

**AN ORDINANCE AUTHORIZING THE SALE AND DELIVERY OF THE CITY OF NEVADA, MISSOURI, REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2020, AND AUTHORIZING AND APPROVING CERTAIN OTHER DOCUMENTS AND ACTIONS RELATED TO THE CERTIFICATES.**

**WHEREAS**, the City of Nevada, Missouri (the “City”) and Security Bank of Kansas City (the “Trustee”) have entered into a Site Lease (the “Site Lease”), pursuant to which the City, as lessor, has leased certain real estate and the improvements thereon to the Trustee, as lessee, to provide for the financing of the costs related to the construction, furnishing and equipping of the City’s municipal building complex (the “Project”), with all of the City’s present or hereafter acquired interest in those tracts of real estate on which the Project will be situated, together with all improvements now or hereafter situated thereon (the “Facilities”); and

**WHEREAS**, the Trustee and the City have entered into a Lease Purchase Agreement (the “Original Lease”), to provide for the lease of the Facilities from the Trustee back to the City on an annually renewable basis in consideration of Rental Payments (as defined therein) and upon the terms and conditions therein provided; and

**WHEREAS**, in order to provide funds to finance the costs related to the Project, the City and the Trustee entered into an Indenture of Trust dated as of December 1, 2011 (the “Original Indenture,” with the Original Indenture as amended by the First Supplemental Indenture of Trust (the “First Supplemental Indenture”), the Second Supplemental Indenture of Trust (the “Second Supplemental Indenture”), the Third Supplemental Indenture of Trust (the “Third Supplemental Indenture”), and the Fourth Supplemental Indenture of Trust (the “Fourth Supplemental Indenture”) described herein being the “Indenture”), to provide for the delivery of the City of Nevada, Missouri Certificates of Participation Series 2011 (the “Series 2011 Certificates”); and

**WHEREAS**, the City financed the costs of an additional project and refunding the principal component of and interest component on the Series 2011 Certificates payable on December 1, 2012 (the “2012 Refunded Certificates”) through the issuance of Additional Certificates under the Original Indenture as supplemented by the First Supplemental Indenture; and

**WHEREAS**, the City refunded the principal component of and interest component on the Series 2011 Certificates payable on December 1, 2013 (the “2013 Refunded Certificates”) through the delivery of Additional Certificates under the Original Indenture, as supplemented by the Second Supplemental Indenture; and

**WHEREAS**, the City refunded the principal component of and interest component on the Series 2011 Certificates payable on December 1, 2014 (the “2014 Refunded Certificates”) through the delivery of Additional Certificates under the Original Indenture, as supplemented by the Third Supplemental Indenture; and

**WHEREAS**, the City has determined that it is desirable to refund the Series 2011 Certificates outstanding (the “Refunded Certificates”) through the delivery of Additional Certificates, as supplemented by the Fourth Supplemental Indenture; and

**WHEREAS**, the City is authorized under the provisions of the laws of the State of Missouri and the Original Indenture to provide funds for such purpose; and

**WHEREAS**, the City Council finds and determines that it is advantageous and in the best interests of the City that the City enter into certain transactions with the Trustee relating to the delivery of \$2,875,000 principal amount of Refunding Certificates of Participation Series 2020 (the "Series 2020 Certificates"), for the purpose of providing funds for the refunding of the 2011 Certificates; and

**WHEREAS**, in connection with the delivery of the Series 2020 Certificates, the City Council authorizes the execution of a Fourth Supplemental Lease Purchase Agreement (the "Fourth Supplemental Lease"), that amends and supplements the Original Lease (with the Original Lease, as amended by the Fourth Supplemental Lease, the Third Supplemental Lease Purchase Agreement, the Second Supplemental Lease Purchase Agreement and the First Supplemental Lease Purchase Agreement, being the "Lease"), to provide for an amended schedule of rental payments and other terms and conditions provided therein.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NEVADA, MISSOURI, AS FOLLOWS:**

**Section 1. Approval of Delivery of the Certificates.** The City hereby approves the delivery of \$2,875,000 principal amount of Refunding Certificates of Participation Series 2020 (the "Series 2020 Certificates"), for the purpose of refunding the 2011 Certificates and paying certain costs related to the sale and delivery of the Series 2020 Certificates. The Series 2020 Certificates shall be issued and secured pursuant to the herein approved Fourth Supplemental Indenture.

The Series 2020 Certificates shall be sold to Cedar Rapids Bank and Trust Company (the "Purchaser"), at the price equal to 100% of the principal amount thereof. The Series 2020 Certificates shall be in such denominations, shall be in such forms, shall be subject to prepayment prior to the stated payment dates thereof, shall have such other terms and provisions, and shall be executed and delivered in such manner subject to such provisions, covenants and agreements, as are set forth in the Indenture.

The outstanding principal amount of the Series 2011 Certificates maturing on or after December 1, 2021 are hereby called for prepayment on December 1, 2020. The Series 2011 Certificates shall be redeemed at the office of the Trustee, on the prepayment date by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to the redemption date. In accordance with the requirements of the Indenture, the City Clerk is hereby directed to cause notice of the call for prepayment of the Series 2011 Certificates to be given in the manner provided in the Indenture. The officers of the City and the Trustee are hereby authorized and directed to take such other action as may be necessary in order to effect the prepayment of the Series 2011 Certificates as herein provided.

**Section 2. Authorization of Documents.** The City is hereby authorized to enter into the following documents (the "City Documents"), in substantially the forms presented to the City Council at this meeting (copies of which documents shall be filed in the records of the City), with such changes therein as shall be approved by the officials of the City executing such documents, such officials' signatures thereon being conclusive evidence of their approval thereof:

- (a) Fourth Supplemental Lease between the Trustee and the City.
- (b) Fourth Supplemental Indenture between the Trustee and the City.
- (c) Tax Compliance Agreement between the Trustee and the City.

**Section 3. Execution of Documents.** The Mayor, City Manager, City Clerk and other appropriate officers of the City are hereby authorized and directed to execute and deliver, on behalf of the City, the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

**Section 4. Further Authority.** The officers, agents and employees of the City, including the Mayor, City Manager and City Clerk, are authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the City Documents and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

**Section 5. Effective Date.** This Ordinance shall take effect and be in full force immediately after its passage by the City Council and approval by the Mayor.

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**PASSED** by the City Council and **APPROVED** by the Mayor of the City of Nevada, Missouri,  
this 15th day of September, 2020.

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George Knox, Mayor

[SEAL]

ATTEST:

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Johnna Williams, City Clerk

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**FOURTH SUPPLEMENTAL INDENTURE OF TRUST**

**Dated as of September 15, 2020**

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**Between**

**SECURITY BANK OF KANSAS CITY  
As Trustee**

**and**

**CITY OF NEVADA, MISSOURI**

**Related to**

**\$2,875,000  
CITY OF NEVADA, MISSOURI  
REFUNDING CERTIFICATES OF PARTICIPATION  
SERIES 2020**

**Evidencing Interests in  
the Right to Receive Rental Payments  
to Be Made by  
City of Nevada, Missouri**

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## **FOURTH SUPPLEMENTAL INDENTURE OF TRUST**

**THIS FOURTH SUPPLEMENTAL INDENTURE OF TRUST**, dated as of September 15, 2020 (the “Fourth Supplemental Indenture”), executed by **SECURITY BANK OF KANSAS CITY**, a state bank organized and existing under the laws of the State of Missouri and authorized to accept and execute trusts of the character herein set forth under the laws of the State of Missouri, and having a corporate trust office located in Kansas City, Missouri, as trustee (the “Trustee”) and **CITY OF NEVADA, MISSOURI**, a home rule city and political subdivision of the State of Missouri (the “City”);

### **WITNESSETH:**

**WHEREAS**, the City and the Trustee have previously entered into a Site Lease dated as of December 1, 2011 (the “Site Lease”), pursuant to which the City, as lessor, has leased to the Trustee, as lessee, certain land and the improvements thereon (the “Site”) to provide funds to finance the costs of expanding, constructing, improving, renovating, redeveloping, furnishing and equipping the City’s municipal buildings complex (the “Project,” together with the Site, the “Facilities”); and

**WHEREAS**, the Trustee and the City entered into a Lease Purchase Agreement dated as of December 1, 2011 (the “Original Lease”), to provide for the lease of the Facilities from the Trustee back to the City on an annually renewable basis in consideration of Rental Payments to be paid thereunder and upon the terms and conditions therein provided; and

**WHEREAS**, in order to provide funds to finance the costs related to the Project, the City and the Trustee entered into an Indenture of Trust dated as of December 1, 2011 (the “Original Indenture,” collectively with the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture (each defined herein) and this Fourth Supplemental Indenture, the “Indenture”), to provide for the delivery of the City of Nevada, Missouri Certificates of Participation Series 2011 (the “Series 2011 Certificates”), evidencing interests in the right to receive Rental Payments and other payments, revenues and receipts to be derived under the Original Lease or the Original Indenture; and

**WHEREAS**, pursuant to a First Supplemental Indenture of Trust (the “First Supplemental Indenture”) between the Trustee and the City and a First Supplemental Lease Purchase Agreement (the “First Supplemental Lease”) between the Lessor and the City, the Trustee has delivered the City’s Refunding and Improvement Certificates of Participation, Series 2012 (the “Series 2012 Certificates”) to provide funds to complete the Project and to refund the principal and interest payments with respect to the Series 2011 Certificates due on December 1, 2012; and

**WHEREAS**, pursuant to a Second Supplemental Indenture of Trust (the “Second Supplemental Indenture”) between the Trustee and the City and a Second Supplemental Lease Purchase Agreement (the “Second Supplemental Lease”) between the Lessor and the City, the Trustee has delivered the City’s Refunding Certificates of Participation, Series 2013 (the “Series 2013 Certificates”) to provide funds to refund the principal payment with respect to the Series 2011 Certificates due on December 1, 2013; and

**WHEREAS**, pursuant to a Third Supplemental Indenture of Trust (the “Third Supplemental Indenture”) between the Trustee and the City and a Third Supplemental Lease Purchase Agreement (the “Third Supplemental Lease”) between the Lessor and the City, the Trustee has delivered the City’s Refunding Certificates of Participation, Series 2014 (the “Series 2014 Certificates”) to provide funds to refund the principal payment with respect to the Series 2011 Certificates due on December 1, 2014; and



**WHEREAS**, the City has determined that it is desirable to refund the Series 2011 Certificates remaining outstanding (the “Refunded Certificates”); and

**WHEREAS**, the City is authorized under the provisions of the laws of the State of Missouri and the Indenture to provide funds for such purpose; and

**WHEREAS**, **Section 207** of the Original Indenture allows Additional Certificates to be delivered without the consent of the Owners of the Series 2011 Certificates for the purpose of providing funds for such additional purposes as the City may deem necessary so long as the total principal amount of all Certificates then Outstanding under the Indenture does not exceed \$4,900,000, and the City and the Trustee are authorized under the Original Indenture to issue Additional Certificates secured by the Indenture on parity with the Series 2012 Certificates, the Series 2013 Certificates and the Series 2014 Certificates for the purposes described herein; and

**WHEREAS**, the City and the Trustee will, pursuant to this Fourth Supplemental Indenture, authorize the sale of the City of Nevada, Missouri Refunding Certificates of Participation Series 2020, in the principal amount of \$2,875,000 (the “Series 2020 Certificates,” together with the Series 2012 Certificates, the Series 2013 Certificates, the Series 2014 Certificates and the Series 2020 Certificates, together with any Additional Certificates hereafter delivered as provided in the Indenture being collectively the “Certificates”), evidencing interests in the right to receive Rental Payments and other payments, revenues and receipts to be derived under the Lease or the Indenture; and

**WHEREAS**, the Trustee and the City have entered into a Fourth Supplemental Lease Purchase Agreement of even date herewith (the “Third Supplemental Lease,” collectively with the Original Lease, the First Supplemental Lease, the Second Supplemental Lease and the Third Supplemental Lease being the “Lease”), to provide for an amended Schedule of Rental Payments and Purchase Price and for other terms and conditions therein provided; and

**WHEREAS**, all things necessary for this Fourth Supplemental Indenture to constitute a valid and legally binding pledge of the Trust Estate made in the Original Indenture for the security of the payment of the Series 2020 Certificates delivered hereunder, have been done and performed, and the execution and delivery of this Fourth Supplemental Indenture and the execution and delivery of the Series 2020 Certificates, subject to the terms hereof, have in all respects been duly authorized by the City and the Trustee.

