

AUTHORIZING THE ISSUANCE OF TAXABLE SPECIAL OBLIGATION BONDS, SERIES 2020, PRESCRIBING THE FORM AND DETAILS OF THE BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF, AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO

WHEREAS, the City of Hazelwood, Missouri (the “**City**”) is a home-rule charter city and political subdivision duly organized and existing under the constitution and laws of the State of Missouri and its Charter; and

WHEREAS, the City is authorized under the provisions of the Constitution of Missouri and its Charter to issue and sell special obligation bonds for the purpose of providing funds to finance and refinance the costs of capital improvements and other municipal purposes and to provide that the principal of and interest on such bonds shall be payable solely from the revenues derived from annual appropriations by the City Council; and

WHEREAS, the City desires to issue its Taxable Special Obligation Bonds, Series 2020, in the principal amount of \$5,000,000 (the “**Bonds**”) to refinance certain public infrastructure improvements associated with the 370/Missouri Bottom Road/Taussig Road Transportation Development District (the “**TDD**”) by making an economic development loan to Big Sports Properties, LLC that will be used to purchase and cancel certain obligations of the TDD; and

WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants that the Bonds be issued and secured in the form and manner as hereinafter provided to provide funds for the purposes described above;

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

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Ordinance shall have the following meanings:

“Bond Counsel” means Gilmore & Bell, P.C., St. Louis, Missouri, or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the City and acceptable to the Lender; provided, however, following the occurrence of an Event of Default and the continuance thereof, such attorney or firm of attorneys shall be selected by the Lender.

“Bond Payment Date” means any date on which principal or Redemption Price of or interest on any Bond is payable.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

“Bonds” means the Taxable Special Obligation Bonds, Series 2020, of the City, authorized and issued by the City pursuant to this Ordinance.

“BSP” means Big Sports Properties, LLC and its successors and assigns.

“Business Day” means a day, other than a Saturday, Sunday or holiday, on which the Paying Agent is scheduled in the normal course of its operations to be open to the public.

“City” means the City of Hazelwood, Missouri, and any successors or assigns.

“Debt Service Fund” means the fund by that name referred to in **Section 501** hereof.

“Deed of Trust” means the First Deed of Trust from the City for the benefit of the Lender in substantially the form of **Exhibit B** attached hereto, as may be amended from time to time, and as the same may be assigned to any successor Registered Owner of the Bonds.

“Defaulted Interest” means interest on any Bond that is payable but not paid on any Interest Payment Date.

“Defeasance Obligations” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such

obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) the obligations are rated in the same rating category as United States Government Obligations or higher by a nationally recognized rating service.

“Event of Default” means an Event of Default as described in **Section 601** hereof.

“Event of Nonappropriation” means an Event of Nonappropriation as described in **Section 402** hereof.

“Finance Director” means the Finance Director of the City or any successor to the duties thereof.

“Fiscal Year” means the fiscal year of the City, currently July 1 to June 30.

“Interest Payment Date” means the Stated Maturity of an installment of interest on any Bond.

“Lender” means Clayton Holdings, LLC, the purchaser of the Bonds, or any successor Registered Owner of the Bonds.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or by call for redemption or otherwise.

“Mortgaged Property” means the “Premises” described in the Deed of Trust.

“Ordinance” means this Ordinance adopted by the City Council of the City, authorizing the issuance of the Bonds, as amended from time to time.

“Outstanding” means, when used with reference to Bonds, as of any particular date of determination, all Bonds theretofore authenticated and delivered hereunder, except the following Bonds:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of **Section 701** hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Paying Agent” means the Finance Director and any successors and assigns.

“Permitted Investments” means any securities or investments that are lawful for the investment of the City’s moneys held in such funds or accounts under the laws of the State of Missouri.

“Person” means any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Placement Agent Agreement” means the Placement Agent Agreement relating to the Bonds between the City and Stifel, Nicolaus & Company, Incorporated, in substantially the form of **Exhibit C** attached hereto.

“Record Date” for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Redemption Date” when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of this Ordinance.

“Redemption Price” when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of this Ordinance.

“Registered Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

“Special Record Date” means the date fixed by the Paying Agent pursuant to **Section 204** hereof for the payment of Defaulted Interest.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“TDD” means the 370/Missouri Bottom Road/Taussig Road Transportation Development District.

“TDD Bonds” means the \$39,470,000 original principal amount 370/Missouri Bottom Road/Taussig Road Transportation Development District (Hazelwood, St. Louis County, Missouri), Transportation Revenue Bonds, Series 2002.

