

INTRODUCED BY: Councilmember John Tieman

DATE: June 24, 2024

**BILL NO. 9547**

**ORDINANCE NO. 7357**

**AN ORDINANCE AUTHORIZING THE CITY OF UNIVERSITY CITY, MISSOURI, TO ENTER INTO A LEASE PURCHASE TRANSACTION, THE PROCEEDS OF WHICH WILL BE USED TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, RECONSTRUCTING, REMODELING, EQUIPPING, FURNISHING AND OTHERWISE IMPROVING THE CITY HALL ANNEX BUILDING AND THE TRINITY BUILDING, AND PURCHASING POLICE VEHICLES AND EQUIPMENT; APPROVING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND REPEALING ORDINANCE NO. 7356.**

**WHEREAS**, the City of University City, Missouri (the “City”), desires to obtain funds to acquire, construct, reconstruct, remodel, equip, furnish and otherwise improve the City Hall Annex Building and the Trinity Building, and purchase police vehicles and equipment (the “Project”); and

**WHEREAS**, the City finds and determines that it is advantageous and in the best interests of the City to authorize the delivery of Certificates of Participation (City of University City, Missouri, Lessee), Series 2024 (the “Certificates”), in an aggregate principal amount not to exceed \$28,500,000, for the purpose of providing funds to (a) pay the costs of the Project and (b) pay the costs of executing and delivering the Certificates; and

**WHEREAS**, to facilitate the foregoing and to pay the costs thereof, it is necessary and desirable for the City to take the following actions:

(a) Enter into an annually-renewable Lease Purchase Agreement (the “Lease”) with UMB Bank, N.A., as trustee (the “Trustee”), pursuant to which the Trustee will lease a portion of the Project consisting of certain personal property described therein (the “Equipment”) on a year-to-year basis to the City with an option to purchase the Trustee’s interest in the Equipment, in substantially the form attached as **Exhibit A**;

(b) Approve a Declaration of Trust (the “Declaration of Trust”) by the Trustee, pursuant to which the Certificates will be executed and delivered, in substantially the form attached as **Exhibit B**;

(c) Approve an Official Statement with respect to the Certificates, to be in substantially the same form as the Preliminary Official Statement with respect to the Certificates, in substantially the form attached as **Exhibit C** (the “Preliminary Official Statement” and as supplemented and amended, the “Official Statement”);

(d) Execute a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”), pursuant to which the City will agree to provide certain financial information, operating data and notices of certain enumerated events with respect to the Certificates, in substantially the form attached as **Exhibit D**;

(e) Enter into a Tax Compliance Agreement (the “Tax Compliance Agreement”) with the Trustee, which sets forth certain representations, facts, expectations, terms and conditions relating to the use and investment of the proceeds of the Certificates to establish and maintain the exclusion of the Interest Portion of Basic Rent (as defined in the Lease) represented by the Certificates from gross income for federal income tax purposes and to provide guidance for complying with the arbitrage rebate provisions of §148(f) of the Internal Revenue Code, in substantially the form attached as **Exhibit E**; and

(f) Enter into an Amended and Restated Certificate Purchase Agreement (the “Purchase Agreement”) with the Trustee and Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Underwriter”), pursuant to which the City will sell the Certificates to the Underwriter, in substantially the form attached as **Exhibit F**.

The Lease, the Continuing Disclosure Undertaking, the Tax Compliance Agreement and the Purchase Agreement are referred to together herein as the “City Documents.” Capitalized terms used herein and not otherwise defined herein have the meanings assigned to such terms in the Lease; and

**WHEREAS**, the City Council finds and determines that it is necessary and desirable in connection with the lease of the Equipment and the delivery of the Certificates that the City enter into certain documents and that the City take certain other actions and approve the execution of certain other documents as herein provided; and

**WHEREAS**, on June 10, 2024, the City Council adopted Ordinance No. 7356, pursuant to which it approved a similar lease purchase transaction to the above-described transaction; and

**WHEREAS**, the lease purchase transaction authorized by Ordinance No. 7356 was not completed and, accordingly, the City Council desires to repeal Ordinance No. 7356.

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

**Section 1. Repeal of Ordinance No. 7356.** Ordinance No. 7356 is hereby repealed in its entirety.

**Section 2. Approval of Sale and Delivery of the Certificates.**

(a) The City hereby approves the sale of the Certificates for the purposes set forth in the recitals hereto so long as the sale parameters set forth in **Exhibit G** (the “Sale Parameters”) are satisfied. Upon satisfaction of the Sale Parameters, the City Manager is hereby authorized and directed, without any further authorization or direction from the City Council, to (1) approve the purchase price for the Certificates, the principal amounts by maturity, the interest rates, the prepayment provisions and the other final terms of the Certificates and (2) execute a Final Terms Certificate, in substantially the form attached as **Exhibit H**. The Certificates shall be sold to the Underwriter at the purchase price and upon the terms provided in the Purchase Agreement.

(b) The Certificates shall be delivered and secured pursuant to the Declaration of Trust. Delivery of the Certificates shall occur as soon as practicable after the approval of this Ordinance and upon payment for the Certificates in accordance with the terms of the sale as provided in the Purchase Agreement. The Certificates shall be in such denominations, shall be in such forms, 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 Declaration of Trust.

**Section 3. Limited Obligations.** The obligation of the City to pay Basic Rent under the Lease is subject to annual appropriation and shall constitute a current expense of the City. Such obligation shall not in any way be construed to be an indebtedness or liability of the City in contravention of any applicable constitutional, statutory or charter limitation or requirement concerning the creation of indebtedness or liability by the City, nor shall anything contained in the Lease constitute a pledge of the general tax revenues, funds or moneys of the City. All provisions of the Lease shall be construed so as to give effect to such intent.

**Section 4. Authorization and Approval of City Documents and Declaration of Trust.** The City Documents and the Declaration of Trust are hereby approved in substantially the forms attached to this Ordinance, with such changes therein as shall be approved by the City Manager. The City Manager's execution of the City Documents shall be conclusive evidence of such approval. The City Manager is hereby authorized and directed to execute and deliver the City Documents 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 the City Documents. Notwithstanding the foregoing, the pricing information related to Series 2024 Certificates contained in **Exhibits A - F** attached hereto is preliminary and subject to change. The final pricing information inserted into such documents shall conform with the parameters set forth on **Exhibit G** and the executed version of the Final Terms Certificate, which shall be in substantially the form attached hereto as **Exhibit H**.

**Section 5. No Sale, Lease or Disposition of Heritage Site.** The City Council hereby finds, determines and affirmatively states that the Lease, which applies only to the Equipment, does not include the sale, lease or disposition of any "Heritage Sites" as described in Article XI, Section 97 of the City Charter.

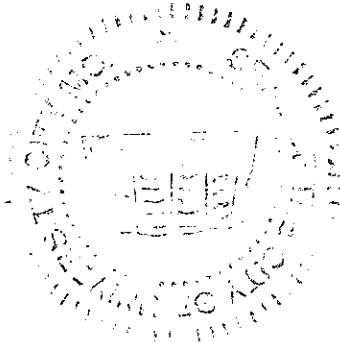
**Section 6. Approval of Official Statement.** The Preliminary Official Statement and the final Official Statement are hereby approved in substantially the form of the Preliminary Official Statement attached to this Ordinance, with such changes therein as shall be approved by the City Manager. The City Manager's execution of the Official Statement shall be conclusive evidence of his approval thereof. The City Manager is hereby authorized and directed to execute and deliver the Official Statement on behalf of and as the act and deed of the City. The City hereby authorizes and approves the public distribution of the final Official Statement by the Underwriter.

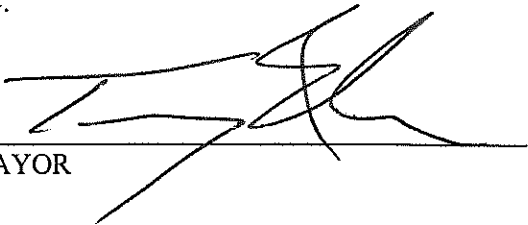
For the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the City hereby deems the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by the Rule. The appropriate officers of the City are hereby authorized, if requested, to provide the Underwriter a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Underwriter to comply with the requirements of the Rule.

**Section 7. Further Authority.** The City shall, and the officials and agents of the City are hereby authorized and directed to, take such actions, expend such funds and execute such other documents, certificates and instruments as may be necessary or advisable to carry out and comply with the intent of this Ordinance, including engaging counsel to assist with post-issuance tax and/or disclosure matters and to carry out, comply with and perform the duties of the City with respect to the delivery of the Certificates. The execution of such documents or taking of such actions shall be conclusive evidence of such necessity or advisability.

**Section 8. Effective Date.** This Ordinance shall take effect and be in force from and after its passage as provided by law.


**PASSED and ADOPTED** this 2<sup>nd</sup> day of July, 2024.



  
MAYOR

[SEAL]

ATTEST:

  
CITY CLERK

CERTIFIED TO BE CORRECT AS TO FORM:

  
CITY ATTORNEY

**EXHIBIT A**  
**LEASE PURCHASE AGREEMENT**

[On file with the City Clerk]



**LEASE PURCHASE AGREEMENT**

**between**

**UMB BANK, N.A.**

**and the**

**CITY OF UNIVERSITY CITY, MISSOURI**

**Dated as of June 1, 2024**

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## LEASE PURCHASE AGREEMENT

**THIS LEASE PURCHASE AGREEMENT** (this “Lease”), dated as of June 1, 2024, is entered into between **UMB BANK, N.A.**, a national banking association organized and existing under the laws of the United States of America, as trustee (the “Trustee”), and the **CITY OF UNIVERSITY CITY, MISSOURI**, a home-rule charter city and political subdivision organized and existing under the laws of the State of Missouri (the “City”).

### RECITALS:

1. Concurrently herewith, the Trustee has executed a Declaration of Trust (as hereinafter defined) pursuant to which the Trustee will execute and deliver a series of Certificates (as defined in the Declaration of Trust), the proceeds of which will be used to pay the costs of (a) acquiring, constructing, reconstructing, remodeling, equipping, furnishing and otherwise improving the City’s Annex Building and the Trinity Building and purchasing police vehicles and equipment (the “Project”) and (b) executing and delivering the Certificates.

2. The Trustee desires to convey by lease a portion of the Project consisting of certain personal property (as further described on **Schedule 1**, the “Equipment”) to the City, all subject to the terms and conditions and for the purposes set forth in this Lease.

3. The City is authorized under the constitution and laws of the State of Missouri to enter into this Lease for the purposes set forth herein.

**THEREFORE**, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

### ARTICLE I

#### DEFINITIONS

**Section 1.01. Definitions.** In addition to words and terms defined in the Declaration of Trust (which definitions are hereby incorporated by reference) and elsewhere in this Lease, the following words and terms used in this Lease shall have the following meanings, unless some other meaning is plainly intended:

“**Available Revenues**” means, for any Fiscal Year, any balances of the City from previous Fiscal Years encumbered to pay Rent, amounts budgeted or appropriated by the City for such Fiscal Year plus any unencumbered balances of the City from previous Fiscal Years that are legally available to pay Rent during such Fiscal Year, plus all moneys and investments, including earnings thereon, held by the Trustee pursuant to the Declaration of Trust.

“**Basic Rent**” means the Basic Rent Payments comprised of a Principal Portion and an Interest Portion as set forth on **Exhibit A**, as **Exhibit A** may be revised as provided in **Section 3.09** of the Declaration of Trust and **Section 4.08**.

“**Basic Rent Payment**” means a payment of Basic Rent.

**“Basic Rent Payment Date”** means each April 1 and October 1 during the Lease Term, commencing on April 1, 2025.

**“Business Day”** means a day other than (a) a Saturday or Sunday, (b) a day on which banks located in any city in which the principal corporate trust office or designated corporate trust office of the Trustee or any paying agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

**“City”** means the City of University City, Missouri, a home-rule charter city duly created, organized and existing under and by virtue of the laws of the State of Missouri, and its successors.

**“Completion Certificate”** means the certificate of the City given in accordance with **Section 5.03**.

**“Completion Date”** means the date of completion of the acquisition, construction and installation of the Project as that date shall be certified as provided in **Section 5.03**.

**“Continuing Disclosure Undertaking”** means the Continuing Disclosure Undertaking dated as of June 1, 2024, executed by the City, as from time to time amended.

**“Contract”** means any one of the agreements between the City and various parties, if any, providing for the acquisition, construction and installation of various portions of the Project.

**“Declaration of Trust”** means the Declaration of Trust dated as of June 1, 2024, by the Trustee, as from time to time amended or supplemented in accordance with its terms.

**“Equipment”** means the personal property described under the heading “Description of Equipment” on **Schedule 1**, including any modifications, additions, improvements, replacements or substitutions thereto or therefor; provided “Equipment” shall not include any motor vehicle or its replacement that is released from the lien of this Lease pursuant to **Section 3.07**.

**“Event of Default”** means an Event of Default as described in **Section 12.01**.

**“Event of Nonappropriation”** means an Event of Nonappropriation as described in **Section 3.04**.

**“Fiscal Year”** means the fiscal year of the City, currently the 12-month period beginning July 1.

**“Interest Portion”** means the portion of each Basic Rent Payment that represents the payment of interest as set forth on **Exhibit A**.

**“Lease”** means this Lease Purchase Agreement, dated as of June 1, 2024, between the Trustee, as lessor, and the City, as lessee, as from time to time amended or supplemented in accordance with its terms.

**“Lease Term”** means the Original Term and all Renewal Terms.

**“Net Proceeds”** means the amount remaining from the gross proceeds of any insurance claim, condemnation award or sale under threat of condemnation after deducting all reasonable expenses, including attorneys’ fees, incurred in the collection thereof.

**“Original Term”** means the period from the delivery of this Lease until the end of the Fiscal Year then in effect.

**“Principal Portion”** means the portion of each Basic Rent Payment that represents the payment of principal as set forth on **Exhibit A**.

**“Project”** means acquiring, constructing, reconstructing, remodeling, equipping, furnishing and otherwise improving the City’s Annex Building and Trinity Building, including acquiring, constructing and installing the Equipment.

**“Project Costs”** means all reasonable or necessary expenses related or incidental to the Project, including the expenses of studies, engineering services, legal and other special services and all other necessary and incidental expenses. Project Costs shall include Costs of Delivery.

**“Purchase Price”** means the amount designated as such in **Article X** that the City shall pay to the Trustee to purchase the Trustee’s interest in the Equipment.