**NOW, THEREFORE**, to declare the terms and conditions upon which the Series 2020 Certificates are to be authenticated and delivered and to secure the payment of the Series 2020 Certificates Outstanding under the Indenture from time to time according to its tenor and effect, and in consideration of the premises, the purchase and acceptance of the Series 2020 Certificates by the owners thereof, the Trustee covenants and agrees, for the equal and proportionate benefit of the respective owners of the Series 2020 Certificates, that the Series 2020 Certificates are to be authenticated and delivered and the Trust Estate is to be held and applied by the Trustee as provided in the Indenture, subject to the further covenants, conditions and trusts hereinafter set forth, as follows:

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.01. Definitions.** For all purposes of this Fourth Supplemental Indenture, except as otherwise provided or unless the context otherwise requires, the following words and terms used in this Fourth

Supplemental Indenture shall have the following meanings set forth in this Section. Any words and terms defined herein that are not already defined in the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture or the Third Supplemental Indenture are intended to supplement the definitions contained therein. Any words and terms defined herein that are already defined in the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and/or the Third Supplemental Indenture are intended to replace and supersede such definitions already contained therein. Capitalized terms not defined herein shall have the meanings ascribed to such terms in the Original Indenture, as amended by the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture. If any of the following definitions conflict with the definitions already set forth in the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and/or the Third Supplemental Indenture, the definitions set forth herein shall take precedence:

**“Certificates”** means the Series 2012 Certificates, the Series 2013 Certificates, the Series 2014 Certificates, the Series 2020 Certificates and any Additional Certificates executed and delivered pursuant to the Indenture.

**“Debt Service Reserve Requirement”** means (a) with respect to the Series 2020 Certificates, the sum of \$-0-, plus (b) with respect to the Series 2014 Certificates, the sum of \$-0-, plus (c) with respect to the Series 2013 Certificates, the sum of \$-0-, plus (d) with respect to the Series 2012 Certificates, the sum of \$-0-, plus (e) with respect to any series of Additional Certificates, the amount specified in the Supplemental Indenture authorizing such series of Additional Certificates.

**“First Supplemental Indenture”** means the First Supplemental Indenture of Trust dated as of November 1, 2012 and executed by the Trustee and the City.

**“First Supplemental Lease”** means the First Supplemental Lease Purchase Agreement dated as of November 1, 2012 between the Trustee, as Lessor, and the City

**“Fourth Supplemental Indenture”** means this Fourth Supplemental Indenture of Trust executed by the Trustee and the City.

**“Fourth Supplemental Lease”** means the Fourth Supplemental Lease Purchase Agreement dated as of the date hereof between the Trustee, as Lessor, and the City.

**“Indenture”** means the Original Indenture, as the same may from time to time be amended or supplemented in accordance with its terms, including by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and this Fourth Supplemental Indenture.

**“Lease”** means the Original Lease between the Trustee, as lessor, and the City, as lessee, and any amendments and supplements thereto, including the First Supplemental Lease, the Second Supplemental Lease, the Third Supplemental Lease and the Fourth Supplemental Lease.

**“Original Indenture”** means the Indenture of Trust dated as of December 1, 2011 between the Trustee and the City related to the Certificates.

**“Original Lease”** means the Lease Purchase Agreement dated as of December 1, 2011 between the City, as lessee, and the Trustee, as lessor.

**"Purchaser"** means Cedar Rapids Bank and Trust Company, Cedar Rapids, Iowa, with respect to the Series 2020 Certificates.

**"Refunded Certificates"** means the City of Nevada, Missouri Certificates of Participation, Series 2011 issued and delivered under the Original Indenture.

**"Second Supplemental Indenture"** means the Second Supplemental Indenture of Trust dated as of November 1, 2013 and executed by the Trustee and the City.

**"Second Supplemental Lease"** means the Second Supplemental Lease Purchase Agreement dated as of November 1, 2013 between the Trustee, as Lessor, and the City.

**"Series 2020 Certificates"** means the City of Nevada, Missouri Refunding Certificates of Participation Series 2020 issued and delivered under this Fourth Supplemental Indenture.

**"Tax Compliance Agreement"** means, (1) with respect to the Series 2012 Certificates, the Tax Compliance Agreement related to the Series 2012 Certificates, (2) with respect to the Series 2013 Certificates, the Tax Compliance Agreement related to the Series 2013 Certificates, (3) with respect to the Series 2014 Certificates, the Tax Compliance Agreement related to the Series 2014 Certificates, and (4) with respect to the Series 2020 Certificates, the Tax Compliance Agreement between the City and the Trustee related to the Series 2020 Certificates, as from time to time amended in accordance with the respective provisions thereof.

**"Third Supplemental Indenture"** means the Third Supplemental Indenture of Trust dated as of November 1, 2014 between the Trustee and the City.

**"Third Supplemental Lease"** means the Third Supplemental Lease Purchase Agreement dated as of November 1, 2014 between the Trustee, as lessor, and the City.

**"Trustee"** means Security Bank of Kansas City, Kansas City, Kansas, and its successors and assigns, as successor trustee.

**Section 1.02. General Rules of Construction.** Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing person shall include individuals, corporations, partnerships, joint ventures, associations, joint-stock companies, trusts, unincorporated organizations and governments and any agency or political subdivision thereof.

The words "herein," "hereby," "hereunder," "hereof," "hereto," "hereinbefore," "hereinafter" and other equivalent words refer to this Indenture and not solely to the particular article, section, paragraph or subparagraph hereof in which such word is used.

Reference herein to a particular article or a particular section, exhibit, schedule or appendix shall be construed to be a reference to the specified article or section hereof or exhibit, schedule or appendix hereto unless the context or use clearly indicates another or different meaning or intent.

Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

The table of contents, captions and headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

**Section 1.03. Execution in Counterparts.** This Fourth Supplemental Indenture may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same instrument.

**Section 1.04. Severability.** If any provision of this Fourth Supplemental Indenture is held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or sections in this Fourth Supplemental Indenture contained shall not affect the remaining portions of this Fourth Supplemental Indenture, or any part thereof.

**Section 1.05. Date of Fourth Supplemental Indenture.** The dating of this Fourth Supplemental Indenture is intended for the convenient identification of this Fourth Supplemental Indenture only and is not intended to indicate that this Fourth Supplemental Indenture was executed and delivered on said date, this Fourth Supplemental Indenture being executed and delivered and becoming effective simultaneously with the initial delivery of the Series 2020 Certificates.

**Section 1.06. Governing Law.** This Fourth Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of Missouri.

## ARTICLE II

### THE SERIES 2020 CERTIFICATES

#### Section 2.01. General Provisions Concerning the Series 2020 Certificates.

(a) There shall be initially delivered and secured by the Indenture a series of Certificates in the principal amount of \$2,875,000 for the purpose of providing funds, together with other available funds of the City, to current refund the Refunded Certificates and to pay certain costs related to the authorization, execution and delivery of the Series 2020 Certificates. Said series of Series 2020 Certificates shall be designated "City of Nevada, Missouri Refunding Certificates of Participation, Series 2020" (herein called the "Series 2020 Certificates"). The Series 2020 Certificates shall be dated their date of delivery, shall become due on December 1 in the years and in the respective principal amounts (subject to prepayment as hereinafter provided in **Article III**), and shall bear interest at the respective rates per annum, as follows:

#### SERIES 2020 CERTIFICATES

Maturity Date	Principal	Interest
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<u>December 1</u>	<u>Amount</u>	<u>Rate</u>
2031	\$2,875,000	2.75%

(b) The Series 2020 Certificates shall bear interest at the rate aforesaid (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Payment Date to which interest has been paid or duly provided for, payable on June 1 and December 1 in each year, beginning on December 1, 2020.

(c) The Series 2020 Certificates shall be delivered in the form of fully registered Certificates without coupons in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof, numbered from 1 consecutively upward in order of delivery, or in such other manner approved by the Trustee.

(d) The Principal Component or redemption price of the Series 2020 Certificates shall be paid at maturity by check, draft or electronic transfer to the Person in whose name such Series 2020 Certificates are registered on the Register. The Principal Component or redemption price of and Interest Component on the Series 2020 Certificates shall be paid other than at maturity to the Person in whose name the Series 2020 Certificates are registered on the Register on the Record Date thereof by check, draft or electronic transfer as described herein for the payment of interest. Upon payment other than at maturity without presentation of the Series 2020 Certificates, the Trustee shall record the amount of such principal payment on the registration books for the Series 2020 Certificates maintained by the Trustee on behalf of the City. If the Series 2020 Certificates are presented to the Trustee for such payment, the Trustee shall also record the amount of such principal payment on the registration books for the Series 2020 Certificates maintained by the Trustee on behalf of the City. Notwithstanding the foregoing, the registration books maintained by the Trustee shall be the official record of the principal amount on the Series 2020 Certificates at any time, and the Owner is not required to present the Series 2020 Certificates for action by the Trustee with each payment of principal on the Series 2020 Certificates other than for payments at maturity. The records of the Trustee related to the principal amount Outstanding from time to time shall be conclusive, absent manifest error.

(e) The Trustee shall execute the Series 2020 Certificates in the manner set forth in Section 2.03 of the Original Indenture, but prior to or simultaneously with the delivery of the Series 2020 Certificates by the Trustee to the Purchaser thereof, there shall be filed with the Trustee the following:

(1) An original or certified copy of the Ordinance adopted by the governing body of the City authorizing the execution and delivery of the Tax Compliance Agreement, the Fourth Supplemental Lease and the Fourth Supplemental Indenture;

(2) An original executed counterpart of the Fourth Supplemental Indenture, the Fourth Supplemental Lease and the Tax Compliance Agreement;

(3) A request and authorization to the Trustee, on behalf of the City, executed by the authorized City Representative, to authenticate the Series 2020 Certificates and to deliver said Series 2020 Certificates to the Purchaser therein identified upon payment to the Trustee, for the account of the City, of the purchase price thereof as specified therein. The Trustee shall be entitled to conclusively rely upon such request and authorization as to the name of the Purchaser and the amount of such purchase price;

(4) An Opinion of Special Counsel to the effect that the delivery of the Series 2020 Certificates will not cause the interest on any Certificates then Outstanding to become includable in gross income for federal income tax purposes; and

(5) Such other certificates, statements, receipts, opinions and documents as the Trustee or Special Counsel shall reasonably require for the delivery of the Series 2020 Certificates.

When the documents specified above shall have been filed with the Trustee, the Trustee shall execute and deliver the Series 2020 Certificates to or upon the order of the Purchaser but only upon payment to the Trustee of the purchase price of the Series 2020 Certificates. The proceeds of the sale of the Series 2020 Certificates, including accrued interest and premium thereon, if any, shall be immediately paid and applied as provided in **Article IV** hereof.

(f) The Series 2020 Certificates represent the Interest Component and Principal Component of the Rental Payments payable with respect thereto and shall be on a parity with the other Certificates as to the entire Trust Estate, subject to the terms of the Indenture.

(g) The Owner of the Series 2020 Certificates shall have the right at any time to assign, transfer or convey the Series 2020 Certificates in whole, but not in part, but no such assignment, transfer or conveyance shall be effective unless and until such registered owner has delivered to the Trustee such Series 2020 Certificates for cancellation, accompanied by an executed written instrument of transfer in a form approved by the Trustee and delivered to the City and the Trustee written notice thereof that discloses the name and address of the assignee and such assignment, transfer or conveyance shall be made only to (i) an affiliate of the registered owner or (ii) a bank, insurance company or other financial institution. The Owner requesting such exchange will be required to pay any tax or other governmental charge required to be paid with respect to such exchange. No exchange of the Series 2020 Certificates shall be required of the Trustee after such Series 2020 Certificates have been called for prepayment. In the event any Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Owner hereunder or under the Series 2020 Certificates.