“TDD Settlement Agreement” means the Settlement Agreement dated as of August 9, 2019, by and among the City, the TDD, BSP, UMB Bank, N.A., as trustee, St. Louis Retail Outlet, LLC, St. Louis Box Realty LLC and the “Covered Bondholders” described therein.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the same rating category as the United States of America or higher by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the City.

ARTICLE II

AUTHORIZATION OF THE BONDS

Section 201. Authorization of Bonds. There is hereby authorized and directed to be issued a series of bonds of the City, designated “Taxable Special Obligation Bonds, Series 2020,” in the principal amount of \$5,000,000 (the “Bonds”), for the purpose of providing funds to refinance certain public infrastructure improvements originally financed by the TDD Bonds by making an economic development loan to BSP that will be used to purchase and cancel a portion of the outstanding TDD Bonds.

Section 202. Description of Bonds.

(a) The Bonds shall consist of fully-registered bonds, numbered from 1 upward in order of issuance, in denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in **Exhibit A** attached hereto and shall be subject to registration, transfer and exchange as provided in **Section 205** hereof. The Bonds shall be dated the date of original issuance and delivery thereof, shall become due on December 1, 2035 (subject to redemption and payment prior to their Stated Maturity as provided in **Article III** hereof), and shall bear interest at the rate of 4.670% per annum (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on June 1 and December 1 in each year, beginning on June 1, 2021.

(b) The Bonds shall be delivered in physical, non-book-entry, certificate form. The Bonds shall not be (1) assigned a separate rating by any rating agency, (2) registered with the Depository Trust Company or any other securities depository, (3) issued pursuant to any type of official statement, private placement memorandum or other offering documents, or (4) assigned a CUSIP number.

Section 203. Designation of Paying Agent.

(a) The City's Finance Director is hereby designated as the paying agent for the payment of principal of and interest on the Bonds and as bond registrar with respect to the registration, transfer and exchange of Bonds (herein called the "Paying Agent").

(b) The City will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The City reserves the right to appoint a successor Paying Agent by (1) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (2) causing notice of the appointment of the successor Paying Agent to be given by first-class mail to each Registered Owner. The Paying Agent may resign by giving written notice by first-class mail to the City and the Registered Owners not less than 60 days prior to the date such resignation is to take effect. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of the Paying Agent.

(c) Every Paying Agent appointed hereunder shall at all times be either (1) the Finance Director or (2) a commercial banking association or corporation or trust company located in the State of Missouri organized and in good standing and doing business under the laws of the United States of America or of the State of Missouri and subject to supervision or examination by federal or state regulatory authority.

(d) The City shall pay the Paying Agent's fees and expenses for its services in connection with the Bonds.

Section 204. Method and Place of Payment of Bonds.

(a) The principal or Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(b) The principal or Redemption Price of each Bond shall be paid at Maturity by check, electronic transfer or draft to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the office of the Paying Agent. Notwithstanding the foregoing or any other provision herein to the contrary, principal payable with respect to scheduled mandatory sinking fund redemptions pursuant to **Section 301(b)** hereof shall not require presentation or surrender of such Bonds until the final Stated Maturity thereof or the final payment in full thereof.

(c) The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, address, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed.

(c) Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The City shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first-class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

(d) The Paying Agent shall keep a record of the payment of principal and Redemption Price of and interest on all Bonds and shall, upon the City's written request, at least annually forward a copy or summary of such records to the City.

Section 205. Registration, Transfer and Exchange of Bonds.

(a) The City covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

(b) The Bonds may be transferred in whole only, and the Lender agrees that it will only offer, sell, pledge, transfer or exchange any of the Bonds it purchases (1) in accordance with an available exemption from the registration requirements of Section 5 of the Securities Act of 1933, as amended, (2) in accordance with any applicable state securities laws, (3) to an institution that is an "accredited investor" as defined in Regulation D under the Securities Act of 1933 and/or a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933, and (4) in accordance with the provisions of this Ordinance. Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

(c) In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The City shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered 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 Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

(d) The City and the Paying Agent shall not be required (1) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of 15 days next preceding the first mailing of such notice of redemption; or (2) to register the transfer or exchange of any Bond during

a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

(e) The City and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

(f) At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

Section 206. Execution, Authentication and Delivery of Bonds.