**“Renewal Term”** means each renewal term of this Lease, each having a duration of one year and a term coextensive with the then-current Fiscal Year as provided in **Section 3.02**, except that the last possible Renewal Term shall end on April 2, 2049.

**“Rent”** means, collectively, Basic Rent and Supplemental Rent.

**“Rent Payment”** means a payment of Rent.

**“Special Tax Counsel”** means Gilmore & Bell, P.C., or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds or other obligations issued by states and political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America.

**“State”** means the State of Missouri.

**“Supplemental Lease”** means any amendment or supplement to this Lease entered into pursuant to **Article VIII** of the Declaration of Trust and **Section 13.05**.

**“Supplemental Rent”** means all amounts due hereunder other than Basic Rent.

**“Supplemental Rent Payment”** means a payment of Supplemental Rent.

**“Trustee”** means the party acting as Trustee under the Declaration of Trust.

**Section 1.02. 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 otherwise indicates, words importing the singular number shall include the plural and vice versa, and words importing persons 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 Lease as a whole and not solely to the particular article, section, paragraph or subparagraph in which such word is used.

Reference herein to a particular article, 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 Lease are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Lease.

**Section 1.03. Execution in Counterparts.** This Lease 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. 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.

**Section 1.04. Severability.** If any provision of this Lease 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 whatsoever.

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

**Section 1.05. Date of Lease.** The dating of this Lease as of June 1, 2024, is intended as and for the convenient identification of this Lease only and is not intended to indicate that this Lease was executed and delivered on said date, this Lease being executed and delivered and becoming effective simultaneously with the initial execution and delivery of the Series 2024 Certificates.

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

## ARTICLE II

### REPRESENTATIONS

**Section 2.01. Representations by the City.** The City represents and warrants, as of the date of delivery hereof, as follows:

(a) The City is a home-rule charter city duly created, organized and existing under and by virtue of the laws of the State with full power and authority to enter into this Lease and to perform all of its obligations hereunder.

(b) The City has full power and authority to enter into the transactions contemplated by this Lease and has been duly authorized to execute and deliver this Lease by proper action by

its governing body. This Lease is a valid, legal and binding obligation of the City enforceable in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws and equitable principles affecting creditors' rights generally.

(c) The lease of the Equipment by the Trustee to the City, as provided in this Lease, is necessary, desirable, in the public interest and consistent with the permissible scope of the City's authority. The City hereby declares its current need for the Equipment and its current expectation that it will continue to need and use the Equipment for the maximum Lease Term.

(d) The City's financial statements that have been used in connection with any offering of the Certificates present fairly, in accordance with the accrual basis of accounting, the financial position of the City as at their respective dates and the revenues and expenses and changes in fund balances for the periods covered thereby.

(e) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is a party or by which the City is bound.

(f) There is no proceeding pending or, to the City's knowledge, threatened in any court or before any governmental authority or arbitration board or tribunal challenging the validity of the proceedings of the governing body of the City authorizing this Lease or the power or authority of the City to enter into this Lease or the validity or enforceability of this Lease or which, if adversely determined, would adversely affect the transactions contemplated by this Lease or the interest of the Trustee under this Lease.

(g) The City has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the City's interests in any property now or hereafter included in the Equipment shall be or may be impaired, changed or encumbered in any manner whatsoever, except as contemplated by this Lease.

(h) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists.

(i) Upon completion, the Project will be structurally sound and in compliance with all applicable building and design codes and the City's requirements.

(j) The City has complied or will comply with any public bidding requirements that may be applicable to this Lease and the Project.

### ARTICLE III

#### DEMISING OF THE PROPERTY; LEASE TERM

**Section 3.01. Lease of Equipment.** The Trustee hereby conveys, demises, leases and lets to the City, and the City accepts, rents, leases and hires from the Trustee, the Equipment in accordance with this Lease for the Lease Term.

**Section 3.02. Lease Term.** The Original Term of this Lease shall terminate on the last day of the current Fiscal Year. The Lease Term may be continued, solely at the option of the City, at the end of the Original Term or any Renewal Term for an additional one year, provided that the final Renewal Term shall not extend beyond April 2, 2049. At the end of the Original Term and at the end of each Renewal Term, unless the City has terminated this Lease pursuant to **Section 3.04** or **10.01** and for no other reason, the City shall be deemed to have exercised its option to continue this Lease for the next Renewal Term. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except for any difference in the Rent as provided on **Exhibit A**.

**Section 3.03. Continuation of Lease Term by the City.** The City reasonably believes that legally available funds in an amount sufficient to make all payments of Rent during the Original Term and each of the Renewal Terms can be obtained. The City further covenants that its responsible financial officer shall make provision for such payments to the extent necessary in each proposed budget or appropriation request submitted for adoption in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision to budget and appropriate funds or to extend this Lease for any Renewal Term is to be made in accordance with the City's normal procedures for such decisions by the then-current governing body of the City.

**Section 3.04. Nonappropriation.** The City is obligated only to pay periodic payments under this Lease as may lawfully be made from Available Revenues. If an Event of Nonappropriation occurs, this Lease shall be deemed terminated at the end of the then-current Original Term or Renewal Term. An Event of Nonappropriation shall be deemed to have occurred if the City fails to budget, appropriate or otherwise provide for sufficient funds to pay Basic Rent and any reasonably anticipated Supplemental Rent to come due during the immediately following Renewal Term. The City agrees to deliver notice to the Trustee of such termination at least 90 days prior to the end of the then-current Original Term or Renewal Term, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If this Lease is terminated in accordance with this Section, the City agrees peaceably to transfer and surrender possession of the Equipment to the Trustee.

**Section 3.05. Enjoyment of Equipment.** The Trustee shall provide the City during the Lease Term with quiet use and enjoyment of the Equipment, and the City shall during the Lease Term peaceably and quietly have, hold and enjoy the Equipment, without suit, trouble or hindrance from the Trustee, except as expressly set forth in this Lease. The City shall have the right to use the Equipment for any essential governmental or proprietary purpose of the City, subject to the limitations contained in this Lease.

Notwithstanding any other provision in this Lease, the Trustee shall have no responsibility to cause the Equipment to be acquired or installed or to maintain or repair the Equipment. The City shall comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, State, local and other governments or governmental authorities, now or hereafter applicable to the Equipment, as to the manner and use or the condition of the Equipment. The City shall also comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried by the provisions of **Article VII**. The City shall pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the City to comply with the provisions of this Section. Notwithstanding any provision contained in this Section, however, the City shall have the right, at its own cost and expense, to contest or review by legal or other appropriate procedures the validity or legality of any such governmental statute, law, ordinance, order, judgment, decree, regulation, direction or requirement, or any such requirement, rule or regulation of an insurer and



during such contest or review, the City may refrain from complying therewith, if the City furnishes, on request, to the Trustee, at the City's expense, indemnity satisfactory to the Trustee.

**Section 3.06. Inspection; Location.** The Trustee and its agents shall have the right at all reasonable times and with reasonable notice during business hours to enter into and upon the property where the Equipment is located for the purpose of inspecting the Equipment. No item of the Equipment (other than motor vehicles), including replacement Equipment, will be moved or relocated from the location specified in Schedule 1 without notice to the Trustee.

**Section 3.07. Conditions for Release of Certain Portions of the Equipment.** So long as no Event of Default or Event of Nonappropriation has occurred and is continuing, the Trustee shall execute a form of release presented to it by the City, without the consent of any of the owners of the Certificates, to release any of the Equipment that constitutes a motor vehicle from the lien of this Lease upon receipt by the Trustee of the following:

- (a) a written request of the City for such release, describing the motor vehicle that is to be released and requesting the original certificate of title to be returned to the City; and
- (b) a certificate of the City stating that the motor vehicle has become worn out, undesirable or unnecessary or is due for replacement in accordance with the City's normal and customary replacement program.

Upon the Trustee's execution of such form of release, the Trustee shall deliver the original certificate of title to the City and the City shall take any further actions necessary to record or effect the release of the motor vehicle from the Lien of this Lease.

## ARTICLE IV

### RENT

**Section 4.01. Basic Rent.** The City shall promptly pay all Basic Rent, subject to **Sections 3.04** and **4.03**, in lawful money of the United States of America on each Basic Rent Payment Date in such amounts as are described on **Exhibit A**. A portion of each Basic Rent Payment is paid as, and represents payment of, interest as set forth on **Exhibit A** (said interest to be attributable to the various principal components in accordance with the per annum rates set forth on **Exhibit A**).

To provide for the timely payment of Basic Rent, the City shall pay to the Trustee for deposit in the Lease Revenue Fund not less than five Business Days before each Basic Rent Payment Date, the amount due on such Basic Rent Payment Date.

The City will, in accordance with the requirements of law and its normal budgeting procedures, fully budget and appropriate sufficient funds for the current Fiscal Year to make the Rent Payments scheduled to come due during the Original Term, and to meet its other obligations for the Original Term, and such funds will not be expended for other purposes.

**Section 4.02. Supplemental Rent.** The City shall pay, subject to **Sections 3.04** and **4.03**, as Supplemental Rent (a) all Impositions (as defined in **Article VI**); (b) all amounts required under **Section 4.04** and all other payments of whatever nature which the City has agreed to pay or assume under

this Lease; (c) all expenses, including attorneys' fees and expenses to the extent permitted by law, incurred in connection with the enforcement of any rights under this Lease by the Trustee; (d) all fees, charges and expenses of the Trustee as further provided in **Section 4.07**; and (e) any payments required to be made pursuant to the Tax Compliance Agreement. Amounts required to be paid under this Section shall be paid directly to the person or entity owed.

**Section 4.03. Rent Payments to Constitute a Current Expense and Limited Obligation of the City.** NOTWITHSTANDING ANY OTHER PROVISION HEREOF, THE TRUSTEE AND THE CITY UNDERSTAND AND INTEND THAT THE OBLIGATION OF THE CITY TO PAY RENT HEREUNDER BE LIMITED TO PAYMENT FROM AVAILABLE REVENUES AND SHALL CONSTITUTE A CURRENT EXPENSE OF THE CITY AND SHALL NOT IN ANY WAY BE CONSTRUED TO BE A DEBT OF THE CITY IN CONTRAVENTION OF ANY APPLICABLE CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATION OR REQUIREMENT CONCERNING THE CREATION OF INDEBTEDNESS BY THE CITY, NOR SHALL ANYTHING CONTAINED HEREIN CONSTITUTE A PLEDGE OF THE GENERAL TAX REVENUES, FUNDS OR MONEYS OF THE CITY, AND ALL PROVISIONS OF THIS LEASE SHALL BE CONSTRUED SO AS TO GIVE EFFECT TO SUCH INTENT.

**Section 4.04. Advances.** If the City fails to keep the Equipment in good repair, the Trustee may, but shall be under no obligation to, maintain and repair the Equipment and pay the cost thereof. All amounts so advanced by the Trustee shall constitute Supplemental Rent for the then-current Original Term or Renewal Term, and the City covenants and agrees to pay such amounts so advanced by the Trustee with interest thereon from the date advanced until the date paid at the Trustee's current prime rate plus 2% per annum or the maximum amount permitted by law, whichever is less. In accordance with Section 427.120 of the Revised Statutes of Missouri, unless the City provides evidence of the insurance coverage required by this Lease, the Trustee may purchase insurance at the City's expense to protect the Trustee's interests hereunder. This insurance may, but need not, protect the City's interests. The coverage that the Trustee may purchase may not pay any claim that the City may make or any claim that may be made against the City in connection with the Equipment. The City may later cancel any insurance purchased by the Trustee, but only after providing a certification signed by an Authorized Representative that the City has obtained insurance as required by this Lease. If the Trustee purchases insurance for the Equipment, the City will be responsible for the costs of that insurance, including the insurance premium, interest and any other charges the Trustee may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance will be added as Supplemental Rent. The costs of the insurance may be more than the cost of insurance the City may be able to obtain on its own.

**Section 4.05. Credit against Basic Rent Payment Obligation.** The City shall receive credit against its obligation to pay the Interest Portion or Principal Portion of Basic Rent to the extent moneys are on deposit in the Lease Revenue Fund and are available to pay the Interest Portion or the Principal Portion of Basic Rent represented by the Certificates.

**Section 4.06. Net Lease; Rent Payments to be Unconditional.** THIS LEASE IS INTENDED TO BE NET, NET, NET TO THE TRUSTEE, SUBJECT TO **SECTIONS 3.04, 4.03 AND 4.05**, AND THE OBLIGATIONS OF THE CITY TO MAKE PAYMENT OF THE RENT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SETOFF OR DEFENSE, FOR ANY REASON, INCLUDING ANY FAILURE OF THE EQUIPMENT TO BE ACQUIRED OR INSTALLED, ANY DEFECTS, MALFUNCTIONS,

## BREAKDOWNS OR INFIRMITIES IN THE EQUIPMENT OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES.

Nothing in this Lease shall be construed as a waiver by the City of any rights or claims the City may have against the Trustee under this Lease or otherwise, but any recovery upon such rights and claims shall be from the Trustee separately, it being the intent of this Lease that the City shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease, including its obligation to pay Basic Rent and Supplemental Rent. The City may, however, at its own cost and expense and in its own name or in the name of the Trustee, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect its rights of possession, occupancy and use hereunder, and in such event the Trustee hereby agrees, subject to receipt by the Trustee of satisfactory indemnity in accordance with **Section 11.03** of the Declaration of Trust, to cooperate fully with the City and at the request of the Owners of a majority in aggregate Principal Portion of Basic Rent Payments represented by the Certificates then-Outstanding, to take all action necessary to effect the substitution of the City for the Trustee in any such action or proceeding if the City shall so request.

**Section 4.07. Compensation of the Trustee.** The City shall, from time to time, upon the written request of the Trustee, (a) pay to the Trustee reasonable compensation for its services as agreed to by the City and the Trustee from time to time (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) and (b) reimburse the Trustee for all reasonable advances, fees, costs and expenses, including but not limited to, advances to and reasonable fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys or other experts employed by it in the exercise and performance of its powers and duties hereunder. Compensation under this Section is to be paid as Supplemental Rent as set forth in **Section 4.02**, except that the initial fee is to be included in Costs of Delivery. The Trustee will have a first lien against the Trust Estate for its reasonable costs, fees, expenses and advances hereunder or under the Declaration of Trust. If it becomes necessary for the Trustee to perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith (including without limitation attorneys' fees and expenses); provided that if such extraordinary services or extraordinary expenses are occasioned by the negligence or willful misconduct of the Trustee, it shall not be entitled to compensation for reimbursement thereof.