### **ARTICLE III**

#### **PREPAYMENT**

##### **Section 3.01. Prepayment Provisions.**

*Optional Prepayment.* The Series 2020 Certificates shall be subject to prepayment prior to maturity, upon written instructions from the City, in whole or in part at any time, at a prepayment price of 100% of the principal amount thereof, plus accrued interest thereon to the prepayment date.

*Mandatory Prepayment.* The Series 2020 Certificates or portions thereof, shall be subject to mandatory prepayment prior to their stated maturities at a prepayment price of 100% of the principal amount so prepaid plus accrued interest thereon to the prepayment date, without premium, in the following principal amounts and on the following dates:

<u>Prepayment Date</u>	<u>Amount</u>
12/1/2020	\$215,000
6/1/2021	105,000
12/1/2021	105,000
6/1/2022	105,000
12/1/2022	110,000
6/1/2023	110,000
12/1/2023	110,000
6/1/2024	115,000
12/1/2024	115,000
6/1/2025	115,000
12/1/2025	120,000
6/1/2026	120,000
12/1/2026	120,000
6/1/2027	125,000
12/1/2027	125,000
6/1/2028	130,000
12/1/2028	125,000
6/1/2029	135,000
12/1/2029	130,000
6/1/2030	130,000
12/1/2030	135,000
6/1/2031	135,000
12/1/2031	140,000 *

\*Final Maturity

The Trustee shall in each year in which such Certificates are to be prepaid pursuant to the terms of the foregoing paragraph make timely selection of such Certificates or portions thereof and shall give notice thereof as hereinafter provided without further instructions from the City.

If permitted by law, moneys deposited in the Debt Service Fund in excess of amounts necessary to pay amounts representing Principal and Interest Components with respect to the Certificates coming due on or prior to the next ensuing Certificate Payment Date may be used at any time to purchase Term Certificates in the open market, to the extent practical, at the written instruction of the City at a price not in excess of 100% of the principal amount thereof and to pay interest accrued on such Term Certificates so purchased at the specified rate thereon to the date of purchase.

At its option, to be exercised on or before the 45th day next preceding any mandatory prepayment date, the City may (i) deliver to the Trustee for cancellation Term Certificates in any aggregate principal amount desired or (ii) receive a credit in respect to the mandatory prepayment obligation provided above for the respective Term Certificates of the same maturity which prior to such date shall have been purchased or prepaid (other than through the operation of such mandatory prepayment provisions as aforesaid) and canceled by the Trustee and not theretofore applied against such mandatory prepayment obligation. Each Term Certificate so delivered or previously purchased or prepaid as described in the immediately preceding sentence shall be credited at 100% of the principal amount thereof against the obligation to prepay Term Certificates of the same maturity on the next succeeding mandatory prepayment date pursuant to this subsection and any excess of such amount shall be credited on future mandatory prepayment obligations for Term Certificates pursuant to this subsection in chronological order. If the City intends to exercise the option granted by clauses (i) or (ii) above, the City shall,

on or before the 45th day next preceding each mandatory prepayment date, furnish the Trustee a certificate signed by a City Representative indicating to what extent said provisions of clauses (i) and (ii) are to be applied in respect to such mandatory prepayment requirement and the Term Certificates to be cancelled.

## **ARTICLE IV**

### **DELIVERY OF SERIES 2020 CERTIFICATES; FUNDS; APPLICATION OF CERTIFICATE PROCEEDS AND OTHER MONEYS**

**Section 4.01. Establishment of Funds.** There are hereby ratified with the Trustee the following funds:

- (a) Costs of Issuance Fund;
- (b) Certificate Payment Fund;
- (c) Prepayment Fund; and
- (d) Rebate Fund.

All funds identified above shall be held by the Trustee in trust for the benefit of the Certificate Owners. The money in all of the Funds shall be applied as hereinafter provided. Separate subaccounts shall be established for each series of Certificates, to the extent that each Fund is applicable to the series of Certificates, or as otherwise required by the Indenture. Moneys in a subaccount for a series of Certificates shall be transferred to the same subaccount in another Fund for the same series of Certificates unless otherwise directed by the Indenture.

#### **Section 4.02. Application of Series 2020 Certificate Proceeds and Other Moneys.**

The proceeds of the sale and delivery of the Series 2020 Certificates shall be deposited as follows:

- (a) To the subaccount in Certificate Payment Fund for the Series 2011 Certificates, a sum equal to the principal of and interest on Refunded Certificates outstanding when due and when called for prepayment prior to maturity.
- (b) To the Costs of Issuance Fund, the remaining proceeds from the sale of the Series 2020 Certificates.

**Section 4.03. Disbursements from the Costs of Issuance Fund.** The Trustee shall pay Costs of Delivery related to the Series 2020 Certificates from the Costs of Issuance Fund upon request by the City. The Trustee shall maintain adequate records pertaining to the Costs of Issuance Fund and all disbursements therefrom. The Trustee may rely conclusively on any request by the City relating to the Costs of Issuance Fund and shall not be required to make any independent investigation in connection therewith. As soon as practicable after the Costs of Delivery have been paid or in any event, not later than December 1, 2020, any balance remaining in the Costs of Issuance Fund from the proceeds of the Series 2020 Certificates shall be transferred without further authorization to the Certificate Payment Fund.



## ARTICLE V

### MISCELLANEOUS

**Section 5.01. Indenture Binding Upon Parties and Successors.** This Fourth Supplemental Indenture shall inure to the benefit of and shall be binding upon the City and the Trustee and their respective successors and assigns, subject to the limitations contained herein.

**Section 5.02. Applicability of Indenture.** Except as otherwise provided in this Fourth Supplemental Indenture, the provisions of the Original Indenture are hereby ratified, approved and confirmed and incorporated herein and shall be applicable to the authorization, execution, authentication, issuance, redemption, payment and delivery of the Series 2020 Certificates, the custody and the distribution of the proceeds and the security, payment, and enforcement of payment thereof. This Fourth Supplemental Indenture shall be construed as having been authorized, executed and delivered under the provisions of **Section 901(i)** of the Original Indenture.

**Section 5.03. Electronic Transaction.** The arrangement described herein may be conducted and related documents may be stored, sent and received by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 5.04. No Book-Entry.** Notwithstanding any references to “Cede & Co.,” “DTC,” “Participants,” “Securities Depository,” Replacement Certificates” or any other terms related to book-entry transfer and registration in the Indenture, Lease Agreement or Site Lease, the Series 2020 Certificates shall be delivered in physical, non-book-entry form.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]*

**IN WITNESS WHEREOF**, the Trustee has caused this Indenture to be signed in its name and behalf and its official seal to be hereunto affixed and attested by its duly authorized officers, all as of the date first above written.

**SECURITY BANK OF KANSAS CITY  
as Trustee**

(Seal)

By: \_\_\_\_\_  
Name:  
Title:

ATTEST:

\_\_\_\_\_  
Name:  
Title:

**THE TERMS AND PROVISIONS OF THIS FOURTH SUPPLEMENTAL INDENTURE ARE HEREBY CONSENTED AND AGREED TO AND THE CITY OF NEVADA, MISSOURI HEREBY ACCEPTS ALL OBLIGATIONS IMPOSED UPON IT UNDER THIS FOURTH SUPPLEMENTAL INDENTURE, ALL AS OF SEPTEMBER 15, 2020.**

**CITY OF NEVADA, MISSOURI**

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

(Seal)

ATTEST:

\_\_\_\_\_  
City Clerk



**SCHEDULE 1**

**LEGAL DESCRIPTION OF THE FACILITIES**

The following described real estate situated in the County of Vernon, State of Missouri:

***NORTH PARCEL***

**TRACT 1:**

THE WEST HALF OF THE SOUTH 211 FEET OF FRACTIONAL BLOCK EIGHTEEN (18) OF ORIGINAL TOWN OF NEVADA. ALSO, ALL OF FRACTIONAL LOT TWO (2) IN BLOCK TWELVE (12) OF HOWELL'S ADDITION, LYING BETWEEN LOT THREE (3) BLOCK 12 HOWELL'S ADDITION AND THE SOUTH HALF OF BLOCK 18, ORIGINAL TOWN OF NEVADA, VERNON COUNTY, MISSOURI.

**TRACT 2:**

ALL OF LOTS THREE (3) AND FOUR (4) IN BLOCK TWELVE (12) OF HOWELL'S ADDITION TO THE CITY OF NEVADA, VERNON COUNTY, MISSOURI.

***SOUTH PARCEL***

**TRACT 1:**

ALL OF FRACTIONAL BLOCK NINETEEN (19) OF ORIGINAL TOWN OF NEVADA, MISSOURI.

**TRACT 2:**

ALL OF LOTS ONE (1), TWO (2), THREE (3), AND FOUR (4), TOGETHER WITH ALL OF FRACTIONAL LOTS ONE (1) AND TWO (2) OF BLOCK THIRTEEN (13) OF HOWELL'S ADDITION TO THE CITY OF NEVADA, VERNON COUNTY, MISSOURI.

**EXHIBIT A**

**(FORM OF CERTIFICATE OF PARTICIPATION)**

**THIS CERTIFICATE MAY ONLY BE TRANSFERRED IN WHOLE, BUT NOT IN PART, IN ACCORDANCE WITH THE RESTRICTIONS APPLICABLE TO TRANSFERS OF THE CERTIFICATE PROVIDED IN THE INDENTURE AND THIS CERTIFICATE.**

**Registered  
No. \_\_\_\_\_**

**Registered  
\$ \_\_\_\_\_**

**CITY OF NEVADA, MISSOURI  
REFUNDING CERTIFICATES OF PARTICIPATION  
SERIES 2020**

**Interest Rate**

**2.750%**

**Maturity Date**

**December 1, 2031**

**Certificate Date**

**September \_\_, 2020**

**Registered Owner: CEDAR RAPIDS BANK AND TRUST COMPANY**

**Principal Sum: TWO MILLION EIGHT HUNDRED SEVENTY FIVE THOUSAND DOLLARS**

**THIS IS TO CERTIFY** that the Registered Owner shown above of this Refunding Certificate of Participation (the "Certificate") is the owner of the undivided interest in the right to receive Rental Payments (hereinafter described) from City of Nevada, Missouri, as lessee (the "City"), under an annually renewable Lease Purchase Agreement dated as of December 1, 2011, as amended and supplemented, including by a Fourth Supplemental Lease Purchase Agreement dated as of September 15, 2020, (collectively, the "Lease"), between the City, as lessor and SECURITY BANK OF KANSAS CITY, Kansas City, Kansas, as Trustee (the "Trustee"). Payments under the Lease and this Certificate are secured by a pledge and assignment by the City of all of the City's rights and interest under the Lease and Site Lease dated as of December 1, 2011, as amended and supplemented from time to time in accordance with the provisions thereof (the "Site Lease"), between the City and the Trustee, pursuant to a Trust Indenture dated as of December 1, 2011, as amended and supplemented, including a Fourth Supplemental Indenture of Trust dated as of September 15, 2020 (collectively, the "Indenture") between the Trustee and the City.

**THE REGISTERED OWNER** of this Certificate is entitled to receive, subject to the terms of the Lease and the Indenture, on the Payment Date specified above in accordance with the payment schedule attached as Exhibit A hereto, or if selected for prepayment, on the prepayment date, the Principal Sum specified above, representing a portion of the Rental Payments designated as principal coming due on the Payment Date, and to receive from the Certificate Date shown above or from the most recent date to which the same has been paid, the Registered Owner's proportionate share of Rental Payments designated as interest semi-annually thereafter on June 1 and December 1 of each year beginning December 1, 2020 (each a "Payment Date") to and including the Payment Date or the prepayment date, whichever is earlier. The proportionate share of the Rental Payments designated as

interest is computed on the Principal Sum specified above at the Interest Rate specified above on the basis of a 360-day year of twelve 30-day months.