(a) The Bonds, including any Bonds issued in exchange or as substitution for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the City Manager, shall be attested by the manual or facsimile signature of the City Clerk, and shall have the official seal of the City affixed thereto or imprinted thereon. If any officer whose signature appears on any Bond ceases to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(b) The City Manager and City Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Paying Agent for authentication.

(c) The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by an authorized signatory of the Paying Agent, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication,

the Paying Agent shall deliver the Bonds to or upon the order of the Lender upon payment of the purchase price to the City.

Section 207. Mutilated, Destroyed, Lost and Stolen Bonds.

(a) If (1) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (2) there is delivered to the City and the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the City and the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Paying Agent, in its discretion, may pay such Bond instead of delivering a new Bond.

(c) Upon the issuance of any new Bond under this Section, the City or the Paying Agent may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

(d) Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

Section 208. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and shall file an executed counterpart of such certificate with the City.

Section 209. Sale of Bonds. The City is authorized to sell the Bonds to the Lender at a purchase price of \$[*Principal Amount*]. The Bonds shall be delivered to or upon the order of the Lender as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale.

Section 210. Authorization and Execution of Deed of Trust and Placement Agent Agreement.

(a) The City is hereby authorized to enter into the Deed of Trust in substantially the form presented to and approved by the City Council and attached as **Exhibit B** to this

Ordinance, with such changes therein as shall be approved by the officials of the City executing the documents, such officials' signatures thereon being conclusive evidence of their approval thereof (such property subject to the Deed of Trust shall be known as the "**Mortgaged Property**"). The City Manager is hereby authorized to execute the Deed of Trust and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk is hereby authorized to attest to and affix the seal of the City to such documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

(b) The City is hereby authorized to enter into the Placement Agent Agreement in substantially the form presented to and approved by the City Council and attached as **Exhibit C** to this Ordinance, with such changes therein as shall be approved by the officials of the City executing the documents, such officials' signatures thereon being conclusive evidence of their approval thereof. The City Manager is hereby authorized to execute the Placement Agent Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk is hereby authorized to attest to and affix the seal of the City to such documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds.

(a) *Optional Redemption.* At the option of the City, the Bonds may be called for redemption and payment prior to their Stated Maturity as a whole on or after December 1, 2027 at the Redemption Price of 101% of the principal amount thereof plus accrued interest thereon to the Redemption Date.

(b) *Mandatory Redemption of Bonds.* The Bonds will be subject to mandatory redemption and payment prior to their Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The City shall redeem on June 1 and December 1 in each year the following principal amounts of the Bonds:

<u>Year</u>	<u>Principal Amount</u>
6/1/2021	\$\$ 0
12/1/2021	230,000
6/1/2022	0
12/1/2022	245,000
6/1/2023	0

<u>Year</u>	<u>Principal Amount</u>
12/1/2023	255,000
6/1/2024	0
12/1/2024	270,000
6/1/2025	0
12/1/2025	280,000
6/1/2026	0
12/1/2026	295,000
6/1/2027	0
12/1/2027	310,000
6/1/2028	0
12/1/2028	325,000
6/1/2029	0
12/1/2029	345,000
6/1/2030	0
12/1/2030	360,000
6/1/2031	0
12/1/2031	380,000
6/1/2032	0
12/1/2032	395,000
6/1/2033	0
12/1/2033	415,000
6/1/2034	0
12/1/2034	435,000
6/1/2035	0
12/1/2035 [†]	460,000

[†] Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the City may: (1) deliver to the Paying Agent for cancellation Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired, or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof, whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical. Each Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the City to redeem the Bonds on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for the Bonds in chronological order, and the principal amount of the Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the City intends to exercise any option granted by the provisions of clauses (1) or (2) above, the City will, on or before the 45th day next preceding each mandatory Redemption Date, furnish to the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1) and (2) are to be complied with, with respect to such mandatory redemption payment.

Section 302. Selection of Bonds to be Redeemed.

(a) The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 30 days prior to the Redemption Date of written instructions from the City specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met. The foregoing provisions of this paragraph shall not apply to the mandatory redemption of Bonds hereunder, and Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the City and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.

(b) Bonds shall be redeemed only in the principal amount of \$100,000 or any integral multiple of \$1,000 in excess thereof.

Section 303. Notice and Effect of Call for Redemption.

(a) Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first-class mail at least 30 days prior to the Redemption Date to each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register.

(b) All official notices of redemption shall be dated and shall contain the following information:

(1) the Redemption Date;

(2) the Redemption Price;

(3) if less than all Outstanding Bonds are to be redeemed, the principal amounts of the Bonds to be redeemed;

(4) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(5) the place where such Bonds are to be surrendered for payment of the Redemption Price.