**Section 4.08. Increased Basic Rent.** Notwithstanding any other provision of this Lease, the Trustee and the City may enter into a Supplemental Lease or Supplemental Leases that increase the amount of Basic Rent payable by the City on any Basic Rent Payment Date in connection with the delivery of Additional Certificates under **Section 3.09** of the Declaration of Trust. Each such Supplemental Lease will include an amended **Exhibit A** reflecting separately the Principal Portion and the Interest Portion of Basic Rent allocable to the original Lease and to each Supplemental Lease due on each Basic Rent Payment Date as well as the total Basic Rent due on each Basic Rent Payment Date.

## ARTICLE V

### ACQUISITION, CONSTRUCTION AND INSTALLATION OF THE PROJECT

**Section 5.01. Acquisition, Construction and Installation.** The City represents, warrants, covenants and agrees as follows:

(a) It has entered into or will enter into Contracts providing for the acquisition, construction and installation of the Project in accordance with the City's plans and specifications;

(b) It will cause the acquisition, construction and installation of the Project to be completed with all reasonable dispatch in accordance with the applicable provisions of this Lease;

(c) All Contracts entered into or to be entered into by the City relating to such work shall be in accordance with all applicable requirements of the laws of the State and shall have the performance bonds required by **Section 7.01(d)**;

(d) It has obtained or shall obtain all necessary or required permits, licenses, consents and approvals that are material for the purchase, construction, installation, operation and maintenance of the Project and shall comply with all lawful requirements of any governmental body regarding the use or condition of the Project, whether existing or later enacted or foreseen or unforeseen or whether involving any change in governmental policy or requiring structural or other changes to the Project and irrespective of the cost of so complying;

(e) It will pay all fees, costs and expenses incurred in purchasing, constructing and installing the Project or, to the extent there are moneys in the Project Fund available therefor, will request the Trustee to make such payments from the Project Fund in the manner hereinafter and in the Declaration of Trust provided; and

(f) It will ask, demand, sue for and use its best efforts to recover and receive such sums of money, debts or other demand to which it may be entitled under any contract, order, receipt, guaranty, warranty, writing or instruction in connection with the purchase, construction and installation of the Project, and it will use its best efforts, to the extent economically reasonable, to enforce the provisions of any contract, agreement, obligation, bond or other security in connection therewith, and any such amounts received in connection with the foregoing, after deduction of expenses incurred in recovering such amounts, shall be paid to the Trustee for deposit in the Project Fund if the Completion Date has not occurred or for deposit in the Lease Revenue Fund if the Completion Date has occurred.

If the purchase, construction and installation of the Project or any portion thereof is delayed or fails to occur for any reason, there shall be no diminution in or postponement of the payments to be made by the City hereunder.

The Trustee is not the agent or representative of the City, and the City is not the agent of the Trustee, and this Lease shall not be construed to make the Trustee liable to materialmen, contractors, subcontractors, craftsmen, laborers or others for goods or services delivered by them in connection with the Project, or for debts or claims accruing to the aforesaid parties against the City. This Lease shall not create any contractual relation either express or implied between the Trustee and any materialmen, contractors, subcontractors, craftsmen, laborers or any other persons supplying any work, labor or materials in connection with the Project. Notwithstanding anything herein or in the Declaration of Trust to the contrary, during the Lease Term, the Trustee shall not be deemed to exercise control over or be an operator or owner of the Project and shall not be responsible or liable for the operation, use and maintenance of the Project.

**Section 5.02. Payment of Project Costs.** Costs and expenses of every nature that qualify as Project Costs shall be paid by the Trustee from the Project Fund upon receipt by the Trustee of a completed

request of the City signed by an Authorized Representative and containing the statements, representations and certifications set forth in the form of such request attached to the Declaration of Trust as **Exhibit B**.

In making disbursements for Project Costs, the Trustee shall be entitled to conclusively rely upon each executed requisition certificate without inquiry or investigation. It is understood that the Trustee shall *not* make any inspections of the Project, make any provision to obtain completion bonds, mechanics' or materialmen's lien releases or otherwise supervise any phase of the acquisition, construction or installation of the Project. The approval of each requisition certificate by an Authorized Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Project Fund have been completed.

**Section 5.03. Completion Date; Excess Funds.** The Completion Date shall be evidenced to the Trustee upon receipt by the Trustee of a certificate signed by an Authorized Representative (the "Completion Certificate") stating (a) the date on which the Project was substantially completed, (b) that all other facilities necessary in connection with the Project have been purchased, constructed and/or installed, (c) that the Project has been completed in accordance with the plans and specifications therefor and in conformance with all applicable zoning, planning, building, environmental and other similar governmental regulations, (d) that, except for Project Costs described in accordance with clause (e), all Project Costs have been paid, and (e) the amounts, if any, to be retained in the Project Fund for the payment of Project Costs, if any, not yet due or Project Costs whose liability the City is contesting, and amounts that otherwise should be retained and the reasons they should be retained. The Completion Certificate may state that it is given without prejudice to any rights of the City that then exist or may subsequently come into being against third parties. Any amounts remaining in the Project Fund that are not needed to pay any remaining Project Costs shall be transferred to the Lease Revenue Fund.

**Section 5.04. Warranties.** The Trustee hereby assigns to the City for and during the Lease Term, all of its interest in all warranties, guarantees or other contract rights against any architect, contractor, subcontractor or supplier, express or implied, issued on or applicable to the Project, and the Trustee hereby authorizes the City to obtain the customary services furnished in connection with such warranties, guarantees or other contract rights at the City's expense. The City's sole remedy for the breach of such warranties, guarantees or other contract rights shall be against any architect, contractor, subcontractor or supplier, and not against the Trustee, nor shall such matter have any effect whatsoever on the rights of the Trustee with respect to this Lease, including the right to receive full and timely Basic Rent Payments and Supplemental Rent Payments. The City expressly acknowledges that the Trustee does not make nor has it made any representation or warranty whatsoever as to the existence or availability of such warranties, guarantees or other contract rights of the manufacturer or supplier of any portion of the Project.

**Section 5.05. DISCLAIMER OF WARRANTIES.** THE TRUSTEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE PROJECT OR ANY PART THEREOF. IN NO EVENT SHALL THE TRUSTEE BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS LEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR THE CITY'S USE OF THE PROJECT OR ANY PART THEREOF.

**Section 5.06. Deficiency of Project Fund.** If the Project Fund shall be insufficient to pay fully all Project Costs and to fully acquire, construct and install the Project lien free, the City shall pay, in cash, the full amount of any such deficiency by making payments directly to the contractors and to the suppliers of materials and services as the same shall become due. The Trustee is not obligated to pay and shall not

be responsible for any such deficiency, and the City shall save the Trustee whole and harmless from any obligation to pay such deficiency.

## ARTICLE VI

### IMPOSITIONS

**Section 6.01. Impositions.** The City shall bear, pay and discharge, before the delinquency thereof, as Supplemental Rent, all taxes and assessments, general and special, if any, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the Equipment, including any taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against personal property, and further including all charges, assessments and other general governmental charges and impositions whatsoever, foreseen or unforeseen, which if not paid when due would impair the security of the Trustee or encumber the Equipment (all of the foregoing being herein referred to as “Impositions”).

**Section 6.02. Contest of Impositions.** The City shall have the right, in its own name or in the Trustee’s name, to contest the validity or amount of any Imposition which the City is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least 10 days before the Imposition complained of becomes delinquent and may permit the Imposition so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Trustee shall notify the City that, in the opinion of counsel, by nonpayment of any such items the interest of the Trustee in the Equipment will be endangered or the Equipment or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the Trustee with full security against any loss which may result from nonpayment in form satisfactory to the Trustee. The Trustee agrees to cooperate with the City in connection with any and all administrative or judicial proceedings related to Impositions. The City shall hold the Trustee whole and harmless from any costs and expenses the Trustee may incur with respect to any Imposition.

## ARTICLE VII

### INSURANCE; INDEMNITY

**Section 7.01. Insurance Required.** The City shall, during the Lease Term, cause the Equipment to be kept continuously insured against such risks customarily insured against for property such as the Equipment and shall pay (except as otherwise provided herein), as the same becomes due, all premiums in respect thereof, such insurance to include the following policies of insurance:

- (a) To the extent insurable, insurance insuring the Equipment against loss or damage by fire, lightning and all other risks covered by the extended coverage insurance endorsement then in use in the State in an amount not less than the greater of the Principal Portion of the Certificates then-Outstanding or the replacement value of the Equipment and issued by such insurance company or companies authorized to do business in the State as may be selected by the City. The policy or policies of such insurance shall name the City and the Trustee as insureds, as their respective interests may appear. All proceeds from such policies of insurance shall be applied as provided in **Article IX**.

(b) Comprehensive general accident and public liability insurance (including coverage for all losses whatsoever arising from the ownership, maintenance, operation or use of any automobile, truck or other motor vehicle), under which the City and the Trustee are named as insureds, in an amount not less than the limits of liability set by Section 537.610 of the Revised Statutes of Missouri.

(c) Workers' compensation and unemployment coverages to the extent, if any, required by the laws of the State.

(d) Performance and labor and material payment bonds with respect to the Contracts in the full amount of the Contracts from surety companies qualified to do business in the State.

Not less than 15 days prior to the expiration dates of the expiring policies, originals or copies of the policies required by this Section or certificates evidencing such insurance will be delivered by the City to the Trustee showing continuation of the expiring policies. All policies of such insurance, and all renewals thereof, shall contain a provision that such insurance may not be canceled by the issuer thereof without at least 30 days' written notice to the City and the Trustee.

Nothing in this Lease shall be construed as preventing the City from satisfying the insurance requirements herein set forth by using blanket policies of insurance or self-insurance provided each and all of the requirements and specifications of this Lease respecting insurance are complied with.

**Section 7.02. Enforcement of Contract and Surety Bonds.** In the event of material default of any contractor or subcontractor under a Contract or any other contract made in connection with the acquisition, construction and installation of the Project, or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the City will promptly proceed, either separately or in conjunction with others, to pursue diligently the remedies of the City against the contractor or subcontractor in default and against each surety on a bond securing the performance of such contract. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery and after reimbursement to the City of any amounts theretofore paid by the City not previously reimbursed to the City for correction or remedying of the default which gave rise to the proceedings against the contractor or subcontractor or surety, shall be paid to the Trustee for deposit in the Project Fund if received before the Completion Date or, if such funds are received after the Completion Date, for deposit in the Lease Revenue Fund to be used solely for the purpose of paying Basic Rent under this Lease.

**Section 7.03. Release and Indemnification.** To the extent permitted by law, the City shall indemnify, protect, hold harmless, save and keep the Trustee and its officials, officers, shareholders, employees, directors, attorneys and agents harmless from and against any and all liability, obligation, loss, claim, tax (other than income taxes or other taxes on or attributable to Rent Payments, if any, which are received by the Trustee in its individual capacity) and damage whatsoever and all expenses in connection therewith (including attorneys' fees and expenses) that are not caused by the negligence or willful misconduct of the party seeking indemnification under this Section arising out of or as the result of (a) the entering into of this Lease and the Declaration of Trust, (b) the acquisition, construction and installation of the Project, (c) injury, actual or claimed, of whatever kind or character, to property or persons, occurring or allegedly occurring in, on or about the Equipment during the Lease Term, and/or (d) the breach of any covenant or any material misrepresentation by the City contained herein; provided that the City shall have the right to conduct the Trustee's defense through counsel designated by the City and approved by the Trustee, which approval shall not be unreasonably withheld; provided further that the Trustee may retain

separate counsel, at the expense of the City, if counsel selected by the City fails to actively and competently pursue a defense, or if the Trustee believes in good faith that there are defenses available to it that are not available to the City or that are adverse to or in conflict with those available to the City or that the Trustee believes in good faith cannot be asserted by common counsel. The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease and the Declaration of Trust or the termination of this Lease for any reason.

## ARTICLE VIII

### COVENANTS OF THE CITY

**Section 8.01. Maintenance and Modification of Equipment by the City.** The City will at its own expense (a) keep the Equipment in a safe condition, (b) with respect to the Equipment, comply with all applicable health and safety standards and all other industrial requirements or restrictions enacted or promulgated by the State, or any political subdivision or agency thereof, or by the government of the United States of America or any agency thereof, and (c) keep the Equipment in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; provided, however, that the City will have no obligation to operate, maintain, preserve, repair, replace or renew any element or unit of the Equipment the maintenance, repair, replacement or renewal of which becomes uneconomical to the City because of damage, destruction or obsolescence, or change in economic or business conditions, or change in government standards and regulations. The City shall not permit others to commit a nuisance in or about the Equipment or itself commit a nuisance in connection with its use of the Equipment. The City will pay all costs and expenses of operation of the Equipment.

The City may, also at its own expense, make from time to time any additions, modifications or improvements to the Equipment that it may deem desirable for its business purposes and that do not materially impair the structural strength or effective use, or materially decrease the value, of the Equipment. All additions, modifications or improvements made by the City pursuant to the authority of this Section shall (1) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (2) when commenced, be pursued to completion with due diligence and (3) when completed, be deemed a part of the Equipment.

During the Lease Term, the Equipment will be used by the City only for the purpose of performing essential governmental or proprietary functions of the City consistent with the permissible scope of the City's authority.

**Section 8.02. City's Continuing Existence.** The City will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

**Section 8.03. Continuing Disclosure.** The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Lease, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered a default or an Event of Default under this Lease; provided, however, that any Owners of Certificates may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations under this Section.



## ARTICLE IX

### CASUALTY AND CONDEMNATION

**Section 9.01. Damage, Destruction and Condemnation.** The City shall bear the risk of loss with respect to the Equipment during the Lease Term. If (a) the Equipment is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be nonexistent or deficient or taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, the Net Proceeds will be paid to the Trustee. Upon the written direction of the City, the Trustee will disburse the Net Proceeds of any insurance claim, condemnation award or sale under threat of condemnation as directed by the City to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless the City shall have exercised its option to purchase the Trustee's interest in the Equipment by making payment of the Purchase Price as provided herein. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to the City and shall be held and appropriated by the City for the exclusive purpose of paying Rent under this Lease.