**SAID AMOUNTS** are payable in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts. The amounts representing the Principal Component or redemption price shall be paid on each principal Payment Date by check, draft or electronic transfer to the Person in whose name such Certificate is registered on the Register. The principal or redemption price of and interest on the Certificate shall be paid other than at maturity to the Person in whose name the Certificate is registered on the Register on the Record Date thereof by check or draft or electronic transfer as described herein for the payment of interest. Upon payment other than at maturity without presentation of the Certificate, the Trustee shall record the amount of such principal payment on the registration books for the Certificate maintained by the Trustee on behalf of the City. If any Certificate is presented to the Trustee for such payment, the Trustee shall also record the amount of such principal payment on the registration books for the Certificate maintained by the Trustee on behalf of the City. Notwithstanding the foregoing, the registration books maintained by the Trustee shall be the official record of the principal amount on the Certificate at any time, and the Owner is not required to present the Certificate for action by the Trustee with each payment of principal on the Certificate other than for payments at maturity. The records of the Trustee related to the principal amount Outstanding from time to time shall be conclusive, absent manifest error.

NEITHER THE RENTAL PAYMENTS NOR ANY OTHER AMOUNTS DUE UNDER THE LEASE CONSTITUTE A DEBT, A GENERAL OBLIGATION OR A LIABILITY OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS PLEDGED TO THE PAYMENT OF THE RENTAL PAYMENTS OR ANY OTHER AMOUNTS DUE UNDER THE LEASE. THE REGISTERED OWNER SHALL NOT HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE TAXING POWER OF THE CITY FOR THE PAYMENT OF THE PRINCIPAL COMPONENT AND INTEREST COMPONENT OF RENTAL PAYMENTS UNDER THE LEASE REPRESENTED BY THIS CERTIFICATE OR THE MAKING OF ANY OTHER PAYMENTS PROVIDED FOR IN THE LEASE.

This Certificate is a duly authorized series of certificates of participation designated "City of Nevada, Missouri Refunding Certificates of Participation Series 2020" (the "Certificates"), in the aggregate amount of \$2,875,000, evidencing proportionate interests of the owners thereof in Rental Payments to be made by the City pursuant to the Lease.

This Certificate has been executed by the Trustee pursuant to and is governed by the terms of the Indenture. Copies of the Lease and the Indenture are on file at the office of the City and at the payment office of the Trustee. Reference to the Site Lease, the Lease and the Indenture and any and all amendments and supplements thereto is made for a description of the pledges and covenants of the City securing the Rental Payments, the nature, extent and manner of enforcement of such pledges and covenants and the rights and the terms and conditions upon which the Certificate is delivered thereunder.

The Indenture permits certain amendments or supplements to the Indenture and the Lease that do not materially adversely affect the security for the Certificate owners to be made without the consent of or notice to the Certificate owners, certain other amendments or supplements thereto to be made with the consent of the Owners of not less than a majority in aggregate principal amount of the Certificates then outstanding and other amendments or supplements thereto to be made only with the consent of all Certificate owners.

The Certificate is subject to prepayment prior to maturity upon instructions from the City, as a whole or in part at any time, at a prepayment price of 100% of the principal component of the Rental Payments represented by the Certificates being prepaid, plus the interest component of the Rental Payments accrued to the prepayment date.

The Certificate is subject to mandatory prepayment at a prepayment price of 100% of the principal amount thereof to be prepaid, plus accrued interest thereon to the prepayment date, on the dates and in the amounts described in the Indenture.

Within a maturity, a Certificate to be prepaid shall be selected for prepayment by the Trustee by lot or in such other equitable manner as the Trustee may determine.

If the Certificate is to be prepaid, notice thereof will be given by first class mail, postage prepaid, mailed at least 30 days prior to the prepayment date to the registered owner of the Certificate to be prepaid. The Certificate for which notice of prepayment is given will cease to bear interest on the specified prepayment date (provided moneys or certain securities for their prepayment are on deposit at the place of payment at that time), shall cease to be entitled to any benefit or security under the Indenture and shall no longer be deemed to be outstanding under the Indenture.

The Owner hereof shall have the right at any time to assign, transfer or convey the Certificate in whole, but not in part, but no such assignment, transfer or conveyance shall be effective as against the City unless and until such registered owner has delivered to the City written notice thereof that discloses the name and address of the assignee and such assignment, transfer or conveyance shall be made only to (i) an affiliate of the registered owner or (ii) a bank, insurance company or other financial institution.

The Certificate may be delivered in the form of fully registered Certificate in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof. The Certificate, upon surrender thereof at the payment office of the Trustee with a written request for exchange satisfactory to the Trustee duly executed by the registered owner or his attorney-in-fact duly authorized in writing, may be exchanged for an equal aggregate principal amount of fully registered Certificate of any authorized denomination of the same maturity. No service charge shall be made for any transfer or exchange of Certificate, but the Trustee may require payment of any tax or governmental charge in connection therewith.

**THE TRUSTEE** has no obligation or liability to the registered owners of the Certificate to make payments of principal or interest with respect to the Certificate. The Trustee's sole obligations are to administer, for the benefit of the registered owners thereof, the various funds and accounts established under the Indenture.

**THE LESSEE** has certified, recited and declared that all acts, conditions and things required by the Constitution and statutes of the State of Missouri, and the Lease to exist, to have happened and to have been performed precedent to the delivery of the Lease, exist, have happened and have been performed in due time, form and manner as required by law.



**IN WITNESS WHEREOF**, the Trustee has caused this Certificate to be executed by an authorized signatory as of the date set forth above.

**SECURITY BANK OF KANSAS CITY,**  
not in its individual capacity but solely as  
Trustee under the Indenture

By: \_\_\_\_\_  
Authorized Signatory

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**[FORM OF ASSIGNMENT]**

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

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Please Print or Type Name, Address and Social Security Number  
or other Taxpayer Identification Number of Transferee

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_  
\_\_\_\_\_ agent to transfer the within Certificate on the register kept for registration thereof,  
with full power of substitution in the premises.

Dated: \_\_\_\_\_

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NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Certificate in every particular, without alteration or enlargement or any change whatever.

Medallion Signature Guarantee:

EXHIBIT A  
PAYMENT SCHEDULE



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**FOURTH SUPPLEMENTAL LEASE PURCHASE AGREEMENT**

**between**

**SECURITY BANK OF KANSAS CITY,  
as Lessor/Grantor**

**and**

**CITY OF NEVADA, MISSOURI,  
as Lessee/Grantee**

**Dated as of September 15, 2020**

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Grantor Address: 701 Minnesota Avenue, Suite 206, Kansas City, Kansas 66101  
Grantee Address: 110 South Ash Street, Nevada, MO 64772  
Legal Description starting on Page A-1

## **FOURTH SUPPLEMENTAL LEASE PURCHASE AGREEMENT**

**THIS FOURTH SUPPLEMENTAL LEASE PURCHASE AGREEMENT** (the “Fourth Supplemental Lease”) dated as of September 15, 2020, by and between **SECURITY BANK OF KANSAS CITY**, a state banking corporation (the “Lessor/Grantor”), and **CITY OF NEVADA, MISSOURI**, a home rule city and political subdivision of the State of Missouri (the “Lessee/Grantee”).

### **WITNESSETH:**

**WHEREAS**, the City and the Lessor have previously entered into a Site Lease dated as of December 1, 2011 (the “Site Lease”), pursuant to which the City leased to the Lessor certain land and the improvements thereon (the “Site”) to provide funds to finance the costs of expanding, constructing, improving, renovating, redeveloping, furnishing and equipping the City’s municipal buildings complex (the “Project,” together with the Site, the “Facilities”); and

**WHEREAS**, pursuant to a Lease Purchase Agreement dated as of December 1, 2011 (the “Original Lease Agreement”) between the Lessor and the City, the Lessor leased the Facilities to the City on an annually renewable basis in consideration of Rental Payments to be paid thereunder and upon the terms and conditions therein provided; and

**WHEREAS**, the Lessor, as Trustee (the “Trustee”) under an Indenture of Trust dated as of December 1, 2011 and executed by the Trustee and the City (the “Original Indenture”), delivered the City of Nevada, Missouri Certificates of Participation, Series 2011 (the “Series 2011 Certificates”) to provide funds to finance the costs of the Project; and

**WHEREAS**, pursuant to a First Supplemental Indenture of Trust (the “First Supplemental Indenture”) between the Trustee and the City and a First Supplemental Lease Purchase Agreement (the “First Supplemental Lease”) between the Lessor and the City, the Trustee has delivered the City’s Refunding and Improvement Certificates of Participation, Series 2012 (the “Series 2012 Certificates”) to provide funds to complete the Project and to refund the principal and interest payment with respect to the Series 2011 Certificates due on December 1, 2012; and

**WHEREAS**, pursuant to a Second Supplemental Indenture of Trust (the “Second Supplemental Indenture”) between the Trustee and the City and a Second Supplemental Lease Purchase Agreement (the “Second Supplemental Lease”) between the Lessor and the City, the Trustee has delivered the City’s Refunding Certificates of Participation, Series 2013 (the “Series 2013 Certificates”) to provide funds to refund the principal and interest payment with respect to the Series 2011 Certificates due on December 1, 2013; and

**WHEREAS**, pursuant to a Third Supplemental Indenture of Trust (the “Third Supplemental Indenture”) between the Trustee and the City and a Third Supplemental Lease Purchase Agreement (the “Third Supplemental Lease”) between the Lessor and the City, the Trustee has delivered the City’s Refunding Certificates of Participation, Series 2014 (the “Series 2014 Certificates”) to provide funds to refund the principal and interest payment with respect to the Series 2011 Certificates due on December 1, 2014; and

**WHEREAS**, the City desires to refund the Series 2011 Certificates (the “Refunded Certificates”) through the delivery of Additional Certificates under the Original Indenture as supplemented by the Fourth Supplemental Indenture of Trust dated as of September 15, 2020 (the “Fourth Supplemental Indenture,” with the Original Indenture, as amended and supplemented by the Third Supplemental Indenture, the Second Supplemental Indenture and the First Supplemental Indenture being the

“Indenture”) provide funds to refund the amount outstanding with respect to the Series 2011 Certificates; and

**WHEREAS**, concurrently with the delivery of the Fourth Supplemental Indenture the Lessee will enter into this Fourth Supplemental Lease, amending and supplementing the Original Lease (the Original Lease, and all supplements and amendments thereto, including this Fourth Supplemental Lease, being the “Lease”).

**WHEREAS**, the City is authorized under the provisions of the laws of the State of Missouri and the Original Indenture to provide funds for such purpose; and

**WHEREAS**, **Section 207** of the Original Indenture allows Additional Certificates to be delivered without the consent of the Owners of the Certificates for the purposes described above; and

**WHEREAS**, the City and the Trustee will, pursuant to the Fourth Supplemental Indenture, authorize the sale of the City of Nevada, Missouri Refunding Certificates of Participation Series 2020, in the principal amount of \$2,875,000 (the “Series 2020 Certificates,” together with the Series 2012 Certificates, the Series 2013 Certificate, the 2014 Certificate and any Additional Certificates hereafter delivered under and secured by the Indenture being collectively the “Certificates”), evidencing interests in the right of the registered owners thereof in Lease Revenues, including the right to receive a proportionate share of Rental Payments under the Lease.

**NOW, THEREFORE**, in consideration of the mutual promises and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.01. Definitions.** In addition to any words and terms defined elsewhere in this Fourth Supplemental Lease, capitalized words and terms as used in this Fourth Supplemental Lease shall have the meanings given to such words and terms in the Indenture.

#### **Section 1.02. Rules of Construction.**

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context otherwise indicates, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) Wherever in this Fourth Supplemental Lease it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(d) All references in this Fourth Supplemental Lease to designated “Articles”, “Sections” and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this instrument as originally executed. The words “herein”, “hereof”, “hereunder” and other words of

similar import refer to this Fourth Supplemental Lease as a whole and not to any particular Article, Section or other subdivision.