(c) The failure of any Registered Owner to receive notice given as heretofore provided or any defect therein shall not invalidate any redemption.

(d) Prior to any Redemption Date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date.

(e) Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date at the Redemption Price therein specified, and from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, the Paying agent shall prepare for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

ARTICLE IV

SECURITY FOR AND PAYMENT OF BONDS

Section 401. Security for the Bonds.

(a) The Bonds are special obligations of the City payable as to both principal and interest solely from annual appropriations of funds by the City for such purpose to be deposited in the Debt Service Fund. The obligation of the City to make payments into the Debt Service Fund and for any other obligations of the City under this Ordinance do not constitute a general obligation or indebtedness of the City for which the City is obligated to levy or pledge any form of taxation, or for which the City has levied or pledged any form of taxation and shall not be construed to be a debt of the City in contravention of any applicable constitutional, statutory or charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor (i) out of the income and revenues provided for such year, plus (ii) any unencumbered balances for previous years. Subject to the preceding sentence, the obligations of the City to make payments hereunder and to perform and observe any other covenant and agreement contained herein shall be absolute and unconditional.

(b) The covenants and agreements of the City contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds, all of which shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds to the payment of the principal of and the interest on the Bonds, or otherwise, except as to the rate of interest and Stated Maturity as provided in this Ordinance.

Section 402. Covenant to Request Appropriations. The City Council hereby directs that from and after delivery of the Bonds and so long as any of the Bonds remain Outstanding, subject to **Section 401** hereof, the Finance Director or any other officer of the City at any time charged with the responsibility of formulating budget proposals to include in each annual budget an appropriation of the amount necessary (after taking into account any moneys legally available for such purpose) to pay debt service on the Bonds and to make other payments required pursuant to this Ordinance. The City is not required or obligated to make any such annual appropriation, and the decision whether to appropriate such funds will be solely within the discretion of the then current City Council. The City shall deliver written notice to the Lender no later than 15 days after the commencement of its Fiscal Year stating whether or not the City Council has appropriated funds sufficient for the purpose of paying the principal of and interest on the Series 2020 Bonds and any other amounts reasonably expected to become due during such Fiscal Year. If the City Council shall have made the appropriation necessary to pay the principal of and interest on the Bonds and any other amounts reasonably expected to be required to become due during such Fiscal Year, the failure of the City to deliver the foregoing notice on or before the 15th day after the commencement of its Fiscal Year shall not constitute an Event of Nonappropriation and, on failure to receive such notice 15 days after the commencement of the City's Fiscal Year, the Lender shall make independent inquiry of the fact of whether or not such appropriation has been made. An Event of Nonappropriation will be deemed to have occurred if the City Council does not appropriate such funds.

Section 403. Deed of Trust and Mortgaged Property.

(a) Simultaneously with the issuance of the Bonds, the City will grant a security interest in the Mortgaged Property to the Lender pursuant to the terms of the Deed of Trust as additional security for the payment of the Bonds. In connection with the Deed of Trust, the City will obtain title insurance on the Mortgaged Property reasonably satisfactory to the Lender.

(b) Any net proceeds of title insurance or other award from a challenge or threat of legal or equitable action related to the title or use of the Mortgaged Property shall be deposited into an escrow account established by the City and used first to prepay the Bonds pursuant to this Ordinance at the earliest possible date, with any remaining proceeds then released to the City.

(c) Any net proceeds of any casualty insurance claim shall be used to repair or restore the Mortgaged Property; provided, however, if the City, in its sole discretion, determines that the repair or restoration of the Mortgaged Property is not practical or feasible, the net proceeds of such claim shall be deposited into an escrow account established by the City and used first to prepay the Bonds pursuant to this Ordinance at the earliest possible date, with any remaining proceeds then released to the City.

(d) If during the period that the Bonds remain outstanding, title to, or the temporary use of, all or part of the Mortgaged Property is condemned by any authority having the power of eminent domain (including the City or any agency thereof), the

condemnation proceeds shall be deposited into an escrow account established by the City and used first to prepay the Bonds pursuant to this Ordinance at the earliest possible date, with any remaining proceeds then released to the City.

(e) The City shall cooperate fully with the Lender in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Mortgaged Property or any part thereof, and shall, to the extent the City may lawfully do so, permit the Lender to litigate in any such proceeding in the name and on behalf of the City. In no event will the City voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Mortgaged Property or any part thereof without the written consent of the Lender.