If the City determines that the replacement, repair, restoration, modification or improvement of the Equipment is not economically feasible or in the best interest of the City, then, in lieu of making such replacement, repair, restoration, modification or improvement and if permitted by law, the City shall promptly purchase the Trustee's interest in the Equipment pursuant to **Section 10.01(c)** by paying the Purchase Price and any Net Proceeds shall be applied by the City to such payment to the extent required for such payment. Any balance of the Net Proceeds remaining after paying the Purchase Price shall belong to the City.

**Section 9.02. Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to in **Section 9.01** and the City has not elected to purchase the Trustee's interest in the Equipment pursuant to **Section 10.01(c)**, the City shall complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and, if the City shall make any payments pursuant to this Section, the City shall not be entitled to any reimbursement thereof from the Trustee nor shall the City be entitled to any diminution of Rent.

**Section 9.03. Eminent Domain.** Under State statutes, the City has the power to condemn property for its purposes, and the City acknowledges that condemnation of the Equipment would adversely affect the Trustee. The City has agreed to the terms of the acquisition of the Equipment, at the City's option, and to the use of the Equipment, all as set forth in this Lease. Any acquisition of the Trustee's interest in the Equipment or rights to its use by the City (whether pursuant to the exercise of eminent domain powers or otherwise) shall be pursuant to and in accordance with this Lease, including payment of Rent Payments and the applicable Purchase Price. If the City allows this Lease to expire without exercising its option to purchase (whether by failure to exercise its option to extend this Lease for a Renewal Term, failure to exercise its option to purchase at the conclusion of the maximum Lease Term or failure to cure an Event of Default), that action shall constitute an irrevocable determination by the City that the Equipment is not required by it for any public purpose for the term of this Lease.

The City hereby covenants and agrees, to the extent it may lawfully do so, that if for any reason it exercises the power of eminent domain with respect to the Equipment, the appraisal value of the Equipment shall not be less than the Rent Payments then due plus the then applicable Purchase Price.

If title to all or a portion of the Equipment is challenged or threatened by means of competent legal or equitable action, the City covenants that it shall cooperate with the Trustee and shall take all reasonable actions, including where appropriate the lawful exercise of the City's power of eminent domain, in order to quiet title to the Equipment in the City.

## ARTICLE X

### OPTION TO PURCHASE; PARTIAL PREPAYMENT

**Section 10.01. Purchase Option.** The City shall have the option to purchase the Trustee's interest in the Equipment, upon giving written notice to the Trustee at least 30 days before the date of purchase, at the following times and on the following terms:

(a) At any time on or after the date stated for *Optional Prepayment* in **Section 5.02(a)** of the Declaration of Trust, upon payment in full of the Rent Payments then due hereunder plus a Purchase Price equal to the remaining Principal Portions of Basic Rent for the maximum Lease Term plus the Interest Portion of Basic Rent accrued to the purchase date;

(b) On any date upon deposit of funds or Government Obligations or both with the Trustee in accordance with **Article X** of the Declaration of Trust in the amount necessary to provide for the Basic Rent Payments until and on, and the Purchase Price calculated as described in (a) above on the Certificates to, any date occurring on or after the date stated for *Optional Prepayment* in **Section 5.02(a)** of the Declaration of Trust; or

(c) In the event of substantial damage to or destruction or condemnation (other than condemnation by the City or any entity controlled by or otherwise affiliated with the City) of, or loss of title to, substantially all of the Equipment, or if as a result of changes in the constitution of the State or legislative or administrative action by the State or the United States, this Lease or the Declaration of Trust becomes unenforceable, on the date the City specifies as the purchase date in the City's notice to the Trustee of its exercise of the purchase option, upon payment in full of the Rent Payments then due hereunder plus a Purchase Price equal to the remaining Principal Portions of Basic Rent for the maximum Lease Term plus the Interest Portion of Basic Rent accrued to the purchase date.

Unless the maturity date of any Certificates Outstanding shall have been extended pursuant to the Declaration of Trust, then upon payment in full of all Rent Payments through April 1, 2049, the City shall be deemed to have purchased the Equipment pursuant to this Section.

**Section 10.02. Partial Prepayment.** The City shall have the option to prepay the Basic Rent Payments in part, upon giving written notice to the Trustee at least 30 days before the date of such prepayment, on any date occurring on or after the date stated for *Optional Prepayment* in **Section 5.02(a)** of the Declaration of Trust, at a Prepayment Price equal to the Principal Portion of Basic Rent being so prepaid plus the Interest Portion of Basic Rent accrued thereon to such date.

The Principal Portion of Basic Rent prepaid pursuant to the provisions of this **Section 10.02** shall be in integral multiples of \$5,000 and shall be credited in inverse order of maturity. Upon any partial prepayment, the amount of each Interest Portion of Basic Rent coming due thereafter shall be reduced by the amount of such Interest Portion attributable to such prepaid Principal Portion determined by applying the annual interest rate corresponding to such prepaid Principal Portion as shown on **Exhibit A**.

**Section 10.03. Determination of Fair Rent and Purchase Price.** The City hereby agrees and determines that the Rent hereunder during the Original Term and any Renewal Term represents the fair value of the use of the Equipment and that the Purchase Price required to exercise the City's option to purchase the Trustee's interest in the Equipment pursuant to **Section 10.01** represents, as of the end of the Original Term or any Renewal Term, the fair Purchase Price of the Equipment. The City hereby determines that the Rent does not exceed a reasonable amount so as to place the City under an economic practical compulsion to renew this Lease or to exercise its option to purchase the Equipment hereunder. In making such determinations, the City has given consideration to the costs of the Equipment, the uses and purposes for which the Equipment will be employed by the City, the benefit to the City by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Lease and the City's option to purchase the Equipment. The City hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Lease will result in Equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by the City other than pursuant to this Lease. The City hereby determines and declares that the maximum Lease Term does not exceed the useful life of the Equipment.

## ARTICLE XI

### ASSIGNMENT

**Section 11.01. Assignment and Subleasing by the City.** Except as hereinafter expressly provided, none of the City's right, title and interest in, to and under this Lease and in the Equipment may be assigned or encumbered by the City for any reason; except that the City may sublease any one or more parts of the Equipment if the City obtains and delivers to the Trustee an opinion of Special Tax Counsel that such subleasing will not adversely affect the exclusion of the Interest Portion of the Basic Rent Payments from gross income for purposes of federal income taxation. Any such sublease of all or part of the Equipment shall be subject to this Lease and the rights of the Trustee in, to and under this Lease and in the Equipment.

## ARTICLE XII

### EVENTS OF DEFAULT

**Section 12.01. Events of Default Defined.** Any of the following shall constitute an "Event of Default" under this Lease:

- (a) Failure by the City to make any deposits required by **Section 4.01** to pay Basic Rent in the Lease Revenue Fund at the time specified herein;
- (b) Failure by the City to make any Supplemental Rent Payment when due and the continuance of such failure for 10 days after written notice specifying such failure and requesting that it be remedied is given to the City by the Trustee;
- (c) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in subparagraph (a) or (b) above, for a period of 30 days after written notice specifying such failure and requesting that it

be remedied is given to the City by the Trustee unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, the Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected;

(d) Any statement, representation or warranty made by the City in or pursuant to this Lease or the execution, delivery or performance of it shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(e) Any provision of this Lease shall at any time for any reason cease to be valid and binding on the City, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the City or any governmental agency or authority, if the loss of such provision would materially adversely affect the rights or security of the Trustee; or

(f) The City becomes insolvent or admits in writing its inability to pay its debts as they mature or applies for, consents to or acquiesces in the appointment of a trustee, receiver or custodian for the City or a substantial part of its property; or in the absence of such application, consent or acquiescence, a trustee, receiver or custodian is appointed for the City or a substantial part of its property and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, moratorium or any proceeding under bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is instituted by or against the City and, if instituted against the City, is consented to or acquiesced in by the City or is not dismissed within 60 days.

If the City fails to comply with the Continuing Disclosure Undertaking, such failure shall not be an Event of Default under this Lease.

**Section 12.02. Remedies on Default.** Whenever any Event of Default exists, the Trustee shall have the right, without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to the City, the Trustee may declare all Rent payable by the City hereunder to the end of the then-current Original Term or Renewal Term to be due;

(b) With or without terminating this Lease, the Trustee may take possession of the Equipment (in which event the City shall take all actions necessary to authorize, execute and deliver to the Trustee all documents necessary to vest in the Trustee all of the City's interest in the Equipment) and sell the Equipment or lease the Equipment or, for the account of the City, sublease the Equipment continuing to hold the City liable for the difference between (1) the Rent payable by the City hereunder for the then-current Original Term or Renewal Term, as the case may be, and (2) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of the Trustee in exercising its remedies under this Lease, including without limitation all expenses of taking possession of, removing, storing, reconditioning, and selling or leasing or subleasing the Equipment and all brokerage, auctioneers' and attorneys' fees);

(c) The Trustee may terminate any rights the City may have in any funds held by the Trustee under the Declaration of Trust; and

(d) The Trustee may take whatever action at law or in equity necessary or desirable to enforce its rights in the Equipment and under this Lease.

**Section 12.03. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease and now or hereafter existing at law or in equity. No delay or omission 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 thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

## ARTICLE XIII

### MISCELLANEOUS

**Section 13.01. Notices.** All notices, certificates or other communications to be given or to be served upon any party in connection with this Lease shall be given in accordance with **Section 12.03** of the Declaration of Trust.

#### **Section 13.02. Title to Equipment.**

(a) Title to the Equipment shall vest in the City subject to the Trustee's rights under this Lease; provided that title thereto shall thereafter immediately and without any action by the City vest in the Trustee and the City shall immediately surrender possession thereof to the Trustee upon (i) any termination of this Lease without the City exercising its option to purchase pursuant to **Section 10.01** or (ii) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to the Trustee pursuant to this Section shall occur automatically without the necessity of any deed, bill of sale, certificate of title or other instrument of conveyance. Nevertheless, the City shall execute and deliver any such instruments as the Trustee may request to evidence such transfer.

(b) The City will cause each certificate of title for any motor vehicle that constitutes part of the Equipment to show the Trustee as lienholder, until such lien is released in accordance with **Section 3.07**. The City will cause the original certificate of title for each motor vehicle that constitutes part of the Equipment to be delivered to the Trustee for retention in the Trustee's files until the Trustee's lien is released in accordance with **Section 3.07**.

**Section 13.03. Personal Property.** The Trustee and the City agree that the Equipment is and will remain personal property. The Equipment will not be deemed to be affixed to or a part of the real estate or building on or under which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed to, buried in or otherwise attached to such real estate or any building thereon. If necessary to protect the security interest of the Trustee, the City will, at the City's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

To secure the payment of all of the City's obligations under this Lease, to the extent permitted by law, the Trustee retains a security interest in the Equipment and all additions, attachments and accessions thereto, substitutions therefor and proceeds therefrom. The City shall execute all additional documents, including financing statements, affidavits, notices and similar instruments that are necessary or appropriate to establish and maintain such security interest. The City agrees to file or cause to be filed financing statements with respect to the Equipment in favor of the Trustee.

**Section 13.04. Binding Effect.** This Lease shall inure to the benefit of and shall be binding upon the Trustee and the City and their respective successors and assigns.

**Section 13.05. Amendments, Changes and Modifications.** This Lease may not be effectively amended, changed, modified, altered or supplemented except with the written consent of the Trustee and the City and as provided in the Declaration of Trust.

**Section 13.06. Electronic Transaction.** The parties agree that the transaction described herein 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.

**Section 13.07. Anti-Discrimination Against Israel Act.** Pursuant to Section 34.600 of the Revised Statutes of Missouri, the Trustee certifies it is not currently engaged in and shall not, for the duration of this Lease, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or (c) persons or entities doing business in the State of Israel.

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**IN WITNESS WHEREOF**, the Trustee and the City have caused this Lease to be executed in their names by their duly authorized representatives as of the date first above written.

**UMB BANK, N.A.,  
as Trustee**

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

**CITY OF UNIVERSITY CITY, MISSOURI**

By: \_\_\_\_\_  
Gregory Rose, City Manager

[SEAL]

ATTEST:

\_\_\_\_\_  
LaRette Reese, City Clerk



**SCHEDULE 1**  
**TO LEASE PURCHASE AGREEMENT**  
**DESCRIPTION OF EQUIPMENT**

As of the date of delivery of the Lease, the City expects the Equipment to generally consist of the following:

<u>Equipment Description</u>	<u>Estimated Value</u>
Police vehicles	\$1,250,000
Furniture	575,000
Police radios	550,000
Training simulator	250,000
Dispatch consoles	100,000
Speed trailers	70,000
Miscellaneous office equipment (i.e., computers, copiers, printers, scanners, etc.)	60,000
Mobile rapid deployment cameras	<u>45,000</u>
TOTAL	\$2,900,000

The City is not obligated to purchase all of the Equipment described above, nor is the City limited by the estimated values shown above. The Equipment subject to the Lease will solely be the Equipment that is described in the Requisition Certificates submitted to the Trustee pursuant to the Declaration of Trust, and this Schedule 1 will be deemed to incorporate all Equipment listed on such Requisition Certificates.