(e) The Table of Contents and the Article and Section headings of this Fourth Supplemental Lease shall not be treated as a part of this Fourth Supplemental Lease or as affecting the true meaning of the provisions hereof.

(f) Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

## ARTICLE II

### DELIVERY OF SERIES 2020 CERTIFICATES; USE OF PROCEEDS;

**Section 2.01. Delivery of Series 2020 Certificates.** For the purpose of providing funds to (a) refund the Refunded Certificates, and (b) pay all costs and expenses incidental to the delivery of the Series 2020 Certificates, the Lessor shall cause the Series 2020 Certificates to be executed and delivered pursuant to the Indenture and shall cause the proceeds from the sale thereof to be applied as provided in the Indenture.

**Section 2.02. Schedule of Rental Payments and Purchase Price.** The Schedule of Rental Payments and Purchase Price contained in Exhibit C attached to the Original Lease, as amended by the First Supplemental Lease, the Second Supplemental Lease and the Third Supplemental Lease is hereby deleted and replaced in its entirety with the Schedule of Rental Payments and Purchase Price attached to this Fourth Supplemental Lease as **Schedule I**.

## ARTICLE III

### REPRESENTATIONS, COVENANTS AND WARRANTIES

**Section 3.01. Representations, Covenants and Warranties of the Lessee.** The Lessee hereby represents, covenants and warrants for the benefit of the Lessor as follows:

(a) The Lessee has the power and authority to enter into the transactions contemplated by this Fourth Supplemental Lease and the other documents contemplated hereby to which it is a party and to carry out its obligations hereunder and thereunder. The Lessee has been duly authorized to execute and deliver this Fourth Supplemental Lease and such other documents and agrees that it will do or cause to be done all things necessary to preserve and keep this Fourth Supplemental Lease in full force and effect.

(b) The Lessee is not subject to any legal or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents the Lessee from entering into this Fourth Supplemental Lease and the other documents contemplated hereby to which it is a party or performing any of its obligations hereunder and thereunder.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting the Lessee, nor to the best knowledge of the Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Fourth Supplemental Lease or any other agreement or instrument to which the Lessee is a party and which is used or contemplated for use in the consummation of the transactions contemplated by this Fourth Supplemental Lease. All authorizations, consents and approvals of governmental bodies or agencies required in



connection with the execution and delivery by the Lessee of this Fourth Supplemental Lease or any such other agreement or instruments in connection with the carrying out by the Lessee of its obligations hereunder or thereunder have been obtained.

(d) The entering into and performance of this Fourth Supplemental Lease or any other document or agreement contemplated hereby to which the Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any asset of the Lessee or on the Facilities except as herein or in the Indenture provided.

(e) All requirements have been met and procedures have occurred in order to ensure the enforceability of this Fourth Supplemental Lease.

(f) During the term hereof, the Facilities will be used by the Lessee only for the purpose of performing one or more essential governmental or proprietary functions (including related functions) of the Lessee or such other bodies consistent with the permissible scope of the Lessee's authority.

(g) The Lessee will comply with all applicable laws, rules, regulations, orders, directions and requirements of all governmental departments, bodies, bureaus, agencies and officers.

(h) Until the payment in full of the Certificates, the Lessee will from time to time, record, register and file all such notices, statements and other documents and take such other steps, including without limitation the amendment to any of the Lease, the Indenture and any other documents related to the Certificates and any instruments perfecting interests thereunder, as may be necessary or advisable to render fully valid and enforceable under all legal requirements the rights, liens and priorities of the Lessor with respect to all security from time to time furnished under the Lease, in such form and at such times as shall be satisfactory to the Lessor and the Trustee.

(i) Until the payment in full of the Certificates, the Lessee agrees not to create, incur, assume or permit to exist any mortgage, deed of trust, security interest (whether possessory or non-possessory) or other encumbrance of any kind (including without limitation the charge upon property purchased under conditional sale or other title retention agreement) in excess of \$10,000.00 upon or on the Facilities, other than (A) liens for taxes not delinquent or being contested as permitted hereunder; (B) liens in connection with workers' compensation, unemployment insurance or social security obligations; (C) mechanics', workmens', materialmens', landlords', carriers' or other like liens arising in the ordinary and normal course of business with respect to obligations which are not due or which are being contested hereunder; (D) liens in favor of the Lessor arising out of the transactions contemplated hereby; and (E) in connection with the grant of any mortgage, deed of trust, security interest or other encumbrance provided for the benefit of all Certificates at the time of delivery of Additional Certificates.

(j) The Lessee hereby agrees to comply with and punctually perform all of its obligations under the Site Lease, including all obligations imposed by law.

**Section 3.02. Representations, Covenants and Warranties of the Lessor.** The Lessor represents, covenants and warrants for the benefit of the Lessee and the Owners of the Certificates as follows:

(a) The Lessor has the power and authority to enter into the transactions contemplated by this Fourth Supplemental Lease and to carry out its obligations hereunder. The Lessor has been duly authorized to execute and deliver this Fourth Supplemental Lease.

(b) The Lessor is not subject to any legal or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents the Lessor from entering into this Fourth Supplemental Lease or performing any of its obligations hereunder, except to the extent that such performance may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting the Lessor, nor to the best knowledge of the Lessor is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Fourth Supplemental Lease or any other agreement or instrument to which the Lessor is a party and which is used or contemplated for use in the consummation of the transactions contemplated by this Fourth Supplemental Lease. All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the Lessor of this Fourth Supplemental Lease or in connection with the carrying out by the Lessor of its obligations under this Fourth Supplemental Lease have been obtained.

(d) The Lessor will not pledge the Rental Payments, the Purchase Price, or any of its other rights hereunder and will not sell, assign, mortgage or encumber the Facilities, except as provided herein and under the Indenture. All property and moneys received by the Lessor from the Lessee hereunder and under the Indenture for the Owner or Owners of the Certificates will be applied for the benefit of such Owner or Owners.

## ARTICLE IV

### MISCELLANEOUS

**Section 4.01. Term of Fourth Supplemental Lease.** This Fourth Supplemental Lease shall be effective concurrently with the initial delivery of the Series 2020 Certificates and shall continue in force and effect until all of the Series 2020 Certificates have been fully paid (or provision for their payment shall have been made in accordance with the Original Indenture) together with all other sums to which the Lessor and the Trustee are entitled from the Lessee under the Lease.

**Section 4.02. Applicability of the Original Lease and the Fourth Supplemental Lease.** Except as otherwise provided in this Fourth Supplemental Lease, the provisions of the Lease are hereby ratified, approved and confirmed and incorporated herein. This Fourth Supplemental Lease shall be construed as having been authorized, executed and delivered under the provisions of **Section 1001(f)** of the Original Indenture and **Section 13.1** of the Original Lease Agreement.

**Section 4.03. Binding Effect.** This Fourth Supplemental Lease shall be binding upon and shall inure to the benefit of the Lessor and the Lessee and their respective successors and assigns.

**Section 4.04. Severability.** If for any reason any provision of this Fourth Supplemental Lease shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

**Section 4.05. Execution in Counterparts.** This Fourth Supplemental Lease may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

**Section 4.06. Electronic Transaction.** The arrangement described herein may be conducted and related documents may be stored, sent and received by electronic means. Copies, telecopies,

facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 4.07. Governing Law.** This Fourth Supplemental Lease shall be governed by and construed in accordance with the laws of the State of Missouri.



**LESSEE:**

**CITY OF NEVADA, MISSOURI**

By: \_\_\_\_\_  
Name:  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
Name:  
City Clerk

**ACKNOWLEDGMENT**

**STATE OF MISSOURI**        )  
  ) **SS.**  
**COUNTY OF \_\_\_\_\_**    )

On this \_\_\_ day of September, 2020, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, who acknowledged themselves to be the Mayor of **CITY OF NEVADA, MISSOURI**, and that as such officer being authorized so to do executed the foregoing instrument for the purposes therein contained by signing their name as such officer.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed my official seal the day and year last above written.

\_\_\_\_\_  
Notary Public - State of Missouri  
Commissioned in \_\_\_\_\_ County

My Commission Expires:  
  
\_\_\_\_\_

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE FACILITIES**

The following described real estate situated in the County of Vernon, State of Missouri:

***NORTH PARCEL***

**TRACT 1:**

THE WEST HALF OF THE SOUTH 211 FEET OF FRACTIONAL BLOCK EIGHTEEN (18) OF ORIGINAL TOWN OF NEVADA. ALSO, ALL OF FRACTIONAL LOT TWO (2) IN BLOCK TWELVE (12) OF HOWELL'S ADDITION, LYING BETWEEN LOT THREE (3) BLOCK 12 HOWELL'S ADDITION AND THE SOUTH HALF OF BLOCK 18, ORIGINAL TOWN OF NEVADA, VERNON COUNTY, MISSOURI.

**TRACT 2:**

ALL OF LOTS THREE (3) AND FOUR (4) IN BLOCK TWELVE (12) OF HOWELL'S ADDITION TO THE CITY OF NEVADA, VERNON COUNTY, MISSOURI.

***SOUTH PARCEL***

**TRACT 1:**

ALL OF FRACTIONAL BLOCK NINETEEN (19) OF ORIGINAL TOWN OF NEVADA, MISSOURI.

**TRACT 2:**

ALL OF LOTS ONE (1), TWO (2), THREE (3), AND FOUR (4), TOGETHER WITH ALL OF FRACTIONAL LOTS ONE (1) AND TWO (2) OF BLOCK THIRTEEN (13) OF HOWELL'S ADDITION TO THE CITY OF NEVADA, VERNON COUNTY, MISSOURI.

**SCHEDULE I**

**SCHEDULE OF RENTAL PAYMENTS AND  
PURCHASE PRICE FOR SERIES 2012 CERTIFICATE**

<b><u>Rental Payment Date</u></b>	<b><u>Principal Component</u></b>	<b><u>Interest Component</u></b>	<b>Option Purchase Price on Rental Payment Date through but excluding next <u>Rental Payment Date*</u></b>
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**SCHEDULE OF RENTAL PAYMENTS AND  
PURCHASE PRICE FOR SERIES 2013 CERTIFICATE**

<b><u>Rental Payment Date</u></b>	<b><u>Principal Component</u></b>	<b><u>Interest Component</u></b>	<b>Option Purchase Price on Rental Payment Date through but excluding next <u>Rental Payment Date*</u></b>
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**SCHEDULE OF RENTAL PAYMENTS AND  
PURCHASE PRICE FOR SERIES 2014 CERTIFICATE**

<b><u>Rental Payment Date</u></b>	<b><u>Principal Component</u></b>	<b><u>Interest Component</u></b>	<b>Option Purchase Price on Rental Payment Date through but excluding next <u>Rental Payment Date*</u></b>
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**SCHEDULE OF RENTAL PAYMENTS AND  
PURCHASE PRICE FOR SERIES 2020 CERTIFICATES**

<b><u>Rental Payment Date</u></b>	<b><u>Principal Component</u></b>	<b><u>Interest Component</u></b>	<b>Option Purchase Price on Rental Payment Date through but excluding next <u>Rental Payment Date*</u></b>
12/1/2020	\$215,000	\$14,714.41	
6/1/2021	105,000	36,575.00	
12/1/2021	105,000	35,131.25	
6/1/2022	105,000	33,687.50	
12/1/2022	110,000	32,243.75	
6/1/2023	110,000	30,731.25	
12/1/2023	110,000	29,218.75	
6/1/2024	115,000	27,706.25	
12/1/2024	115,000	26,125.00	
6/1/2025	115,000	24,543.75	
12/1/2025	120,000	22,962.50	
6/1/2026	120,000	21,312.50	
12/1/2026	120,000	19,662.50	
6/1/2027	125,000	18,012.50	
12/1/2027	125,000	16,293.75	
6/1/2028	130,000	14,575.00	
12/1/2028	125,000	12,787.50	
6/1/2029	135,000	11,068.75	
12/1/2029	130,000	9,212.50	
6/1/2030	130,000	7,425.00	
12/1/2030	135,000	5,637.50	
6/1/2031	135,000	3,781.25	
12/1/2031	140,000	1,925.00	

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**TAX COMPLIANCE AGREEMENT**

**Dated as of September 15, 2020**

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**Between**

**CITY OF NEVADA, MISSOURI**

**and**

**SECURITY BANK OF KANSAS CITY,  
as Trustee**

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**\$2,875,000**

**City of Nevada, Missouri  
Refunding Certificates of Participation  
Series 2020**

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**TAX COMPLIANCE AGREEMENT**

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- Exhibit C** – Description of Property Comprising the Financed Facility
- Exhibit D** – Sample Annual Compliance Checklist

\* \* \*

## **TAX COMPLIANCE AGREEMENT**

**THIS TAX COMPLIANCE AGREEMENT** (the “Tax Agreement”), entered into as of September 15, 2020, between the **CITY OF NEVADA, MISSOURI**, a political subdivision organized and existing under the laws of the State of Missouri (the “City”) and **SECURITY BANK OF KANSAS CITY**, a state banking corporation duly organized and existing under the laws of the State of Kansas, as Trustee (the “Trustee”).