(f) The City hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Bonds remain Outstanding and unpaid, the City will not exercise the power of condemnation with respect to the Mortgaged Property. The City further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the City should fail or refuse to abide by such covenant and condemns the Mortgaged Property, the appraised value of the Mortgaged Property shall not be less than the greater of (1) if such Bonds are then subject to prepayment, the principal and interest on the Bonds Outstanding through the earliest date of their prepayment, or (2) if such Bonds are not then subject to prepayment, the amount necessary to defease such Bonds to the first available prepayment date in accordance with this Ordinance.

(g) The City will comply with all applicable statutes requiring performance and payment bonds when undertaking any improvements to the Mortgaged Property.

ARTICLE V

ESTABLISHMENT OF DEBT SERVICE FUND; DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Establishment of Debt Service Fund. There have been or shall be established in the treasury of the City a Debt Service Fund. The Debt Service Fund shall be maintained as a separate and distinct fund and the moneys therein shall be held, managed, invested, disbursed and administered as provided in this Ordinance. All moneys deposited in the Debt Service Fund shall be used solely for the purposes set forth in this Ordinance. The City shall keep and maintain adequate records pertaining to each fund and all disbursements therefrom.

Section 502. Deposit and Application of Bond Proceeds and Other Money. The proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

a) (b) The proceeds of the Bonds (\$5,000,000) shall be transferred to UMB Bank, N.A., as trustee for the TDD Bonds and used, together with other funds, purchase and cancel the TDD Bonds as provided in the TDD Settlement Agreement.

(b) The City shall pay the costs of issuing the Bonds from other available money of the City, as described in the closing memorandum for the Bonds.

Section 503. Application of Moneys in the Debt Service Fund.

(a) All amounts paid and credited to the Debt Service Fund shall be expended and used by the City for the purpose of paying the Bonds as and when the same become due and the usual and customary fees and expenses of the Paying Agent. The Finance Director is authorized and directed to withdraw from the Debt Service Fund sums sufficient to pay the Bonds and the fees and expenses of the Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Registered Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the City. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance and shall be held in trust by the Paying Agent for the benefit of the Registered Owners of the Bonds entitled to payment from such moneys.

(b) Any moneys or investments remaining in the Debt Service Fund after the retirement of the Bonds shall be transferred and paid into the general fund of the City.

Section 504. Deposits and Investment of Moneys.

(a) Moneys in each of the funds created by and referred to in this Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the financial institutions holding such deposits as provided by the laws of the State of Missouri.

(b) Moneys held in any fund held in the custody of the City referred to in this Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund.

Section 505. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay

such Bond have been made available to the Paying Agent, all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the City without liability for interest thereon the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 506. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Events of Default. An Event of Default means any of the following events:

- (a) default in the payment of any interest on any Bond for which funds have been appropriated by the City Council;
- (b) default in the payment of the principal of (or premium, if any, on) any Bond when the same becomes due and payable (whether at maturity, upon proceedings for redemption, by acceleration or otherwise) for which funds have been appropriated by the City Council; or
- (c) the City or its governing body or any of the officers, agents or employees thereof fail or refuse to comply with any of the provisions of this Ordinance, the Deed of Trust or of the constitution or statutes of the State of Missouri, and such default continues for a period of 30 days after written notice specifying such default has been given to the City by any Registered Owner of any Bond then Outstanding;

(d) if any representation or warranty made by the City herein or in any statement or certificate furnished to the Lender in connection with the Bonds proves to be untrue in any material respect;

(e) this Ordinance, the Bonds, the Deed of Trust or any other documents entered into in connection with the issuance of the Bonds, or any provision thereof, in each case, relating to the obligation of the City to make payments on the Bonds or the security therefor shall, at any time for any reason, cease to be valid and binding on the City or shall be declared null and void or its validity or enforceability shall be contested by the City, in a judicial or administrative proceeding or any official action; or (ii) (A) the City repudiates or otherwise denies, in writing, in a judicial or administrative proceeding that it has any further liability or obligation hereunder or with respect to the Bonds, (B) the City or the State, as applicable, shall have taken or permitted to be taken any action, or the State has duly enacted any statute, which would materially and adversely affect the enforceability of the Bonds or (C) the City contests, in a judicial or administrative proceeding, the validity or enforceability of any material provision of this Ordinance, the Bonds, the Deed of Trust or any other documents entered into in connection with the issuance of the Bonds relating to or otherwise affecting the City's obligation to pay the principal of or interest on any Bonds;