**EXHIBIT A  
TO LEASE PURCHASE AGREEMENT**

**SCHEDULE OF BASIC RENT PAYMENTS AND PURCHASE PRICE  
SERIES 2024 CERTIFICATES**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
07/09/2024					
04/01/2025	820,000	5.000%	938,651.39	1,758,651.39	1,758,651.39
10/01/2025			624,374.99	624,374.99	
04/01/2026	560,000	5.000%	624,374.99	1,184,374.99	1,808,749.98
10/01/2026			610,375.01	610,375.01	
04/01/2027	590,000	5.000%	610,375.01	1,200,375.01	1,810,750.02
10/01/2027			595,625.00	595,625.00	
04/01/2028	620,000	5.000%	595,625.00	1,215,625.00	1,811,250.00
10/01/2028			580,125.00	580,125.00	
04/01/2029	650,000	5.000%	580,125.00	1,230,125.00	1,810,250.00
10/01/2029			563,875.00	563,875.00	
04/01/2030	680,000	5.000%	563,875.00	1,243,875.00	1,807,750.00
10/01/2030			546,875.00	546,875.00	
04/01/2031	715,000	5.000%	546,875.00	1,261,875.00	1,808,750.00
10/01/2031			528,999.99	528,999.99	
04/01/2032	750,000	5.000%	528,999.99	1,278,999.99	1,807,999.98
10/01/2032			510,250.00	510,250.00	
04/01/2033	790,000	5.000%	510,250.00	1,300,250.00	1,810,500.00
10/01/2033			490,499.99	490,499.99	
04/01/2034	830,000	5.000%	490,499.99	1,320,499.99	1,810,999.98
10/01/2034			469,749.99	469,749.99	
04/01/2035	870,000	5.000%	469,749.99	1,339,749.99	1,809,499.98
10/01/2035			448,000.00	448,000.00	
04/01/2036	915,000	5.000%	448,000.00	1,363,000.00	1,811,000.00
10/01/2036			425,124.99	425,124.99	
04/01/2037	960,000	5.000%	425,124.99	1,385,124.99	1,810,249.98
10/01/2037			401,125.00	401,125.00	
04/01/2038	1,010,000	5.000%	401,125.00	1,411,125.00	1,812,250.00
10/01/2038			375,875.00	375,875.00	
04/01/2039	1,060,000	5.000%	375,875.00	1,435,875.00	1,811,750.00
10/01/2039			349,375.00	349,375.00	
04/01/2040	1,110,000	5.000%	349,375.00	1,459,375.00	1,808,750.00
10/01/2040			321,625.00	321,625.00	
04/01/2041	1,165,000	5.000%	321,625.00	1,486,625.00	1,808,250.00
10/01/2041			292,500.00	292,500.00	
04/01/2042	1,225,000	5.000%	292,500.00	1,517,500.00	1,810,000.00
10/01/2042			261,875.00	261,875.00	
04/01/2043	1,285,000	5.000%	261,875.00	1,546,875.00	1,808,750.00
10/01/2043			229,750.00	229,750.00	
04/01/2044	1,350,000	5.000%	229,750.00	1,579,750.00	1,809,500.00
10/01/2044			196,000.01	196,000.01	
04/01/2045	1,420,000	5.000%	196,000.01	1,616,000.01	1,812,000.02
10/01/2045			160,500.00	160,500.00	
04/01/2046	1,490,000	5.000%	160,500.00	1,650,500.00	1,811,000.00
10/01/2046			123,250.00	123,250.00	
04/01/2047	1,565,000	5.000%	123,250.00	1,688,250.00	1,811,500.00
10/01/2047			84,125.01	84,125.01	
04/01/2048	1,640,000	5.000%	84,125.01	1,724,125.01	1,808,250.02
10/01/2048			43,125.00	43,125.00	
04/01/2049	1,725,000	5.000%	43,125.00	1,768,125.00	1,811,250.00
	25,795,000		19,404,651.35	45,199,651.35	45,199,651.35

<u>Basic Rent Payment Date</u>	<u>Purchase Price on Basic Rent Payment Date through but excluding next Payment of the Principal Portion of Basic Rent</u>
Beginning Balance	\$25,795,000
04/01/2025	24,975,000
04/01/2026	24,415,000
04/01/2027	23,825,000
04/01/2028	23,205,000
04/01/2029	22,555,000
04/01/2030	21,875,000
04/01/2031	21,160,000
04/01/2032	20,410,000
04/01/2033	19,620,000
04/01/2034	18,790,000*
04/01/2035	17,920,000
04/01/2036	17,005,000
04/01/2037	16,045,000
04/01/2038	15,035,000
04/01/2039	13,975,000
04/01/2040	12,865,000
04/01/2041	11,700,000
04/01/2042	10,475,000
04/01/2043	9,190,000
04/01/2044	7,840,000
04/01/2045	6,420,000
04/01/2046	4,930,000
04/01/2047	3,365,000
04/01/2048	1,725,000
04/01/2049	0

\* First optional prepayment date under Section 5.02 of the Declaration of Trust.



**EXHIBIT B**

**DECLARATION OF TRUST**

[On file with the City Clerk]



**DECLARATION OF TRUST**

by

**UMB BANK, N.A.**

**Dated as of June 1, 2024**

**\$25,795,000**  
**CERTIFICATES OF PARTICIPATION**  
**(CITY OF UNIVERSITY CITY, MISSOURI, LESSEE)**  
**SERIES 2024**

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- Exhibit A. Form of Certificate of Participation
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## DECLARATION OF TRUST

**THIS DECLARATION OF TRUST** (this “Declaration of Trust”), dated as of June 1, 2024, is made by **UMB BANK, N.A.**, a national banking association organized and existing under the laws of the United States of America, as settlor and trustee (the “Trustee”).

### RECITALS:

1. Concurrently herewith, the Trustee and the City of University City, Missouri (the “City”), have entered into a Lease Purchase Agreement dated as of June 1, 2024 (as the same may be amended or supplemented in accordance with its terms from time to time, the “Lease”), pursuant to which the Trustee will convey and lease to the City the hereinafter-defined Equipment and will grant the City an option to purchase the Trustee’s interest in the Equipment.

2. Certificates of Participation substantially in the form of **Exhibit A** (the “Series 2024 Certificates”), each such Series 2024 Certificate evidencing a proportionate interest of the Owner (hereinafter defined) thereof in rights under the Lease, will be executed and delivered hereunder. The proceeds from the sale of the Series 2024 Certificates will be used to pay the costs of (a) acquiring, constructing, reconstructing, remodeling, equipping, furnishing and otherwise improving the City’s Annex Building and Trinity Building, and purchasing police vehicles and equipment (collectively, the “Project”) and (b) executing and delivering the Series 2024 Certificates.

3. The Trustee is obligated to pay the costs of the Project only from funds available from the sale of the Series 2024 Certificates.

4. The Trustee is making this Declaration of Trust to set forth the terms of the Series 2024 Certificates and any Additional Certificates as hereinafter defined and authorized (the Series 2024 Certificates and the Additional Certificates being referred to collectively as the “Certificates”), the security therefor and other provisions respecting the Certificates.

### DECLARATION CLAUSES

**NOW, THEREFORE**, in order to secure the payment of the principal of, premium, if any, and interest on the Certificates, and to secure the performance and observance of all covenants and conditions therein and herein contained, and to declare the terms and conditions upon, and subject to which, the Certificates are intended to be sold, held, secured and enforced, and in consideration of the premises set forth herein and of the purchase and acceptance of the Certificates by the Owners thereof, the Trustee has executed and delivered this Declaration of Trust and does declare that it will hold all of the assets, property and interests received by it under the terms of this Declaration of Trust and the Lease and all agreements and instruments contemplated hereby or thereby (except the Rebate Fund and any compensation, indemnification or other amounts which may be due directly to the Trustee hereunder or thereunder) (collectively, the “Trust Estate”), as trustee, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the Certificates, without privilege, priority or distinction as to the lien or otherwise of any of the Certificates over any of the other Certificates;

**PROVIDED, HOWEVER,** that if the principal, premium, if any, and interest due or to become due with respect to the Certificates are paid or provision made therefor in accordance with **Article X**, at the times and in the manner mentioned in the Certificates according to the true intent and meaning thereof, and provision shall have also been made for paying all sums payable under the Lease by the City in accordance with **Article X**, then this Declaration of Trust and the rights hereby granted shall cease, determine and be void except as provided in **Article X**;

**THIS DECLARATION OF TRUST FURTHER WITNESSETH,** and it is expressly declared, that all Certificates are to be sold, executed and delivered and all said rights and interests are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Trustee has agreed and covenanted, and does hereby agree and covenant, with the respective Owners of the Certificates as follows:

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.01. Definitions.** In addition to words and terms defined in the Lease (which definitions are hereby incorporated by reference) and elsewhere in this Declaration of Trust, the following words and terms used in this Declaration of Trust shall have the following meanings, unless some other meaning is plainly intended:

**“Additional Certificates”** means any Certificates executed and delivered pursuant to **Section 3.09**.

**“Authorized Representative”** means the City Manager, the Finance Director, the City Clerk or any other person designated to act on behalf of the City by the City Council pursuant to an ordinance or resolution filed with the Trustee.

**“Cede & Co.”** means Cede & Co., as nominee of the Securities Depository, and any successor nominee of the Securities Depository with respect to the Certificates.

**“Certificate Payments”** means the payments to be made to the Owners of the Certificates, whether representing the Interest Portion only or the Principal Portion and Interest Portion of Basic Rent under the Lease.

**“Certificate Purchase Agreement”** means the Certificate Purchase Agreement pursuant to which the Underwriter agrees to purchase the Certificates.

**“Certificates”** means the Series 2024 Certificates and any Additional Certificates.

**“Costs of Delivery”** means all items of expense directly or indirectly payable by or reimbursable to the City and related to the authorization, execution, sale and delivery of the Certificates, including advertising and printing costs, costs of preparing and reproducing documents, filing and recording fees, initial fees and charges of the Trustee, legal fees of parties to the transaction (including fees of Special Tax Counsel and counsel to the Underwriter) and all other initial fees and disbursements contemplated by the Lease and this Declaration of Trust.

**“Directive”** means an instrument in writing executed in one or more counterparts by the Owners of Certificates, as determined from the records of the Registrar kept pursuant to **Section 3.06**, or their lawful attorneys-in-fact, representing not less than a majority of the aggregate unpaid Principal Portion represented by the then-Outstanding Certificates.

**“Equipment”** means a portion of the Project consisting of certain personal property, as further described on **Schedule 1** to the Lease.

**“Event of Default”** means an Event of Default as described in **Section 9.01**.

**“Event of Lease Default”** means an Event of Default under **Section 12.01** of the Lease.

**“FAST Agent”** means the Trustee when acting as agent for the Securities Depository in accordance with the rules established by the Securities Depository for Fast Automated Securities Transfers.

**“Funds”** means, collectively, the Project Fund, the Lease Revenue Fund, the Rebate Fund and all accounts therein.

**“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 held in a custodial or trust account for the benefit of the City.

**“Investment Securities”** means any securities or investments that are lawful for the investment of moneys held in the Funds under the laws of the State.

**“Lease Revenue Fund”** means the fund by that name established pursuant to **Section 6.01**.

**“Lease Revenues”** means the Basic Rent Payments, Supplemental Rent Payments and all other amounts due and owing pursuant to or with respect to the Lease, including prepayments, insurance proceeds, condemnation proceeds, and any and all interest, profits or other income derived from the investment thereof in any Fund established pursuant to this Declaration of Trust.

**“Notice by Mail”** or **“Notice”** of any action or condition **“by Mail”** means a written notice meeting the requirements of this Declaration of Trust mailed by first-class mail to the Owners of specified Certificates, at the addresses shown on the registration books maintained by the Registrar pursuant to **Section 3.06**.

**“Opinion of Counsel”** means a written opinion of counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the City.

**“Outstanding”** means, as of the date of determination, all Certificates theretofore executed and delivered pursuant to this Declaration of Trust except (a) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation, (b) Certificates for the transfer or exchange of or in lieu of

or in substitution for which other Certificates have been executed and delivered by the Trustee pursuant to this Declaration of Trust and (c) Certificates paid or deemed to be paid pursuant to **Article X**.

“**Owner**” or “**Registered Owner**” of a Certificate means the owner of such Certificate as shown on the register kept by the Registrar pursuant to **Section 3.06**.

“**Participants**” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“**Prepayment Date**” means any date set for prepayment of the Principal Portion of Basic Rent represented by Certificates.

“**Prepayment Price**” means, with respect to any Certificate (or portion thereof) to be prepaid, the amount specified in **Section 5.02**.

“**Proceeds**” means the aggregate moneys initially paid to the Trustee for each series of Certificates.

“**Project Fund**” means the fund by that name established pursuant to **Section 6.01**.

“**Rebate Fund**” means the fund by that name established pursuant to **Section 6.01**.

“**Record Date**” means the 15th day (whether or not a Business Day) of the calendar month preceding the month in which the applicable Basic Rent Payment Date occurs.

“**Registrar**” means the Trustee when acting in that capacity, or its successor as Registrar.

“**Representation Letter**” means the Representation Letter from the City to the Securities Depository.

“**Securities Depository**” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

“**Series 2024 Certificates**” means the \$25,795,000 aggregate principal amount of Certificates of Participation (City of University City, Missouri, Lessee), Series 2024, executed and delivered pursuant to this Declaration of Trust.

“**Supplemental Declaration of Trust**” means any supplement or amendment to this Declaration of Trust entered into by the Trustee pursuant to **Article VIII**.

“**Tax Compliance Agreement**” means the Tax Compliance Agreement dated as of June 1, 2024, between the City and the Trustee, as from time to time amended.

“**Trust Estate**” means the assets, property and interests held by the Trustee pursuant to this Declaration of Trust and the Lease.

“**Trustee**” means UMB Bank, N.A., St. Louis, Missouri, and its successor or successors and their respective assigns.

“**Underwriter**” means Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri, the original purchaser of the Series 2024 Certificates.

**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 otherwise indicates, words importing the singular number shall include the plural and vice versa, and words importing persons 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 Declaration of Trust as a whole and not solely to the particular article, section, paragraph or subparagraph in which such word is used.

Reference herein to a particular article, 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 Declaration of Trust are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Declaration of Trust.

**Section 1.03. Severability.** If any provision of this Declaration of Trust 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 whatsoever.

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

**Section 1.04. Date of Declaration of Trust.** The dating of this Declaration of Trust as of June 1, 2024, is intended as and for the convenient identification of this Declaration of Trust only and is not intended to indicate that this Declaration of Trust was executed and delivered on said date, this Declaration of Trust being executed and delivered and becoming effective simultaneously with the initial execution and delivery of the Series 2024 Certificates.

**Section 1.05. Governing Law.** This Declaration of Trust shall be governed by and construed in accordance with the laws of the State.

## ARTICLE II

### COVENANT AS TO LEASE

**Section 2.01. Covenant as to Lease.** The Trustee covenants and agrees that, except in accordance with the terms of this Declaration of Trust and the Lease, it will not take any action that would result in the occurrence of an Event of Default and that it will not agree to any abatement, reduction, abrogation, waiver, diminution or other modification in any manner or to any extent whatsoever of the obligations of the City under the Lease to pay Basic Rent and to meet its other obligations as provided in the Lease.

## ARTICLE III

### THE CERTIFICATES

**Section 3.01. Title and Amount of Certificates.** No Certificates may be executed and delivered under this Declaration of Trust except in accordance with this Article. The Certificates shall be designated “Certificates of Participation (City of University City, Missouri, Lessee)” with such further appropriate designation added to or incorporated in such title for the Certificates of any particular series as the Trustee may determine. The Series 2024 Certificates shall be designated and shall be in such aggregate amount as provided in **Section 3.08**.

