of the principal of and the interest on the Series 2016 Bonds; and the Urban County Government, the AOC and other obligors are and shall be authorized and directed to make all due payments under the provisions of said instrument and other agreements directly to the Trustee, and receipts given to the Urban County Government and other obligors by said Trustee shall constitute evidence of the receipt of such moneys from time to time by the Corporation. The assignment herein authorized shall be effective simultaneously with the issuance and delivery of the Series 2016 Bonds, and need not be evidenced by any instrument other than this Resolution; but if requested by the Trustee, a formal instrument of assignment shall be executed in the name and on behalf of the Corporation by the President and Secretary.

Section 8. The officers of the Corporation; Bond Counsel, Rubin & Hays; Disclosure Counsel, Dinsmore & Shohl, LLP; and the Financial Advisor to the Corporation, Raymond James & Associates, Inc. are hereby authorized to undertake such actions as are necessary for the public sale of the Series 2016 Bonds, including distribution of the Preliminary Official Statement of the Corporation regarding the Series 2016 Bonds. The Corporation deems the form of Preliminary Official Statement presented to its officers to be final for purposes of the Securities and Exchange Commission Rule 15c2-12(b)(1), subject to revision, amendment and completion in the final Official Statement.

Section 9. Bids for the Series 2016 Bonds shall be submitted electronically or, if electronic bidding is unavailable, received in the office of the Commissioner of Finance for the Urban County Government or such other place as may be designated. The Secretary of the Corporation is hereby authorized to accept the successful bid, determine the exact rates of interest which said Series 2016 Bonds shall bear, which rates of interest may be either a fixed rate or rates or a variable rate based on a percentage of an easily identifiable and calculable index formula, and the interest rates on the Series 2016 Bonds shall be automatically set at the rates set out in a Certificate Awarding the Bid on the Series 2016 Bonds, without the necessity of any further action by the Corporation's Board of Directors fixing said rates, provided however that the successful bid shall not have a true interest cost in excess of 6% per annum.

Section 10. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions. All resolutions, orders, by-laws or parts thereof, if any, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed. All actions taken by the Corporation's Financial Advisor, Bond Counsel and the officers of the Corporation in respect of the Bonds are ratified and confirmed *ab initio*.

Section 11. This Resolution shall be in full force and effect upon its adoption.

Read and adopted on August 18, 2016.

LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT PUBLIC FACILITIES
CORPORATION

President

Attest:

Secretary

CERTIFICATION

I, William O'Mara, Secretary of Lexington-Fayette Urban County Government Public Facilities Corporation, do hereby certify that the forgoing Resolution is a true and complete copy of a certain Resolution duly adopted by the Board of Directors of said Corporation at a lawfully convened meeting of the Corporation held on August 18, 2016 and that all actions taken in connection with such resolution were in compliance with the requirements of KRS 61.810, 61.815, 61.820 and 61.823, and that such Resolution has not been amended, modified, superseded or repealed and that same remains in full force and effect as the date of this Certificate.

WITNESS my hand and seal of Lexington-Fayette Urban County Government Public Facilities Corporation as of this 18th day of August, 2016.

Secretary