(f) the City makes an assignment for the benefit of creditors, files a petition in bankruptcy, is unable generally to pay its debts as they come due, is adjudicated insolvent or bankrupt or there is entered any order or decree granting relief in any involuntary case commenced against it under any applicable bankruptcy, insolvency or similar law now or hereafter in effect; or if the City petitions or applies to any tribunal for any receiver, trustee, liquidator, assignee, custodian, sequestrator or other similar official of it, or of any substantial part of its properties, or commences any proceeding in a court of law for a reorganization, readjustment of debt, dissolution, liquidation or other similar procedure under the law or statutes of any jurisdiction, whether now or hereafter in effect; or if there is commenced against the City any such proceeding in a court of law which remains undismissed or shall not be discharged, vacated or stayed, or such jurisdiction shall not be relinquished, within sixty (60) days after commencement; or the City by any act indicates its consent to, approval of, or acquiescence in any such proceeding in a court of law, or to an order for relief in an involuntary case commenced against it under any such law, or to the appointment of any receiver, trustee, liquidator, assignee, custodian, sequestrator or other similar official for it or a substantial part of its properties; or if the City suffers any such receivership, trusteeship, liquidation, assignment, custodianship, sequestration or other similar procedure to continue undischarged for a period of sixty (60) days after commencement or if the City takes any action for the purposes of effecting the foregoing;

(g) (i) any default in the payment when due of the principal, premium, if any or interest payable on any appropriation obligations of the City (A) that is

publicly rated by one or more rating agencies, (B) that consists of bonds or other securities or instruments that are publicly offered or privately placed or (C) as to which such default results in the declaring due and payable of any appropriation obligations of the City described in subclause (A) or (B) or which enables (or, with the giving notice or lapse of time, or both, would enable) the holder of any appropriation obligations of the City described in subclause (A) or (B) to accelerate the maturity thereof, or (ii) any default under any indenture, agreement or other instrument under which any debt described in clause (i) may be issued, which default results in the declaring due and payable of such debt or which enables (or, with the giving of notice or lapse of time, or both, would enable) the holder of such debt to accelerate the maturity of any such debt;

(h) (i) any amendment to the Constitution of the State of Missouri or any amendments to any statute is enacted which materially adversely affects the enforceability of the Ordinance, the Bonds, the Deed of Trust or any other documents entered into in connection with the issuance of the Bonds against the City, or (ii) the City takes or permits to be taken any action which materially and adversely affects the ability of the City to repay the principal or interest on the Bonds hereunder.

Section 602. Remedies.

(a) Upon an Event of Default, the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding may:

(1) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the constitution and laws of the State of Missouri;

(2) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust;

(3) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds;

(4) declare the principal of and interest on the Bonds scheduled to become due in the then-current Fiscal Year for which funds have been appropriated by the City Council immediately due and payable, and declare the principal of and interest on any other Bonds to be immediately due and payable to the extent that the City and the Lender receive an opinion of Bond Counsel to the effect that such declaration will not create an indebtedness of the City in violation of any applicable constitutional, charter or statutory debt limitation or restriction.

(b) Upon an Event of Nonappropriation, the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding may declare the principal of and interest on the Bonds scheduled to become due in the then-current Fiscal Year for which funds have been appropriated by the City Council immediately due and payable, and declare the principal of and interest on any other Bonds to be immediately due and payable to the extent that the City and the Lender receive an opinion of Bond Counsel to the effect that such declaration will not create an indebtedness of the City in violation of any applicable constitutional, charter or statutory debt limitation or restriction.

Section 603. Limitation on Rights of Registered Owners. The covenants and agreements of the City contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds. All of the Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise. No one or more Registered Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Section 604. Remedies Cumulative. No remedy conferred herein upon the Registered Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Registered Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Registered Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Registered Owner, then, and in every such case, the City and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Registered Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 605. No Obligation to Levy Taxes. Nothing contained in this Ordinance shall be construed as imposing on the City any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Bonds.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds or the interest payments thereon have been paid and discharged, then the requirements contained in this Ordinance and all other rights granted hereby shall terminate with respect to the Bonds or interest payments so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity or Redemption Date of the Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their Stated Maturity, (1) the City has elected to redeem such Bonds and (2) either notice of such redemption has been given or the City has given irrevocable instructions, or has provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with **Section 303(a)**. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the City, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to the provisions of this Ordinance.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 801. Amendments.