**Section 3.02. General Provisions Concerning the Certificates.**

(a) The Certificates and the form of assignment to appear thereon shall be in substantially the form set forth in **Exhibit A**, with necessary or appropriate variations, omissions and insertions as permitted or required hereby or by any Supplemental Declaration of Trust.

(b) The Certificates shall be fully-registered Certificates transferable to subsequent Owners only on the books kept by the Registrar pursuant to **Section 3.06** as hereinafter provided. Each Certificate shall be in the denomination of \$5,000 or any integral multiple thereof.

(c) Each of the Certificates shall represent the Interest Portion and Principal Portion of Basic Rent payable with respect thereto and shall be on a parity with the other Certificates as to the entire Trust Estate.

(d) The Certificates shall be numbered from 1 upward, shall be dated and the Principal Portion shall be payable, subject to prior prepayment upon the terms and conditions hereinafter set forth, and shall represent Interest Portions of Basic Rent calculated at certain rates as set forth in this Declaration of Trust or any Supplemental Declaration of Trust authorizing such series of Certificates.

(e) The Interest Portion of the Basic Rent represented by each Certificate shall be payable from the date thereof or the most recent date to which said Interest Portion has been paid. The Interest Portion of the Basic Rent represented by the Series 2024 Certificates shall be paid on each April 1 and October 1, commencing on April 1, 2025. The Interest Portion of the Basic Rent represented by any Additional Certificates shall be paid on the dates set forth in the Supplemental Declaration of Trust authorizing such Additional Certificates.



(f) Payment of the Interest Portion of the Basic Rent represented by any Certificates shall be made to the person appearing on the registration books of the Registrar as the Owner thereof on the Record Date, such Interest Portion to be paid to such Owner (1) by check or draft drawn on the Trustee and mailed to such Owner's address as it appears on the registration books of the Registrar on the Record Date or (2) by electronic transfer to such Owner upon written notice given to the Trustee by such Owner not less than 15 days prior to the Record Date for such Interest Portion, containing the electronic transfer instructions including the name of the bank, the bank's ABA routing number, the account number to which such Owner wishes to have such transfer directed, and an acknowledgement that an electronic transfer fee may be applicable.

(g) The Interest Portion of the Basic Rent represented by any Certificates shall be computed with respect to such Certificates on the basis of a 360-day year of twelve 30-day months.

(h) The Principal Portion of the Basic Rent and prepayment premium, if any, represented by the Certificates shall be payable (whether at maturity or upon prepayment or acceleration) by check or draft to the Owners of such Certificates upon presentation and surrender of such Certificates at the designated corporate trust office of the Trustee or such other office as the Trustee designates.

(i) Payment of Certificate Payments and of the Prepayment Price of Certificates shall be made in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for public and private debts.

**Section 3.03. Execution of Certificates.** The Certificates shall be executed by and in the name of the Trustee by the manual signature of an authorized signatory of the Trustee.

**Section 3.04. Transfer of Certificates.** Any Certificate may be transferred upon the books required to be kept pursuant to the provisions of **Section 3.06** by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Certificate for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee or the Securities Depository shall also require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. If any Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose 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 Internal Revenue Code of 1986, as amended, such amount may be deducted by the Trustee from amounts otherwise payable to such Owner hereunder or under the Certificates.

**Section 3.05. Exchange of Certificates.** Certificates may be exchanged at the designated corporate trust office of the Trustee for a like aggregate principal amount of Certificates of the same series, maturity, interest rate and tenor. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of any Certificate shall be required of the Trustee after such Certificate has been called for prepayment.

**Section 3.06. Registration Books.** The Registrar will keep or cause to be kept at its designated corporate trust office, sufficient books for the registration and transfer of the Certificates, which shall at all reasonable times be open to inspection by the City, and, upon presentation for such purpose, the Registrar shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Certificates as hereinbefore provided.

The person in whose name any Certificate shall be registered on the registration books maintained by the Registrar on the Record Date shall be deemed the Owner thereof for all purposes hereof, and payment of or on account of the Interest Portions and Principal Portions of Basic Rent represented by such Certificate shall be made only to or upon the order in writing of such Owner, which payments shall be valid and effectual to satisfy and discharge the liability under the Lease as represented by such Certificate to the extent of the sum or sums so paid.

**Section 3.07. Certificates Mutilated, Lost, Destroyed or Stolen.** If any Certificate shall become mutilated, the Trustee, at the expense of the Owner of said Certificate, shall execute and deliver a new Certificate of like tenor, series, maturity, interest rate and number in exchange and substitution for the Certificate so mutilated (except that such number may be preceded by a distinguishing prefix), but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be canceled by it and destroyed in accordance with then-applicable record retention requirements. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and indemnity of the Trustee and the City satisfactory to the Trustee has been given, the Trustee, at the expense of the Owner of the Certificate, shall execute and deliver a new Certificate of like tenor, series, maturity, interest rate and number as the Trustee shall determine in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee shall require payment of a sum not exceeding the actual cost of preparing each new Certificate executed and delivered under this Section and of the expenses that may be incurred by the Trustee under this Section. Any Certificate executed and delivered under this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Declaration of Trust with all other Certificates secured by this Declaration of Trust. The Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be Outstanding hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of delivering a new Certificate for a Certificate which has been mutilated, lost, destroyed or stolen and which has matured, is about to mature or has been selected for prepayment, the Trustee may make payment of such Certificate.

**Section 3.08. Series 2024 Certificates.** There shall be prepared, executed and delivered under this Declaration of Trust a series of Certificates in the aggregate principal amount of \$25,795,000, as follows:

- (a) The Series 2024 Certificates shall be designated “Certificates of Participation (City of University City, Missouri, Lessee), Series 2024.”
- (b) The Series 2024 Certificates shall be dated their date of delivery and shall be payable on the dates, in the principal amounts and with interest accruing at the rates set forth on **Exhibit C**.

Prior to or simultaneously with the execution and delivery of the Series 2024 Certificates by the Trustee the following documents shall be filed with the Trustee:

- (1) A copy of the ordinance adopted by the City Council authorizing the execution of the Lease.

(2) Executed counterparts of this Declaration of Trust, the Lease, the Certificate Purchase Agreement, the Tax Compliance Agreement and the Continuing Disclosure Undertaking.

(3) An Opinion of Counsel as to the validity of the Series 2024 Certificates and the exemption from federal income taxation of the Interest Portion of Basic Rent Payments represented by the Series 2024 Certificates.

(4) Evidence of the insurance required by **Article VII** of the Lease.

(5) A request and authorization to the Trustee by the City to authenticate the Series 2024 Certificates and to deliver the Series 2024 Certificates to or upon the order of the Underwriter upon payment, for the account of the City, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name(s) of the purchaser(s) and the amount of such purchase price.

(6) Such other certificates, statements, receipts, opinions and documents required by this Declaration of Trust or the Lease, or as the Trustee may reasonably require for the delivery of the Series 2024 Certificates.

When the documents specified above have been filed with the Trustee, and when the Series 2024 Certificates have been executed as required by this Declaration of Trust, the Trustee shall deliver the Series 2024 Certificates to or upon the order of the Underwriter or hold the Series 2024 Certificates as FAST Agent for the benefit of the beneficial owners, but only upon payment to the Trustee of the purchase price of the Series 2024 Certificates, as specified in the Certificate Purchase Agreement. The Proceeds of the sale of the Series 2024 Certificates paid over to the Trustee shall be deposited and applied as provided in **Article VI**.

### **Section 3.09. Additional Certificates.**

(a) Upon the execution and delivery of a Supplemental Lease that provides for an increase in the amount of Basic Rent payable under the Lease and so long as no Event of Default or Event of Nonappropriation exists, Additional Certificates evidencing the right of the Owners thereof to receive the Principal Portion and the Interest Portion of such additional Basic Rent may be executed and delivered under and equally and ratably secured by this Declaration of Trust on a parity with the Series 2024 Certificates and any other Additional Certificates, at any time and from time to time, upon compliance with the conditions provided in this Section and for any of the following purposes:

(1) To provide funds to pay all or any part of the costs of repairing, replacing or restoring the Project in the event of damage, destruction or condemnation thereto or thereof, but only to the extent that such costs exceed the Net Proceeds of the insurance or condemnation awards out of which such costs are to be paid pursuant to the Lease.

(2) To provide funds to pay all or any part of the costs of acquiring, constructing and installing additions to the Project or other improvements that may be added to the Project, all as the City may deem necessary or desirable.

(3) To provide funds for refunding all or any portion of the Certificates of any series then-Outstanding, including the payment of any premium thereon and interest to accrue to the designated Prepayment Date and any expenses in connection with such refunding.

- (4) Any other purpose permitted by law as the City may deem necessary or desirable.

The principal amount of any Additional Certificates may include an amount sufficient to pay the costs and expenses of delivery, any required funding of a reserve fund and such capitalized amounts as are permitted by law.

(b) Before any Additional Certificates may be executed and delivered under the provisions of this Section, the City shall (1) adopt an ordinance authorizing the execution and delivery of a Supplemental Lease and such Additional Certificates, fixing the amount and terms thereof and describing the Certificates to be refunded, if any, (2) consent in writing to the Trustee's execution of a Supplemental Declaration of Trust for the purpose of executing and delivering such Additional Certificates, and (3) authorize the Trustee to enter into an amendment to the Lease with the City to provide for Basic Rent Payments at least sufficient to pay the Principal Portion, premium, if any, and Interest Portion of the Certificates then to be Outstanding (including the Additional Certificates to be executed and delivered) as the same becomes due, and for such other matters as are appropriate because of the execution and delivery of the Additional Certificates proposed to be delivered.

(c) Such Additional Certificates will have the same designation as the Series 2024 Certificates, except for an identifying series letter or date. The Principal Portion and the Interest Portion of Basic Rent represented by such Additional Certificates will be payable on the dates, in the amounts and (with respect to such Interest Portion) at the rates as may be provided by the Supplemental Declaration of Trust authorizing such Additional Certificates. **Exhibit C** will be amended by such Supplemental Declaration of Trust to reflect separately the Basic Rent allocable to each series of Certificates. Such Additional Certificates will be on a parity with and will be entitled to the same benefit and security of this Declaration of Trust as the Series 2024 Certificates and any other Additional Certificates.

(d) The Additional Certificates will be executed substantially in the form and manner as provided in this Article, but prior to or simultaneously with the delivery of such Additional Certificates by the Trustee, the following items will be filed with the Trustee:

- (1) A copy of the ordinance adopted by the City Council authorizing such Supplemental Lease and authorizing the execution and delivery of the Additional Certificates, fixing the amount and terms thereof and describing the Certificates to be refunded, if any.

- (2) Executed counterparts of the Supplemental Declaration of Trust authorizing such Additional Certificates, the Supplemental Lease and any certificate purchase agreement relating to the Additional Certificates.

- (3) An Opinion of Counsel to the effect that the execution and delivery of such Additional Certificates will not result in the Interest Portion of Basic Rent evidenced by any tax-exempt Certificates then-Outstanding becoming includable in gross income of the Owners thereof for federal income tax purposes.

- (4) Evidence of the insurance required by **Article VII** of the Lease.

- (5) Such other certificates, statements, receipts, opinions and documents required by this Declaration of Trust or the Lease or as the Trustee may reasonably require for the delivery of the Additional Certificates.

(e) When the documents mentioned in paragraph (d) of this Section have been filed with the Trustee, and when such Additional Certificates have been executed and registered as required by this Declaration of Trust, the Trustee will deliver such Additional Certificates to or upon the order of the purchaser of such Additional Certificates or hold the Additional Certificates as FAST Agent for the benefit of the beneficial owners, but only upon payment of the purchase price of such Additional Certificates. The Proceeds of the sale of the Additional Certificates, including accrued interest, if any, paid to the Trustee will be deposited as provided in the Supplemental Declaration of Trust.

**Section 3.10. Book-Entry Only System.** The Certificates shall initially be registered on the Certificate register maintained by the Registrar in the name of Cede & Co., and beneficial owners will not receive certificates representing their respective interests in the Certificates, except in the event of Replacement Certificates as provided below. It is anticipated that during the term of the Certificates, the Securities Depository will make book-entry transfers among the Participants and receive and transmit notices with respect to and payments representing the Principal Portion of Basic Rent and the Interest Portion of Basic Rent with respect to the Certificates until and unless the Trustee executes and delivers Replacement Certificates to the beneficial owners as described below.

The Trustee agrees to give the various written notices to the Securities Depository in accordance with the Representation Letter delivered to the Securities Depository in connection with the original execution and delivery of the Certificates.

If the Securities Depository determines to discontinue providing its services with respect to the Certificates and the City cannot obtain a qualified successor Securities Depository, or if the City determines not to use the book-entry system of the Securities Depository, the Trustee shall execute and deliver one or more certificates (the "Replacement Certificates") to the Participants in principal amounts and maturities corresponding to the identifiable beneficial owners' interests in the Certificates, with such adjustments as the Trustee may find necessary or appropriate as to accrued interest and previous calls for prepayment. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Certificate is registered in the name of the Securities Depository or its nominee. Upon the delivery of Replacement Certificates, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable, with respect to such Replacement Certificates. The Trustee may rely on information from the Securities Depository and its Participants as to the names and addresses of and principal amounts held by the beneficial owners of the Certificates. The cost of printing Replacement Certificates shall be paid by the City.

**Section 3.11. Successor Securities Depository.** If the Securities Depository resigns, is unable to properly discharge its responsibilities or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation, the Trustee, with the written consent of the City, may appoint a successor Securities Depository, provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository that is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation. Upon the appointment of a successor Securities Depository, the former Securities Depository shall surrender the Certificates, together with assignments duly executed in accordance with **Section 3.04**, to the Trustee for transfer to the successor Securities Depository, and the Trustee shall cause the authentication and delivery of the Certificates to the successor Securities Depository in appropriate denominations and form as provided herein.

**Section 3.12. Cancellation and Destruction of Certificates upon Payment.**

(a) All Certificates that have been paid or prepaid or that the Trustee has purchased or that have otherwise been surrendered to the Trustee under this Declaration of Trust, either at or before maturity, if not reissued in an exchange pursuant to **Section 3.05**, shall be canceled by the Trustee immediately upon the payment, prepayment or purchase of such Certificates and the surrender thereof to the Trustee. Upon written request of the City, the Trustee shall execute a certificate describing the Certificates to be canceled and shall file an executed counterpart of such certificate with the City.