### **RECITALS**

**1.** This Tax Agreement is being executed and delivered in connection with the delivery by the City of \$2,875,000 principal amount of the City’s Refunding Certificates of Participation, Series 2020 (the “Certificates”), under an Indenture of Trust dated as of December 1, 2011, as amended and supplemented by the First Supplemental Indenture of Trust dated as of November 1, 2012, the Second Supplemental Indenture of Trust dated as of November 1, 2013, the Third Supplemental Indenture of Trust dated as of November 1, 2014, and the Fourth Supplemental Indenture of Trust dated as of the date of this Tax Agreement (collectively, the “Indenture”) between the City and the Trustee, for the purposes described in this Tax Agreement and in the Indenture.

**2.** The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and investment of the Certificate proceeds and of certain other money relating to the Certificates and set forth the conditions under which the Interest Component of Rental Payments made with respect to Certificates will be excluded from gross income for federal income tax purposes.

**3.** The City and the Trustee are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use of Certificate proceeds and the property financed or refinanced with those proceeds and the investment of the Certificate proceeds and of certain other related money, in order to establish and maintain the exclusion of the Interest Component of Rental Payments on the Certificates from gross income for federal income tax purposes.

**4.** The City adopted a Tax-Exempt Financing Compliance Policy and Procedure on February 21, 2012 (the “Tax Compliance Procedure”), for the purpose of setting out general procedures for the City to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

**5.** This Tax Agreement is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Certificates.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the City and the Trustee represent, covenant and agree as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.1. Definitions of Words and Terms.** Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax Agreement have the same meanings as set forth in the Indenture, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Agreement have the following meanings:

**“Annual Compliance Checklist”** means a checklist for the Financed Facility designed to measure compliance with the requirements of this Tax Agreement and the Tax Compliance Procedure after the Issue Date as further described in **Section 4.2** and substantially in the form attached as **Exhibit D**.

**“Bona Fide Debt Service Fund”** means a fund, which may include Certificate proceeds, that (a) is used primarily to achieve a proper matching of revenues with Rental Payments within each Certificate Year; and (b) is depleted at least once each Certificate Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Certificate Year, or (2) one-twelfth of the Rental Payments on the Certificates for the immediately preceding Certificate Year.

**“Certificates”** means the City’s Refunding Certificates of Participation, Series 2020, described in the recitals, authenticated and delivered under the Indenture.

**“Certificate Payment Fund”** means the Series 2020 Subaccount of the Certificate Payment Fund established under the Indenture.

**“Certificate Year”** means each one-year period (or shorter period for the first Certificate Year) ending December 1, or another one-year period selected by the City.

**“City”** means the City of Nevada, Missouri and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the City.

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

**“Compliance Officer”** means the person named in the Tax Compliance Procedure.

**“Costs of Issuance Fund”** means the Series 2020 Subaccount of the Costs of Issuance Fund established under the Indenture.

**“Delivery Date”** means September 24, 2020.

**“Final Written Allocation”** means the written allocation of expenditures of proceeds of the Original Obligations prepared by the Compliance Officer and maintained as part of the Tax-Exempt Certificates File. The allocation of the proceeds of the Original Obligations is summarized on **Exhibit C**.

**“Financed Facility”** means any of the property financed or refinanced with the proceeds of the Original Obligations as described on **Exhibit C**.

**“Gross Proceeds”** means (a) sale proceeds (any amounts actually or constructively received by the City from the sale of the Certificates, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds, or other Investment proceeds, or transferred proceeds), (c) any amounts held in a sinking fund for the Certificates, (d) any amounts held in a pledged fund or reserve fund for the Certificates, (e) any other replacement proceeds and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and subaccounts:

- Costs of Issuance Fund.
- Certificate Payment Fund.
- Prepayment Fund.
- Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Certificates).

In addition, Gross Proceeds includes sale proceeds of the Certificates transferred to the Certificate Payment Fund for the Series 2011 Certificates and Investment earnings thereon.

**“Guaranteed Investment Contract”** is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (e.g., a forward supply contract).

**“Indenture”** means the Indenture of Trust dated as of December 1, 2011, as amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and the Fourth Supplemental Indenture.

**“Interest Component”** means the interest component of Rental Payments as provided in the Lease Agreement.

**“Investment”** means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include a tax-exempt bond, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C), but it does include the investment element of most interest rate caps.

**“IRS”** means the United States Internal Revenue Service.

**“Lease Agreement”** means the Lease Purchase Agreement dated as of December 1, 2011 between the City and the Trustee, as amended and supplemented by the First Supplemental Lease, the Second Supplemental Lease, the Third Supplemental Lease and the Fourth Supplemental Lease.

**“Management Agreement”** means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed Facility or a portion of the Financed Facility. Contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing, or similar services), however, are not treated as Management Agreements.

**“Measurement Period”** means, the period beginning on the later of (i) the delivery date of the Original Obligations or (ii) the date the property was or will be placed in service, and ending on the earlier of (A) the final maturity date of the Certificates or (B) the expected economic useful life of the property.



**“Minor Portion”** means \$100,000.

**“Net Proceeds”** means the sale proceeds of the Certificates (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

**“Non-Qualified Use”** means use of Certificate proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Certificate proceeds or the Financed Facility are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Regulations § 1.141-3.

**“Non-Qualified User”** means any person or entity other than a Qualified User.

**“Opinion of Special Counsel”** means the written opinion of Gilmore & Bell, P.C. or other nationally recognized firm of bond counsel. Unless otherwise specifically noted herein, an Opinion of Special Counsel must conclude that the action or proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of the Interest Component from gross income for federal income tax purposes.

**“Original Obligations”** means the City’s Series 2011 Certificates which was the first issue of tax-exempt governmental obligations that financed or refinanced a portion of the Financed Facility.

**“Post-Issuance Tax Requirements”** means those requirements related to the use of proceeds of the Certificates, the use of the Financed Facility and the investment of Gross Proceeds after the Delivery Date of the Certificates.

**“Principal Component”** means the principal component of Rental Payments as provided for by the Lease Agreement.

**“Project”** means all of the property acquired, developed, constructed, renovated, and equipped by the City using proceeds of the Original Obligations and other money contributed by the City, as described on **Exhibit C**.

**“Purchaser”** means Cedar Rapids Bank and Trust Company, the purchaser of the Certificates.

**“Qualified Use Agreement”** means any of the following:

(1) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the City’s governmental purposes.

(2) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement whereby (a) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (b) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(3) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (a) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (b) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (c) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(4) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

**“Qualified User”** means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

**“Rebate Fund”** means the Series 2020 Subaccount of the Rebate Fund established under the Indenture.

**“Refunded Obligations”** means all of the Series 2011 Certificates outstanding.

**“Regulations”** means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Certificates.

**“Rental Payments”** means the Rental Payments payable by the City pursuant to the Lease Agreement with respect to the Certificates, consisting of a Principal Component and Interest Component.

**“Series 2011 Certificates”** means the City of Nevada, Missouri Certificates of Participation Series 2011, delivered December 29, 2011, in the original principal amount of \$4,150,000, the proceeds of which financed new capital expenditures.

**“Special Counsel”** means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the City.

**“Site Lease”** means the City Site Lease dated as of December 1, 2011, as may be amended and supplemented from time to time.

**“Tax Agreement”** means this Tax Compliance Agreement as it may from time to time be amended and supplemented in accordance with its terms.

**“Tax Compliance Procedure”** means the City’s Tax-Exempt Financing Compliance Policy and Procedure dated February 21, 2012.

**“Tax-Exempt Certificates File”** means documents and records for the Certificates and the Refunded Obligations maintained by the Compliance Officer pursuant to the Tax Compliance Procedure.

This term is synonymous with the term “Tax Compliance File” as used under the Tax Compliance Procedure.

“**Transcript**” means the Transcript of Proceedings relating to the authorization and delivery of the Certificates.

“**Trustee**” means Security Bank of Kansas City, and its successor or successors and any other corporation or association that at any time may be substituted in its place at the time serving as Trustee under the Indenture.

“**Yield**” means the yield on the Lease, computed under Regulations § 1.148-4, and the yield on an Investment, computed under Regulations § 1.148-5.

## ARTICLE II

### GENERAL REPRESENTATIONS AND COVENANTS

**Section 2.1. Representations and Covenants of the City.** The City represents and covenants as follows:

(a) *Organization and Authority.* The City (1) is a political subdivision organized and existing under the laws of the State of Missouri, and (2) has lawful power and authority to deliver the Certificates for the purposes set forth in the Indenture, to enter into, execute and deliver the Indenture, the Lease, the Site Lease, the Certificates, and this Tax Agreement and to carry out its obligations under this Tax Agreement and under such documents, and (3) by all necessary action has been duly authorized to execute and deliver the Indenture, the Lease Agreement, the Site Lease, the Certificates, and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Certificates–General Representation and Covenants.* In order to maintain the exclusion of the Interest Component from gross income for federal income tax purposes, the City (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or Investment of, any Certificate proceeds, other money held under the Indenture, or other funds of the City, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause the Certificates or the Lease Agreement to become a “private activity bond” as defined in Code § 141.

(c) *Governmental Obligations–Use of Proceeds.* Throughout the Measurement Period, all of the Financed Facility has been and is expected to be owned by the City or another Qualified User. Throughout the Measurement Period, no portion of the Financed Facility has been or is expected to be used in a Non-Qualified Use. Throughout the Measurement Period, the City will not permit any Non-Qualified Use of the Financed Facility without first consulting with Special Counsel.

(d) *Governmental Obligations–Private Security or Payment.* As of the Delivery Date, the City expects that none of the Principal Component or Interest Component on the Certificates will be, and the payment of principal of and interest on the Refunded Obligations has not been (under the terms of the Certificates or any underlying arrangement), directly or indirectly:

- (1) secured by (i) any interest in property used or to be used for a Non-Qualified Use, or (ii) any interest in payments in respect of such property; or
- (2) derived from payments (whether or not such payments are made to the City) in respect of property, or borrowed money, used or to be used for a Non-Qualified Use.

For purposes of the foregoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The City will not permit any private security or payment with respect to the Certificates, other than as described above, without first consulting with Special Counsel.

(e) *No Private Loan.* Not more than 5% of the Net Proceeds of the Certificates will be loaned directly or indirectly to any Non-Qualified User.

(f) *Management Agreements.* As of the Delivery Date, the City has no Management Agreements with Non-Qualified Users. During the Measurement Period, the City has not and will not enter into or renew any Management Agreement with any Non-Qualified User without first consulting with Special Counsel.

(g) *Leases.* As of the Delivery Date, the City has not entered into any leases of any portion of the Financed Facility other than Qualified Use Agreements. During the Measurement Period, the City has not and will not enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first consulting with Special Counsel.