(a) The rights and duties of the City and the Registered Owners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by ordinance of the City with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be

recorded, and such instrument or instruments shall be filed with the City Clerk, but no such modification or alteration shall:

- (1) extend the maturity of any payment of principal or interest due upon any Bond;
- (2) effect a reduction in the amount which the City is required to pay as principal of or interest on any Bond;
- (3) permit preference or priority of any Bond over any other Bond; or
- (4) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

(b) Any provision of the Bonds or of this Ordinance may, however, be amended or modified by ordinance duly adopted by the City Council at any time in any legal respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

(c) Without notice to or the consent of any Registered Owners, the City may amend or supplement this Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein, or in connection with any other change therein which is not materially adverse to the security of the Registered Owners.

(d) Every amendment or modification of the provisions of the Bonds or of this Ordinance to which the written consent of the Registered Owners is given, as above provided, shall be expressed in an ordinance passed by the City Council of the City amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of this Ordinance of the City herein provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification. A certified copy of every such amendatory or supplemental proceedings and a certified copy of this Ordinance shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental proceedings or of this Ordinance will be sent by the City Clerk to any such Registered Owner or prospective Registered Owner.

(e) The City shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Ordinance that affects the duties or obligations of the Paying Agent under this Ordinance.

Section 802. Notices, Consents and Other Instruments by Registered Owners.

(a) Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Registered Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Registered Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, other than the assignment of the ownership of a Bond, if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the City and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(1) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(2) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

(b) In determining whether the Registered Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds registered in the name of the City shall be disregarded and deemed not to be Outstanding under this Ordinance.

Section 803. Further Authority. The City shall, and the officials, agents and employees of the City are hereby authorized to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents. The Mayor, the City Manager and the City Clerk are hereby authorized, through the term of the Bonds, to execute all documents on behalf of the City (including documents pertaining to the transfer of property or the TDD Settlement Agreement) as may be required to carry out and comply with the intent of this Ordinance.

Section 804. Annual Audit.

(a) Annually, promptly after the end of the Fiscal Year, the City will cause an audit to be made of its funds and accounts for the preceding Fiscal Year (in substantially the same form as the most recent audit or in such other form as is reasonably acceptable to the Lender) by an independent public accountant or firm of independent public accountants.

(b) Within 30 days after the completion of each such audit, a copy thereof shall be mailed to the Lender or notice that the audit is available on the City's website. Such audits shall at all times during the usual business hours be open to the examination and inspection by any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such Registered Owner.

Section 805. Severability. If any section or other part of this Ordinance, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

Section 806. Governing Law. This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

Section 807. Electronic Storage of Documents. The City agrees that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means.

Section 808. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval.

[Remainder of page intentionally left blank.]

PASSED this _____ day of _____, _____ **by the**
Council of the City of Hazelwood, Missouri.

Matthew G. Robinson - Mayor
City of Hazelwood, Missouri

ATTEST:

Julie Lowery - City Clerk
City of Hazelwood, Missouri

APPROVED AS TO FORM:

Kevin M. O'Keefe - City Attorney
City of Hazelwood, Missouri

**EXHIBIT A
TO ORDINANCE
(FORM OF BONDS)**

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**Registered
No. _____**

**Registered
\$5,000,000**

**CITY OF HAZELWOOD, MISSOURI
TAXABLE SPECIAL OBLIGATION BOND
SERIES 2020**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>
_____ 4.670%	December 1, 2035	_____, 2020

REGISTERED OWNER: CLAYTON HOLDINGS, LLC

PRINCIPAL AMOUNT: FIVE MILLION DOLLARS

THE CITY OF HAZELWOOD, MISSOURI, a constitutional charter city and a political subdivision of the State of Missouri (the “City”), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon, but solely from the source and in the manner herein specified, at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on June 1 and December 1 in each year, beginning on June 1, 2021, until said Principal Amount has been paid.

The Principal Amount or Redemption Price of this Bond shall be paid at Maturity or upon earlier redemption by check, electronic transfer or draft to the Person in whose name this Bond is registered at the Maturity or Redemption Date thereof, upon presentation and surrender of this Bond at the office of the City’s Finance Director (the “Paying Agent”). The interest payable on this Bond on any Interest Payment Date shall be paid to the Person in whose name this Bond is registered on the Bond Register at the close of business on the Record Date for such interest (being the 15th day, whether or not a Business Day, of the calendar month next preceding the Interest Payment Date) by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed.