(b) All Certificates canceled under any of the provisions of this Declaration of Trust shall be destroyed by the Trustee in accordance with then-applicable record retention requirements.

**ARTICLE IV**

**PARTICULAR COVENANTS AND PROVISIONS**

**Section 4.01. Covenant of Trustee as to Performance of Obligations.** The Trustee covenants that it will promptly remit to the Owner of each Certificate its interest in each installment of Basic Rent to the extent received by the Trustee, at the places, on the dates and in the manner provided herein and in the Certificates.

**Section 4.02. Covenant to Perform Undertakings.** The Trustee covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Declaration of Trust, in any and every Certificate executed and delivered hereunder and in all proceedings of the Trustee pertaining thereto. The Trustee covenants that it is duly authorized to execute and deliver the Certificates and to enter into this Declaration of Trust and to perform its obligations hereunder.

**ARTICLE V**

**PREPAYMENT**

**Section 5.01. General.** The Certificates are subject to prepayment pursuant to this Article and any Supplemental Declaration of Trust to the extent that prepayments of Basic Rent are required, allowed or provided under the Lease.

**Section 5.02. Prepayment Provisions with Respect to the Series 2024 Certificates.**

(a) *Optional Prepayment.* The Series 2024 Certificates maturing on April 1, 2036 and thereafter shall be subject to optional prepayment, as a whole or in part, on April 1, 2034 or any date thereafter, at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Series 2024 Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, from amounts paid by the City upon the exercise of its option to purchase the Trustee's interest in the Equipment or to partially prepay Basic Rent Payments pursuant to the terms of the Lease.

(b) *Extraordinary Optional Prepayment – Damage, Destruction, Condemnation, Changes in Law.* The Series 2024 Certificates shall be subject to optional prepayment on any date prior to their

respective stated maturities, as a whole (but not in part), at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented thereby, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the event of substantial damage to or destruction or condemnation (other than by the City or any entity controlled by or otherwise affiliated with the City) of, or loss of title to, substantially all of the Equipment, or if as a result of changes in the constitution of the State or legislative or administrative action by the State or the United States, the Lease or this Declaration of Trust becomes unenforceable and the City purchases the Trustee's interest in the Equipment pursuant to the Lease.

(c) *Mandatory Prepayment.* The Series 2024 Certificates maturing on April 1, 2036, April 1, 2044 and April 1, 2049 (collectively, the "Term Certificates") shall be subject to mandatory prepayment at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Series 2024 Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the following principal amounts:

**April 1, 2036 Term Certificates**

<b>Prepayment Date (April 1)</b>	<b>Principal Portion</b>
2035	\$870,000
2036*	915,000

\* Final Maturity

**April 1, 2044 Term Certificates**

<b>Prepayment Date (April 1)</b>	<b>Principal Portion</b>
2041	\$1,165,000
2042	1,225,000
2043	1,285,000
2044*	1,350,000

\* Final Maturity

**April 1, 2049 Term Certificates**

<b>Prepayment Date (April 1)</b>	<b>Principal Portion</b>
2045	\$1,420,000
2046	1,490,000
2047	1,565,000
2048	1,640,000
2049*	1,725,000

\* Final Maturity

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

If permitted by law, moneys deposited in the Lease Revenue Fund in excess of amounts necessary to pay amounts representing the Principal Portions and Interest Portions with respect to the Term Certificates coming due on or prior to the next ensuing Basic Rent 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 agreed to by the City 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 (1) deliver to the Trustee for cancellation Term Certificates in any aggregate principal amount desired or (2) receive a credit with 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 clause (1) or (2) above, the City shall, on or before the 45th day next preceding each mandatory Prepayment Date, furnish the Trustee a certificate signed by an Authorized Representative indicating to what extent said provisions of clauses (1) and (2) are to be complied with, with respect to such mandatory prepayment requirement and the Term Certificates to be canceled.

**Section 5.03. Selection of Certificates for Prepayment; Notice to Trustee.** If less than all of the Outstanding Certificates are called for optional prepayment, Certificates shall be prepaid in such order of stated payment dates as is determined by the City. Within a stated payment date, the Trustee shall select the Certificates or any given portion thereof to be prepaid by lot or in such other equitable manner as the Trustee determines in principal amounts of \$5,000 or integral multiples thereof. In case of any optional prepayment, at the election of the City, the City shall, at least 45 days prior to the Prepayment Date (unless a shorter notice shall be satisfactory to the Trustee), give written notice to the Trustee directing the Trustee to call Certificates for prepayment and give notice of prepayment and specifying the series, Prepayment Date, principal amount and maturities of the Certificates to be called for prepayment, the applicable Prepayment Price and the provision or provisions of this Declaration of Trust pursuant to which such Certificates are to be called for prepayment.

**Section 5.04. Partial Prepayment of Certificate.** Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the Owner thereof, at the expense of the City, a new Certificate or Certificates of the same series and maturity, equal in aggregate principal amount to the unprepaid portion of the Certificate surrendered.

**Section 5.05. Notice of Prepayment to Owners.** Unless otherwise provided herein, notice of prepayment shall be given by the Trustee, not less than 30 days prior to the Prepayment Date, to the City and the Owner of each Certificate affected at the address shown on the registration books of the Registrar on the date such notice is mailed. Each notice of prepayment shall state (a) the Prepayment Date, (b) the place of prepayment, (c) the Prepayment Price, (d) if less than all, the identification number of the



Certificates to be prepaid and (e) if a Certificate is being prepaid in part, the portion thereof being prepaid. Such notice shall also state that the Interest Portion of the Basic Rent represented by the Certificates designated for prepayment shall cease to accrue from and after such Prepayment Date and that on said date the Prepayment Price will become due and payable on each of said Certificates. The failure of the Owner of any Certificate to be so prepaid to receive notice of prepayment mailed as herein provided or any defect therein shall not affect or invalidate the validity of any proceedings for the prepayment of such Certificate.

Such notice may be conditioned upon moneys being on deposit with the Trustee on or prior to the Prepayment Date in an amount sufficient to pay the Prepayment Price on the Prepayment Date. If the notice is conditional and either the Trustee receives written notice from the City that moneys sufficient to pay the Prepayment Price will not be on deposit on the Prepayment Date, or such moneys are not received on the Prepayment Date, then such notice shall be of no force and effect, the Trustee shall not prepay the Certificates on such Prepayment Date and the Trustee shall give notice, in the same manner in which the notice of prepayment was given, that such moneys were not or will not be so received and that such Certificates will not be prepaid on such Prepayment Date.

The Trustee is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the prepayment of any Certificate to be prepaid.

The Trustee, as long as a book-entry system is used for the Certificates, will send notices of prepayment only to the Securities Depository, as the Owner of the Certificates. Any failure of the Securities Depository to advise any of the Participants, or of any Participant or any nominee to notify any beneficial owner of the Certificates, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Certificates called for prepayment.

**Section 5.06. Effect of Prepayment.** Notice of prepayment having been duly given as aforesaid, and upon funds for payment of the Prepayment Price of such Certificates (or portions thereof) being held by the Trustee, on the Prepayment Date designated in such notice, the Certificates (or portions thereof) so called for prepayment shall become due and payable at the Prepayment Price specified in such notice and the Interest Portion of Basic Rent represented by the Certificates so called for prepayment shall cease to accrue, said Certificates (or portions thereof) shall cease to be entitled to any benefit or security under this Declaration of Trust and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of the Prepayment Price.

All Certificates prepaid pursuant to the provisions of this Article shall be canceled upon surrender thereof and destroyed by the Trustee pursuant to **Section 3.12**.

## ARTICLE VI

### DELIVERY OF CERTIFICATES; FUNDS; APPLICATION OF PROCEEDS

**Section 6.01. Establishment of Funds.** There are hereby established the following Funds:

- (a) Project Fund, and within the Project Fund, an Equipment Subaccount.
- (b) Lease Revenue Fund.

- (c) Rebate Fund.

The Funds (except the Rebate Fund) established pursuant to this Article shall be held by the Trustee in trust and for the benefit of the Certificate Owners. The money in the Funds shall be applied as hereinafter provided.

**Section 6.02. Application of Proceeds of Series 2024 Certificates.** The net proceeds of the Series 2024 Certificates (less \$4,872.22) withheld by the Underwriter for the payment of certain Costs of Delivery of the Series 2024 Certificates) will be deposited as follows:

(a) in the Lease Revenue Fund, any accrued interest with respect to the Series 2024 Certificates; and

(b) in the Project Fund, the remaining proceeds of the Series 2024 Certificates (\$27,291,879.21), of which \$2,900,000 shall be deposited in the Equipment Subaccount, to be used in accordance with **Section 6.04**.

**Section 6.03. Application of Lease Revenues.** Lease Revenues shall be deposited, as received pursuant to the Lease, as follows:

(a) The Basic Rent shall be deposited to the Lease Revenue Fund.

(b) Prepayments of the Principal Portion of Basic Rent (in amounts equal to the applicable Prepayment Price) shall be deposited to the Lease Revenue Fund.

(c) Payments of Supplemental Rent pursuant to **Section 4.02** of the Lease shall be applied as provided in **Section 4.02** of the Lease.

Subject to **Article IX**, undesignated payments of Rent that are insufficient to discharge the full amount then due shall be applied first to the Interest Portion of Basic Rent, next to the Principal Portion of Basic Rent and finally to Supplemental Rent.

**Section 6.04. Disbursements from the Project Fund.**

(a) Moneys in the Project Fund shall be used to pay for Project Costs, including Costs of Delivery. Payment shall be made from moneys in the Project Fund upon receipt by the Trustee of a requisition certificate therefor signed by an Authorized Representative, which requisition certificate shall contain the statements, representations and certifications set forth in the form thereof attached as **Exhibit B** and shall be otherwise substantially in such form.

In making disbursements for Project Costs, the Trustee shall be entitled to conclusively rely upon each written requisition certificate executed as described above without inquiry or investigation. It is understood that the Trustee shall *not* make any inspections of the Project, make any provision to obtain completion bonds, mechanics' or materialmen's lien releases or otherwise supervise any phase of the acquisition, construction or installation of the Project. The receipt by the Trustee of a requisition certificate executed as described above shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Project Fund have been completed. The Trustee shall make disbursements to pay Project Costs for which any such request is made within five Business Days of the receipt of a properly executed certificate. The Trustee shall be fully protected in making the disbursements contained in the requisition certificates provided to it and

shall have no obligation to confirm each funds transfer instruction received by it. The City understands that the Trustee's inability to receive or confirm funds transfer instructions, subject to and in accordance with its procedures, may result in a delay in accomplishing such funds transfer and agrees that the Trustee shall not be liable for any loss caused by any such delay.

(b) The Completion Date of the Project and the payment of all Project Costs (other than Project Costs for which sufficient amounts are retained in the Project Fund) shall be evidenced by the filing with the Trustee of the Completion Certificate pursuant to **Section 5.03** of the Lease. As soon as practicable thereafter any balance remaining in the Project Fund shall be transferred and deposited without further authorization as provided in **Section 5.03** of the Lease.

(c) In the event of the acceleration of Certificates pursuant to **Section 9.02**, any moneys then remaining in the Project Fund shall be transferred and deposited to the credit of the Lease Revenue Fund.

**Section 6.05. Application of Moneys in the Lease Revenue Fund.** Except as otherwise provided herein, all amounts in the Lease Revenue Fund shall be used and withdrawn by the Trustee solely to pay Basic Rent represented by the Certificates when due and payable (including principal and accrued interest with respect to any Certificates paid prior to maturity pursuant to this Declaration of Trust).

**Section 6.06. Repayment to the City from the Lease Revenue Fund.** After payment in full of all Rent Payments through the maximum Lease Term or the earlier purchase of the Trustee's interest in the Equipment pursuant to **Section 10.01** of the Lease, all amounts remaining in the Lease Revenue Fund shall be paid to the City.

**Section 6.07. Payments Due on Days Other than Business Days.** In any case where the date of maturity of the Principal Portion or Interest Portion of Basic Rent represented by the Certificates, or premium related thereto, or the date fixed for prepayment of any Certificates shall not be a Business Day, then payment of the Principal Portion or Interest Portion of Basic Rent represented by the Certificates, or premium related thereto, need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for prepayment, and no interest shall accrue for the period after such date.

**Section 6.08. Nonpresentment of Certificates.** If any Certificate is not presented for payment when due, either at maturity or otherwise, or at the date fixed for prepayment thereof, if funds sufficient to pay such Certificate have been made available to the Trustee, all liability of the Trustee and the City to the Owner thereof for the payment of such Certificate shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Certificate, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature under this Declaration of Trust or on, or with respect to, said Certificate. If any Certificate is not presented for payment within one year following the date when such Certificate becomes due, whether at maturity or otherwise, the Trustee shall repay, without liability for interest thereon, to the City the funds theretofore held by the Trustee for payment of such Certificate, and such Certificate shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

**Section 6.09. Rebate Fund.** Moneys will be deposited in and disbursed from the Rebate Fund in accordance with written instructions from the City to the Trustee, prepared in accordance with the provisions of the Tax Compliance Agreement.

## ARTICLE VII

### DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

**Section 7.01. Moneys to be Held in Trust.** All moneys deposited with or paid to the Trustee for account of the Lease Revenue Fund or the Project Fund under this Declaration of Trust shall be held by the Trustee in trust and shall be applied only in accordance with this Declaration of Trust and the Lease and until used or applied as herein provided, shall constitute part of the Trust Estate and shall not be subject to any lien other than the lien of this Declaration of Trust. The Trustee shall not be under any liability for interest on any moneys received hereunder except as provided herein.

**Section 7.02. Investment of Moneys.** Moneys held in the Funds shall, subject to the requirements of the Tax Compliance Agreement and as hereinafter provided, be invested and reinvested by the Trustee, pursuant to written direction of the City, signed by an Authorized Representative, in Investment Securities that mature or are subject to redemption by the holder prior to the date such funds will be needed. In the absence of such instructions, the Trustee shall hold such moneys uninvested. The Trustee may conclusively rely upon the written investment direction of the City as to the suitability and legality of the directed investment and shall have no obligation to determine if the directed investment complies with the requirements of the Tax Compliance Agreement. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which may be deducted from income earned on investments, provided that any such fees do not exceed the interest income on the investments.