(h) *General Allocation and Accounting.* The Project, financed in part with proceeds of the Original Obligations and refinanced with proceeds of the Certificates, may have been financed in part with proceeds of the Original Obligations and in part with other funds of the City. The portion of the Project financed with proceeds of the Original Obligations is referred to herein as the “Financed Facility.” Attached as **Exhibit C** is a schedule showing the Project financed, in whole or in part, with proceeds of the Original Obligations. For purposes of determining Non-Qualified Use, if any, of the Financed Facility during the Measurement Period, the City will allocate Non-Qualified Use first to the portion of the applicable Project financed with other funds of the City and second to the Financed Facility. During the Measurement Period, the City will, on an annual basis, determine the extent to which Non-Qualified Use exceeds the portion of the applicable Project financed with other funds of the City and determine the extent to which the proceeds of the Certificates and the Financed Facility are used in a Non-Qualified Use.

(i) *Limit on Maturity of Certificates.* A list of the assets included in the Financed Facility and a computation of the “average reasonably expected economic life” is attached to this Tax Agreement as **Exhibit C**. Based on this computation, the “average maturity” of the Certificates, as computed by Special Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Facility. The “average reasonably expected economic life” of the Financed Facility was determined as follows: the average economic life of the Financed Facility as of the issue date of the Original Obligations was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Delivery Date.

(j) *Expenditure of Proceeds – Reimbursement.* No portion of the Net Proceeds of the Original Obligations was used to reimburse an expenditure paid by the City more than 60 days prior to the date the respective authorizing ordinances were adopted. A summary of the City’s allocation of the proceeds of the Refunded Obligations is set forth on **Exhibit C**.

(k) *Registration Requirement.* The Indenture requires that the Certificates will be delivered and held in registered form within the meaning of Code § 149(a).

(l) *No Federal Guarantee.* The City will not take any action or permit any action to be taken that would cause the Lease Agreement or the Certificates to be “federally guaranteed” within the meaning of Code § 149(b).

(m) *IRS Form 8038-G.* Special Counsel will prepare Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the City contained in this Tax Agreement or otherwise provided by the City. Special Counsel will sign the return as a paid preparer following completion and will then deliver copies to the City for execution and for the City’s records. The City agrees to timely execute and return to Special Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the “as-filed” copy along with proof of filing will be included as **Exhibit B**.

(n) *Hedge Bonds.* At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within three years after the Delivery Date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were or will be invested in Investments having a substantially guaranteed Yield for four years or more.

(o) *Compliance with Future Tax Requirements.* The City understands that the Code and the Regulations may impose new or different restrictions and requirements on the City in the future. The City will comply with such future restrictions that are necessary to maintain the exclusion of the Interest Component from gross income for federal income tax purposes.

(p) *Single Issue; No Other Issues.* The Lease Agreement and the Certificates constitute a single “issue” under Regulations § 1.150-1(c). No other debt obligations of the City (1) are being sold within 15 days of the sale of the Certificates, (2) are being sold under the same plan of financing as the Lease Agreement and the Certificates, and (3) are expected to be paid from substantially the same source of funds as the Lease Agreement and the Certificates (disregarding guarantees from unrelated parties, such as bond insurance).

(q) *Interest Rate Swap.* As of the Delivery Date, the City has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Certificates or the Refunded Obligations. The City will not enter into any such arrangement in the future without first consulting with Special Counsel.

(r) *Guaranteed Investment Contract.* As of the Delivery Date, the City does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Certificates. The City will be responsible for complying with **Section 4.4(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.

(s) *Bank Qualified Tax-Exempt Obligation.* The City designates the Lease Agreement and the Certificates as a “qualified tax-exempt obligation” under Code § 265(b)(3), and with respect to this designation certifies as follows:

(1) the City reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be delivered or issued by or on behalf of the City (and all subordinate entities of the City) during the calendar year that

the Lease Agreement is executed and the Certificates are delivered, including the Lease Agreement and the Certificates, will not exceed \$10,000,000; and

(2) the City (including all subordinate entities of the City) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Lease Agreement is executed and the Certificates are delivered, including the Lease Agreement and the Certificates, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Special Counsel that the designation of the Lease Agreement and the Certificates as a “qualified tax-exempt obligation” will not be adversely affected.

**Section 2.2. Representations and Covenants of the Trustee.** The Trustee represents and covenants to the City as follows:

(a) The Trustee will comply with the provisions of this Tax Agreement that apply to it as Trustee and any written letter or Opinion of Special Counsel, specifically referencing the Certificates and received by the Trustee, that sets forth any action necessary to comply with any statute, regulation or ruling that may apply to it as Trustee and relating to reporting requirements or other requirements necessary to maintain the exclusion of the Interest Component from gross income for federal income tax purposes.

(b) The Trustee, acting on behalf of the City, and at the request of the City, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Trustee and the City with such information as it may request in order for the City to determine all matters relating to (a) the Yield on the Lease Agreement as it relates to any data or conclusions necessary to verify that the Certificates and the Lease Agreement are not “arbitrage bonds” within the meaning of Code § 148, and (b) compliance with arbitrage rebate requirements of Code § 148(f). The City will pay all costs and expenses incurred in connection with supplying the foregoing information.

(c) The Trustee, acting on behalf of the City, will retain records related to the investment and expenditure of Gross Proceeds held in funds and accounts maintained by the Trustee and any records provided to the Trustee by the City related to the Post-Issuance Tax Requirements in accordance with **Section 4.2(a)** of this Tax Agreement. The Trustee will retain these records until three years following the final maturity of (i) the Certificates or (ii) any obligation issued to refund the Certificates; provided, however, if the Trustee is not retained to serve as bond trustee for any obligation issued to refund the Certificates (a “Refunding Obligation”), then the Trustee may satisfy its record retention duties under this **Section 2.3(c)** by providing copies of all records in its possession related to the Certificates to the bond trustee for the Refunding Obligation or other party agreed upon by the City.

**Section 2.3. Survival of Representations and Covenants.** All representations, covenants and certifications of the City and the Trustee contained in this Tax Agreement or in any Certificates or other instrument delivered by the City or the Trustee under this Tax Agreement, will survive the execution and delivery of such documents and the delivery of the Certificates, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Lease Agreement and the Certificates.

## ARTICLE III

### ARBITRAGE CERTIFICATIONS AND COVENANTS

**Section 3.1. General.** The purpose of this **Article III** is to certify, under Regulations § 1.148-2(b), the City's expectations as to the sources, uses and investment of Certificates proceeds and other money, in order to support the City's conclusion that the Certificates and the Lease Agreement are not arbitrage bonds. The person executing this Tax Agreement on behalf of the City is an officer of the City responsible for delivering the Certificates.

**Section 3.2. Reasonable Expectations.** The facts, estimates and expectations set forth in this **Article III** are based upon and in reliance upon the City's understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the City's knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the City set forth in this Tax Agreement are reasonable. The City has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Agreement are unreasonable or inaccurate or may not be relied upon.

**Section 3.3. Purpose of Financing.** The Lease Agreement is being executed and the Certificates are being delivered for the purpose of providing funds to refund the Refunded Obligations and pay the costs of executing the Lease Agreement and delivering the Certificates and refunding the Refunded Obligations. The purpose of the refunding of the Refunded Obligations is to restructure debt service payments for the City.

**Section 3.4. Funds and Subaccounts.** The following funds and subaccounts have been established under the Indenture with respect to the Certificates:

- Costs of Issuance Fund.
- Certificate Payment Fund.
- Prepayment Fund.
- Rebate Fund.

**Section 3.5. Amount and Use of Certificate Proceeds and Other Money.**

(a) *Amount of Certificate Proceeds.* The total proceeds to be received by the City from the sale of the Certificates will be as follows:

Principal Amount	\$2,875,000
Net Original Issue Premium/(Discount)	0.00
Total Proceeds Received by City	<u>\$2,875,000</u>

(b) *Use of Certificate Proceeds.* The Certificate proceeds are expected to be allocated to expenditures as follows:

- (1) \$76,031.25 of Certificate proceeds will be deposited in the Costs of Issuance Fund and used to pay the costs related to the delivery of the Certificates and prepayment of the Refunded Obligations.

(2) \$2,798,968.75 of Certificate proceeds, plus \$72,412.50 from the reserve fund held for the Refunded Obligations, will be transferred to the Trustee for deposit in the Prepayment Fund for the Series 2011 Certificates and used to pay the Refunded Obligations when due and when called for prepayment on December 1, 2020.

**Section 3.6. Multipurpose Issue.** The City is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes pursuant to Regulations § 1.148-9(h)(3)(i).

**Section 3.7. No Advance Refunding.** No proceeds of the Certificates will be used more than 90 days following the Delivery Date to pay principal or interest on any other debt obligation.

**Section 3.8. Current Refunding.**

(a) *Proceeds Used For Current Refunding.* Proceeds of the Certificates will be used to pay the principal component of and interest component on the Refunded Obligations when due and when called for prepayment on December 1, 2020, which is not later than 90 days after the Delivery Date.

(b) *Transferred Proceeds.* There are no unspent proceeds (sale proceeds, Investment proceeds or transferred proceeds) of the Refunded Obligations. Therefore, there are no transferred proceeds of the Certificates.

**Section 3.9. Sinking Funds.** The City is required to make periodic payments in amounts sufficient to pay the Rental Payments with respect to the Lease Agreement and the Certificates. These payments will be deposited into the Certificate Payment Fund. Except for the Certificate Payment Fund, no sinking fund or other similar fund that is expected to be used to pay Principal Components or Interest Components relating to the Certificates has been established or is expected to be established. The Certificate Payment Fund will be used primarily to achieve a proper matching of revenues with Rental Payments relating to the Certificates within each Certificate Year, and the City expects that the Certificate Payment Fund will qualify as a Bona Fide Debt Service Fund.

**Section 3.10. Reserve, Replacement and Pledged Funds.**

(a) *No Reserve Fund.* No reserve or replacement fund has been established for the Certificates.

(b) *No Other Replacement or Pledged Funds.* None of the Certificate proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Facility or refund the Refunded Obligations, and that instead has been or will be used to acquire higher yielding Investments. Except for the Certificate Payment Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the Principal Components of or Interest Components on the Lease Agreement and the Certificates if the City encounters financial difficulty.

**Section 3.11. Purpose Investment Yield.** The proceeds of the Certificates will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

**Section 3.12. Purchase Price and Yield.**



(a) *Purchase Prices.* Based on the Purchaser’s certifications in its Receipt for the Series 2020 Certificates, the City hereby elects to establish the issue price of the Certificates pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called “private placement rule”). Therefore, the aggregate issue price of the Certificates for such purpose is \$2,875,000.

(b) *Yield.* Based on the above representations, the Yield on the Lease Agreement is 2.750423%, as computed by Special Counsel and shown on **Exhibit A** attached hereto. The City has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Certificates.

**Section 3.13. Miscellaneous Arbitrage Matters.**

(a) *No Abusive Arbitrage Device.* The Lease Agreement and the Certificates are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) *No Over-Issuance.* The sale proceeds of the Certificates, together with expected Investment earnings thereon and other money contributed by the City, do not exceed the cost of the governmental purpose of the Lease Agreement and the Certificates as described above.

**Section 3.14. Conclusion.** On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the City does not expect that the Certificate proceeds will be used in a manner that would cause the Certificates or the Lease Agreement to be an “arbitrage bond” within the meaning of Code § 148 and the Regulations.

**ARTICLE IV**

**POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES**

**Section 4.1. General.**

(a) *Purpose of Article.* The purpose of this Article is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Certificates are delivered. The City recognizes that the Interest Component of the Rental Payments due with respect to the Certificates will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Delivery Date. The City further acknowledges that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Certificates to be refinanced with tax-exempt obligations and substantiate the position that the Interest Component is exempt from gross income in the event of an audit of the Certificates by the IRS.

(b) *Written Policies and Procedures of the City.* The City intends for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Certificates and to supplement any other formal policies and procedures related to tax compliance that the City has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of

any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.