Notwithstanding any provision herein or in the Ordinance to the contrary, the Bonds are not subject to presentation and surrender for the payment of scheduled mandatory sinking fund redemptions pursuant to **Section 301(b)** of the Ordinance.

This Bond is one of an authorized series of bonds of the City designated “Taxable Special Obligation Bonds, Series 2020,” aggregating the principal amount of \$5,000,000 (the “Bonds”), issued by the City for the purpose of providing funds to refinance certain public infrastructure improvements originally financed by the TDD Bonds by making an economic development loan to Big Sports Properties, LLC that will be used to purchase and cancel a portion of the outstanding TDD Bonds under the authority of and in full compliance with the constitution and laws of the State of Missouri and the City Charter, and pursuant to an ordinance duly passed by the City Council (herein called the “Ordinance”). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance.

At the option of the City, the Bonds may be called for redemption and payment prior to maturity as a whole on or after December 1, 2027 at the Redemption Price of 101% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

The Bonds are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Ordinance at a Redemption Price equal to 100% of the principal amount represented by the Bonds being redeemed plus accrued interest to the Redemption Date, on December 1, 2020 and on each June 1 and December 1 thereafter until maturity, as follows:

<u>Year</u>	<u>Principal Amount</u>
6/1/2021	\$ 0
12/1/2021	230,000
6/1/2022	0
12/1/2022	245,000
6/1/2023	0
12/1/2023	255,000
6/1/2024	0
12/1/2024	270,000
6/1/2025	0
12/1/2025	280,000
6/1/2026	0
12/1/2026	295,000
6/1/2027	0
12/1/2027	310,000
6/1/2028	0
12/1/2028	325,000
6/1/2029	0
12/1/2029	345,000
6/1/2030	0
12/1/2030	360,000
6/1/2031	0
12/1/2031	380,000
6/1/2032	0
12/1/2032	395,000
6/1/2033	0
12/1/2033	415,000
6/1/2034	0

<u>Year</u>	<u>Principal Amount</u>
12/1/2034	435,000
6/1/2035	0
12/1/2035 [†]	460,000

[†] Final Maturity

Bonds shall be redeemed only in the principal amount of \$100,000 or any integral multiples of \$1,000 in excess thereof.

Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any optional redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first-class mail at least 30 days prior to the Redemption Date to each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the City defaults in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest.

The Bonds shall be special obligations of the City payable as to both principal and interest solely from annual appropriations of funds by the City for such purpose. The obligation of the City to make payments into the Debt Service Fund and for any other obligations of the City under the Ordinance do not constitute a general obligation or indebtedness of the City for which the City is obligated to levy or pledge any form of taxation, or for which the City has levied or pledged any form of taxation and shall not be construed to be a debt of the City in contravention of any applicable constitutional, statutory or charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor (i) out of the income and revenues provided for such year plus (ii) any unencumbered balances for previous years.

The Bonds are issued in fully-registered form in the denomination of \$100,000 or any integral multiple of \$1,000 in excess thereof. This Bond may be exchanged at the office of the Paying Agent for a like aggregate principal amount of Bonds of other authorized denominations upon the terms provided in the Ordinance.

The Bonds may be transferred in whole only, and the Lender agrees that it will only offer, sell, pledge, transfer or exchange this Bond (a) in accordance with an available exemption from the registration requirements of Section 5 of the Securities Act of 1933, as amended, (b) in accordance with any applicable state securities laws, and (c) in accordance with the provisions of the Ordinance. This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination having the same Maturity Date and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The City and the Paying Agent may deem and treat the Person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions and things required to be done and to exist precedent to and in the issuance of the Bonds have been done and performed and do exist in due and regular form and manner as required by the constitution and laws of the State of Missouri.

IN WITNESS WHEREOF, the **CITY OF HAZELWOOD, MISSOURI**, has caused this Bond to be executed by the manual or facsimile signature of its City Manager and attested by the manual or facsimile signature of its City Clerk and its official seal to be affixed or imprinted hereon.

CERTIFICATE OF AUTHENTICATION

CITY OF HAZELWOOD, MISSOURI

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

By: _____
City Manager

Registration Date: _____, 2020

(SEAL)
ATTEST:

City Clerk

ASSIGNMENT

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

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

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bond on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Medallion Signature Guarantee:

**EXHIBIT B
TO ORDINANCE**

FIRST DEED OF TRUST

[On file with the City Clerk]

**EXHIBIT C
TO ORDINANCE**

PLACEMENT AGENT AGREEMENT

[On file with the City Clerk]