(c) *Compliance Officer.* The City, when necessary to fulfill its Post-Issuance Tax Requirements will, through its Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction payments, participate in any federal income tax audit of the Certificates or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12. In each case, all costs and expenses incurred by the City shall be treated as a reasonable cost of administering the Lease Agreement and the Certificates and the City shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Indenture or State law.

#### **Section 4.2. Record Keeping; Use of Proceeds and Use of Financed Facility.**

(a) *Record Keeping.* The Compliance Officer will maintain the Tax-Exempt Certificates File for the Certificates in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of Special Counsel or to the extent otherwise provided in this Tax Agreement, the Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (i) the Certificates or (ii) any obligation delivered to refund the Certificates. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records that indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the City and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the City's premises.

(b) *Accounting and Allocation of Proceeds to Expenditures.* Proceeds of the Certificates and certain other money will be used as described in **Sections 3.5 and 3.8**. The Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Certificates File. The Compliance Officer will prepare written records substantiating the allocation of proceeds of the Original Obligations to the Financed Facility. The allocation of the proceeds of the Original Obligations is summarized on **Exhibit C**.

(c) *Annual Compliance Checklist.* Attached as **Exhibit D** is a form of Annual Compliance Checklist for the Certificates. The Compliance Officer will prepare and complete an Annual Compliance Checklist for the Financed Facility at least annually in accordance with the Tax Compliance Procedure. If the Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Compliance Officer will take the actions identified in an Opinion of Special Counsel or the Tax Compliance Procedure to correct any deficiency.

(d) *Opinions of Special Counsel.* The Compliance Officer is responsible for obtaining and delivering to the City and the Trustee any Opinion of Special Counsel required under the provisions of this Tax Agreement, including any Opinion of Special Counsel required by this Tax Agreement or the Annual Compliance Checklist.

**Section 4.3 Temporary Periods/Yield Restriction.** Except as described below, the City will not invest Gross Proceeds at a Yield greater than the Yield on the Lease and the Certificates:

(a) *Proceeds Allocable to Current Refunding.* Certificate proceeds allocable to a current refunding of the Refunded Obligations may be invested without Yield restriction for up to 90 days after the Delivery Date. Other money deposited in the Prepayment Fund may be invested at a Yield that does not exceed the Yield on the Refunded Obligations.

(b) *Certificate Payment Fund.* To the extent that the Certificate Payment Fund qualifies as a Bona Fide Debt Service Fund, money in such account may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.

(c) *Costs of Issuance Fund.* Amounts held in the Costs of Issuance Fund may be invested without Yield restriction for 13 months.

(d) *Rebate Fund.* Money other than sale proceeds or Investment proceeds of the Certificates on deposit in the Rebate Fund may be invested without Yield restrictions.

(e) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

#### **Section 4.4. Procedures for Establishing Fair Market Value.**

(a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with Regulations § 1.148-5.

(b) *Established Securities Market.* Except for Investments purchased for a Yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with Regulations § 1.148-5.

(c) *Certificate of Deposit.* The purchase price of a Certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts.* The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

(1) Bona Fide Solicitation for Bids. The City or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(A) The bid specifications are in writing and are timely forwarded to potential providers.

(B) The bid specifications include all “material” terms of the bid. A term is material if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.

(C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City, the Trustee, or any other person (whether or not in connection with the delivery of obligations), and (iii) that the bid is not being submitted solely as a courtesy to the City, the Trustee, or any other person, for purposes of satisfying the requirements of the Regulations.

(D) The terms of the bid specifications are “commercially reasonable.” A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the Yield of the Guaranteed Investment Contract.

(E) The terms of the solicitation take into account the City’s reasonably expected deposit and draw-down schedule for the amounts to be invested.

(F) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.

(G) At least three “reasonably competitive providers” are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of Investments being purchased.

(2) Bids Received. The bids received must meet all of the following requirements:

(A) At least three bids are received from providers that were solicited as described above and that do not have a “material financial interest” in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Delivery Date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least one of the three bids received is from a reasonably competitive provider, as defined above.

(C) If an agent or broker is used to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(3) Winning Bid. The winning bid is the highest Yielding bona fide bid (determined net of any broker's fees).

(4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(5) Records. The City and the Trustee retain the following records with the Certificates documents until three years after the last outstanding Certificates are redeemed:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including a record of any administrative costs paid by the City or the Trustee, and the certification as to fees paid, described in paragraph (d)(4) above.

(C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(D) The bid solicitation form and, if the terms of the Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) *Other Investments*. If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(1) at least three bids on the Investment must be received from persons with no financial interest in the Certificates (e.g., as underwriters or brokers); and

(2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

**Section 4.5. Rebate Instructions.** All sale proceeds of the Certificates and Investment earnings thereon will be (1) deposited in the Prepayment Fund and spent on December 1, 2020 to prepay the interest components and principal components of rental payments on the Refunded Obligations or (2) deposited in the Costs of Issuance Fund and used to pay costs of executing the Fourth Supplemental Lease and delivering the Certificates and prepaying the Refunded Obligations within 6 months of the Delivery Date. Any unspent sale or Investment proceeds of the Certificates deposited in the Prepayment Fund for the Series 2011 Certificates on or after December 1, 2020, and Costs of Issuance Fund on or after December 1, 2020 will be transferred to the Certificate Payment Fund and used to pay the Interest Components with respect to the Certificates. In addition, the City expects that the Certificate Payment Fund will qualify as a Bona Fide Debt Service Fund and the City does not expect to establish any other sinking fund or replacement fund for the Certificates. Based on these representations and certifications, Special Counsel has advised the City that no rebate computations are required with respect to the Certificates, so long as the sale and Investment proceeds are spent as described in this paragraph, the Certificate Payment Fund qualifies as a Bona Fide Debt Service Fund, and no other sinking fund or replacement fund is established for the Certificates. If the conditions are not satisfied, then the City is obligated to engage Special Counsel, an independent certified public accountant or a rebate analyst to compute arbitrage rebate

on the Certificates and to pay rebate to the United States at least once every five years, and within 60 days after the discharge of the Lease Agreement and the Certificates, in accordance with Code § 148(f).

**Section 4.6. Filing Requirements.** The City will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Special Counsel.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 5.1. Term of Tax Agreement.** This Tax Agreement will be effective concurrently with the delivery of the Certificates and will continue in force and effect until the Rental Payments on the Certificates have been fully paid and the Certificates and the Lease Agreement are canceled; provided that, the provisions of **Article IV** of this Tax Agreement regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States.

**Section 5.2. Amendments.** This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of any of the Registered Owners of the Certificates, but only if such amendment is in writing and is accompanied by an Opinion of Special Counsel to the effect that, under then existing law, assuming compliance with this Tax Agreement as so amended such amendment will not cause the Interest Component to be included in gross income for federal income tax purposes. No such amendment will become effective until the City and the Trustee receive this Opinion of Special Counsel.

**Section 5.3. Opinion of Special Counsel.** The City and the Trustee may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Special Counsel addressed to each of them to the effect that the proposed deviation will not adversely affect the exclusion of the Interest Component from gross income for federal income tax purposes. The City and the Trustee will comply with any further or different instructions provided in an Opinion of Special Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Certificates or the exclusion from gross income of the Interest Component.

**Section 5.4. Reliance.** In delivering this Tax Agreement, the City and the Trustee are making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. Neither the City nor the Trustee is aware of any facts or circumstances that would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Agreement and, to the best of their knowledge, those facts, circumstances, estimates and expectations are reasonable. The parties to this Tax Agreement understand that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Certificates and the exclusion from federal gross income of the Interest Component.

**Section 5.5. Severability.** If any provision in this Tax Agreement or in the Certificates is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

**Section 5.6. Benefit of Agreement.** This Tax Agreement is binding upon the City and the Trustee and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owner of the Certificates. Nothing in this Tax Agreement or in the Indenture or the Certificates, express or implied, gives to any person, other than the parties to this Tax Agreement, and their

successors and assigns, and the owner of the Certificates, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement.

**Section 5.7. Default; Breach and Enforcement.** Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement may be pursued by the owner of the Certificates or the other party or parties to this Tax Agreement pursuant to the terms of the Indenture or any other document that references this Tax Agreement and gives remedies for a misrepresentation or breach thereof.

**Section 5.8. Execution in Counterparts.** This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

**Section 5.9. Governing Law.** This Tax Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

**Section 5.10. Electronic Transaction.** The parties agree that the transaction described in this Tax Agreement may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

The parties to this Tax Agreement have caused this Tax Agreement to be duly executed by their duly authorized officers as of the date first stated above.

**CITY OF NEVADA, MISSOURI**

By: \_\_\_\_\_  
Title: Mayor



**SECURITY BANK OF KANSAS CITY, as Trustee**

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

Name:

Title:

**EXHIBIT A**

**DEBT SERVICE SCHEDULE AND PROOF OF YIELD**

**EXHIBIT B**

**IRS FORM 8038-G**

**EXHIBIT C**

**DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY**

**EXHIBIT D**

**ANNUAL COMPLIANCE CHECKLIST**

<b>Name of tax-exempt issue (“Certificates”)</b>	Refunding Certificates of Participation, Series
<b>financing Financed Facility:</b>	2020
<b>Delivery Date of Certificates:</b>	September 24, 2020
<b>Placed in service date of Financed Facility:</b>	
<b>Name of Compliance Officer (Finance Manager):</b>	
<b>Period covered by request (“Annual Period”):</b>	

<b>Item</b>	<b>Question</b>	<b>Response</b>
<b>1 Ownership</b>	For federal tax purposes, was the entire Financed Facility owned by the City during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was advice of Special Counsel obtained prior to the transfer?  If “Yes,” include a description of the advice in the Tax-Exempt Certificates File.  If “No,” contact Special Counsel and include description of resolution in the Tax-Exempt Certificates File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>2 Leases &amp; Other Rights to Possession</b>	Other than the Site Lease and the Lease Agreement, during the Annual Period, was any part of the Financed Facility leased at any time pursuant to a lease or similar agreement for more than 50 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Special Counsel obtained prior to entering into the lease or other arrangement?  If “Yes,” include a description of the advice in the Tax-Exempt Certificates File.  If “No,” contact Special Counsel and include description of resolution in the Tax-Exempt Certificates File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>3 Management or Service Agreements</b>	During the Annual Period, has the management of all or any part of the operations of the Financed Facility (e.g., cafeteria, garages, etc.) been assumed by or transferred to another entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Special Counsel obtained prior to entering into the management agreement?  If “Yes,” include a description of the advice in the Tax-Exempt Certificates File.  If “No,” contact Special Counsel and include description of resolution in the Tax-Exempt Certificates File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
<p><b>4</b> <b>Other Use</b></p>	<p>Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Facility (e.g., agreements with the State of Missouri or any of its agencies or political subdivisions, the federal government (i.e., the U.S. Marshal Service, Homeland Security, FBI, etc.) or others allowing said parties to house prisoners at or otherwise use the Financed Facility)?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>If answer above was “Yes,” was advice of Special Counsel obtained prior to entering into the agreement?</p> <p>If “Yes,” include a description of the advice in the Tax-Exempt Certificates File.</p> <p>If “No,” contact Special Counsel and include description of resolution in the Tax-Exempt Certificates File.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p><b>5</b> <b>Arbitrage &amp; Rebate</b></p>	<p>(1) Were any proceeds of the Certificates on deposit in the Costs of Issuance Fund 13 months after the Issue Date?</p> <p>(2) Were any sale proceeds of the Certificates deposited in the Certificate Payment Fund for the Series 2011 Certificates <b>NOT</b> invested and spent in accordance with the Tax Compliance Agreement?</p> <p>(3) Was the balance in the Certificate Payment Fund <b>NOT</b> reduced to zero at some point during the annual period?</p> <p>(4) Other than the Certificate Payment Fund, did the City establish or fund any reserve or sinking fund for the Certificates?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>If the answer to any of these questions is “Yes”, contact Special Counsel and incorporate report or include description of resolution in the Tax-Exempt Certificates File.</p>	

**Compliance Officer:** \_\_\_\_\_

**Date Completed:** \_\_\_\_\_