The Trustee shall sell and reduce to cash a sufficient amount of such Investment Securities held by the Trustee in any Fund whenever the cash balance in such Fund is insufficient for the purpose of such Fund. Any such Investment Securities shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Fund in which such moneys are originally held, and the interest accruing thereon and any profit realized from such Investment Securities shall be credited to such Fund, and any loss resulting from such Investment Securities shall be charged to such Fund.

For purposes of determining the amount in any Fund, the value of any investments shall be computed at the market value thereof, exclusive of accrued interest. The Lease Revenue Fund shall be valued on June 30 of each year, after any payments required to be made on such date have been made.

The Trustee may, in making or disposing of any investment permitted by this Section, deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account.

## ARTICLE VIII

### AMENDMENT OF THIS DECLARATION OF TRUST OR THE LEASE

#### Section 8.01. Amendments Permitted.

(a) This Declaration of Trust, the Lease and the rights and obligations of the City and of the Owners of the Certificates and of the Trustee may be modified or amended from time to time and at any time by an amendment or supplement hereto or thereto that the parties hereto or thereto may enter into when the written consent of the Trustee and the City, if not a party hereto or thereto, and the Owners of a majority in aggregate Principal Portion of Basic Rent Payments represented by the Certificates then-Outstanding shall have been filed with the Trustee. No such modification or amendment shall (1) extend the stated maturity or mandatory Prepayment Date, if any, of any Certificate, or reduce the amount of principal represented thereby, or extend the time of payment or reduce the amount of any Prepayment Price provided in this Declaration of Trust for the payment of any Certificate, or reduce the rate of interest with respect thereto, or extend the time of payment of interest with respect thereto, or alter the optional Prepayment Date of any Certificate, without the consent of the Owner of each Certificate so affected, (2) reduce the aforesaid percentage of Certificates the consent of the Owners of which is required to effect any such modification or amendment, or, except in connection with the delivery of any Additional Certificates, permit the creation of any lien on the moneys in the Project Fund or the Lease Revenue Fund or deprive the Owners of the trust created by this Declaration of Trust with respect to the moneys in the Project Fund and the Lease Revenue Fund, or (3) create a preference or priority of any Certificate or Certificates over any other Certificate or Certificates without the consent of the Owners of all of the Certificates then-Outstanding. Promptly after the execution by the Trustee of any amendment pursuant to this subsection (a), the Trustee shall give Notice by Mail, setting forth in general terms the substance of such amendment to the Owners at the addresses listed on the registration books kept by the Trustee pursuant to **Section 3.06**. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment.

(b) Notwithstanding subsection (a), this Declaration of Trust and the Lease and the rights and obligations of the City, of the Trustee and of the Owners of the Certificates may also be modified or amended from time to time and at any time by an agreement that the parties hereto or thereto may enter into without the consent of any Certificate Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the Trustee in this Declaration of Trust, other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Certificates (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the City; provided, however, that no such covenant, agreement, pledge, assignment or surrender shall materially adversely affect the interests of the Trustee or the security of the Owners of the Certificates;

(2) to add to the covenants and agreements of the City in the Lease, other covenants and agreements thereafter to be observed or to surrender any right or power therein reserved to or conferred upon the Trustee or the City; provided, however, that no such covenant, agreement or surrender shall materially adversely affect the security of the Owners of the Certificates;

(3) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Declaration of

Trust or the Lease, or in regard to matters or questions arising under this Declaration of Trust or the Lease as the Trustee and the City may deem necessary or desirable and not inconsistent with said agreements, or as may be requested by the City or the Trustee and that shall not materially adversely affect the security of the Owners of the Certificates;

(4) to modify, amend or supplement this Declaration of Trust in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and that shall not materially adversely affect the security of the Owners of the Certificates;

(5) to provide for any additional procedures, covenants or agreements necessary to maintain the exclusion of the Interest Portion of Basic Rent from gross income for purposes of federal income taxation;

(6) to provide for the execution and delivery of Additional Certificates; or

(7) to make any other change that, in the sole judgment of the Trustee, does not have a materially adverse effect on the security of the Certificate Owners.

**Section 8.02. Effect of Amendments.** Upon the execution of any amendments hereto, pursuant to this **Article VIII**, this Declaration of Trust shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Declaration of Trust of the Trustee and all Owners of Certificates Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such amendment shall be deemed to be part of the terms and conditions of this Declaration of Trust for any and all purposes.

**Section 8.03. Endorsement of Certificates; Preparation of New Certificates.** Certificates delivered after the execution of any amendment pursuant to this **Article VIII** may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form determined by the Trustee as to any modification or amendment provided for in such amendment. In that case, upon presentation of a Certificate for such purpose at the designated corporate trust office of the Trustee, a suitable notation shall be made on such Certificate. If the amendment shall so provide, new Certificates so modified as to conform, in the opinion of the Trustee, to any modification or amendment contained in such amendment, shall be prepared and executed by the Trustee, and upon demand of the Owners of any Certificates then-Outstanding shall be exchanged at the designated corporate trust office of the Trustee, without cost to any Certificate Owner, for Certificates then-Outstanding, upon surrender for cancellation of such Certificates in equal aggregate principal amounts of the same maturity, interest rate and tenor.

**Section 8.04. Amendment of Particular Certificates.** The provisions of this Article shall not prevent any Certificate Owner from accepting any amendment as to the particular Certificates held by him, provided that due notation thereof is made on such Certificates.

**Section 8.05. Opinion of Counsel.** Anything to the contrary in this **Article VIII** notwithstanding, before the Trustee or the City consents to any modification or amendment of this Declaration of Trust or the Lease, there shall be delivered to the Trustee an Opinion of Counsel to the effect that such amendment (1) is permitted by this Declaration of Trust and the instrument modified or amended (if other than this Declaration of Trust), (2) complies with their terms, (3) will, upon execution and delivery

thereof, be valid and binding upon the City in accordance with the terms of the instrument modified or amended, and (4) will not adversely affect the exemption from federal income taxation of the Interest Portion of Basic Rent Payments represented by any tax-exempt Certificates then-Outstanding. In any instance in which the Trustee may be required to determine that a modification or amendment will not materially adversely affect the interest of the Owners of the Certificates, prior to consenting to such modification or amendment, the Trustee shall be entitled to require that there be delivered to it an Opinion of Counsel to the effect that no such materially adverse effect would result from such modification or amendment. The Trustee shall be fully protected and shall incur no liability in relying upon such Opinion of Counsel in making such determination. The Trustee may, but shall not be obligated to, enter into any such Supplemental Declaration of Trust or Supplemental Lease which affects the Trustee's own rights, duties or immunities under this Declaration of Trust or the Lease or otherwise.

## ARTICLE IX

### DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND OWNERS OF CERTIFICATES

**Section 9.01. Defaults.** The occurrence of any of the following events, subject to the provisions of **Section 9.09**, is hereby defined as an "Event of Default:"

- (a) Default in the due and punctual payment of any Interest Portion of Basic Rent represented by a Certificate; or
- (b) Default in the due and punctual payment of the Principal Portion of Basic Rent represented by a Certificate, whether at the stated payment date thereof or the Prepayment Date set therefor in accordance with the terms hereof; or
- (c) Any Event of Lease Default.

**Section 9.02. Acceleration.** Upon the occurrence of an Event of Default, the Trustee may, and upon receipt of a Directive shall, by notice in writing delivered to the City, declare the Principal Portion and Interest Portion of Basic Rent represented by the Certificates Outstanding to the end of the then-current Fiscal Year immediately due and payable.

**Section 9.03. Other Remedies Upon an Event of Default.** Upon the occurrence of an Event of Lease Default or Event of Nonappropriation, the Trustee may exercise any remedies available under the Lease and, to the extent consistent therewith, may sell, lease or manage all or any portion of the Equipment and apply the net proceeds thereof in accordance with **Section 9.05** and, whether or not it has done so, may pursue any other remedy available to it under the Lease or at law or in equity.

No remedy by the terms of this Declaration of Trust conferred upon or reserved to the Trustee or to the Certificate Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Certificate Owners hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission 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, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default hereunder whether by the Trustee or by the Certificate Owners shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon.

**Section 9.04. Rights of Certificate Owners.** If an Event of Default or Event of Nonappropriation has occurred and is continuing and if instructed to do so by a Directive and if indemnified as provided in **Section 9.07** and **Section 11.03**, the Trustee shall be obligated to exercise such one or more of the rights and remedies conferred by this Article as the Trustee, upon the advice of counsel, shall deem to be in the interests of the Certificate Owners; provided that such Directive shall not be otherwise than in accordance with the provisions of law and of this Declaration of Trust, and provided further that the Trustee shall have the right to decline to follow any such Directive if the Trustee in good faith shall determine that the proceedings so directed would involve it in personal liability.

Any other provision herein to the contrary notwithstanding, the Owners of not less than a majority in aggregate principal amount of Certificates then-Outstanding shall have the right, at any time, by a Directive, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of this Declaration of Trust, or for the appointment of a receiver or any other proceedings hereunder; provided that such Directive shall not be otherwise than in accordance with the provisions of law and of this Declaration of Trust, and provided, further, that the Trustee has been indemnified as provided in **Sections 9.07** and **11.03** and shall have the right to decline to follow any such Directive if the Trustee in good faith shall determine that the proceedings so directed would involve it in personal liability.

**Section 9.05. Application of Moneys.** All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee (including, without limitation, attorneys' fees and expenses), be deposited into the Lease Revenue Fund and all moneys in the Lease Revenue Fund shall be applied as follows:

(a) Unless the Principal Portions of Basic Rent represented by all the Certificates have become or have been declared due and payable, all such moneys shall be applied:

FIRST - To the payment to the persons entitled thereto of the Interest Portions of Basic Rent represented by the Certificates in the order of the maturity of the installments of such interest and, to the payment, ratably, according to the amount due on such installments, to the persons entitled thereto, without any discrimination or privilege; and

SECOND - To the payment to the persons entitled thereto of the unpaid Principal Portions of Basic Rent represented by any Certificates that have become due and payable (other than Principal Portions of Basic Rent represented by Certificates with respect to the payment of which moneys are held pursuant to the provisions of this Declaration of Trust) in the order of such due dates, with interest from the respective dates upon which they became due and payable and, if the amount available shall not be sufficient to pay in full the Principal Portions of Basic Rent represented by Certificates due on any particular date, together with such interest, then to the payment, ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or privilege except as to any difference in the respective rates of interest specified respecting the Certificates.



(b) If the Principal Portions of Basic Rent represented by all the Certificates have become due or have been declared due and payable, all such moneys shall be applied to the payment of the Principal Portions and the Interest Portions of the Basic Rent then due and unpaid upon the Certificates without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Certificate over any other Certificate, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or privilege except as to any difference in the respective rates of interest specified respecting the Certificates.

(c) If the Principal Portions of Basic Rent represented by all the Certificates have been declared due and payable and if such declaration shall thereafter be rescinded and annulled under the provisions of this Article then subject to the provisions of paragraph (b) of this Section in the event that the Principal Portions of Basic Rent represented by all the Certificates shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for the application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be a Basic Rent Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Owner of any Certificate until such Certificate is presented to the Trustee for appropriate endorsement or for cancellation if paid in full.

Whenever the Principal Portion and the Interest Portion of all Certificates have been paid under the provisions of this Section and all fees, expenses and charges of the Trustee (including, without limitation, attorneys' fees and expenses) have been paid, any balance remaining in the Lease Revenue Fund shall be paid to the City.

**Section 9.06. Remedies Vested in Trustee.** All remedies and rights of action (including the right to file proof of claims) under this Declaration of Trust or under any of the Certificates may be enforced by the Trustee without the possession of any of the Certificates or the production thereof in any trial or other proceedings relating thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as the Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Certificates. Any recovery of judgment or other amounts shall be for the equal benefit of the Owners of the Outstanding Certificates.

**Section 9.07. Rights and Remedies of Certificate Owners.** No Owner of any Certificates shall have any right to institute any suit, action or proceedings in equity or at law for the enforcement of the Lease or this Declaration of Trust, for the execution of any trust thereof, for the appointment of a receiver or to enforce any other remedy thereunder or hereunder, unless (a) an Event of Default or an Event of Nonappropriation has occurred; (b) the Owners have given a Directive to the Trustee and have offered the Trustee reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceedings in its own name; (c) such Certificate Owners have provided to the Trustee indemnification satisfactory to the Trustee; and (d) the Trustee thereafter fails or refuses to exercise the powers hereinbefore granted or to institute such action, suit or proceedings in its, his, her or

their name or names. Such notification, request and indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and the trusts of this Declaration of Trust and to any action or cause of action for the enforcement of this Declaration of Trust or for the appointment of a receiver or for any other right or remedy hereunder. No one or more Owners of the Certificates shall have any right in any manner whatsoever to affect, to disturb or to prejudice the lien of this Declaration of Trust by its, his, her or their action or to enforce any right or remedy hereunder except in the manner herein provided and all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Certificates then-Outstanding. Nothing in this Declaration of Trust contained shall, however, affect or impair the right of any Certificate Owner to enforce the payment of the Principal Portion and the Interest Portion of the Basic Rent represented by any Certificate at and after the maturity or earlier prepayment thereof.

**Section 9.08. Termination of Proceedings.** If the Trustee shall have proceeded to enforce any right or remedy under the Lease or this Declaration of Trust by the appointment of a receiver, by entry or otherwise and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case, the City, the Owners and the Trustee shall be restored to their former respective positions and rights thereunder and hereunder and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

**Section 9.09. Waivers of Defaults.** The Trustee shall waive any Event of Default and its consequences and rescind any declaration of acceleration of principal upon the written request of the Owners of (a) a majority in aggregate principal amount of all Certificates then-Outstanding with respect to which a default in the payment of Principal Portion of Basic Rent represented thereby exists; or (b) a majority in aggregate principal amount of all Certificates then-Outstanding in the case of any other default; provided, however, that there shall not be waived (1) any Event of Default respecting the payment of the Principal Portion of Basic Rent represented by any Certificate at its maturity date, or (2) any Event of Default respecting the payment of the Interest Portion of Basic Rent represented by any Certificate, unless prior to such waiver or rescission, all arrears of principal and interest, as the case may be, and all fees, charges and expenses of the Trustee in connection with such default (including, without limitation, attorneys' fees and expenses) shall have been paid or provided for and, in case any such waiver or rescission or in case any proceedings taken by the Trustee on account of any such default have been discontinued or abandoned or determined adversely, then and in every such case the Trustee, the City and the Certificate Owners shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default or impair any right consequent thereon.

**Section 9.10. Notices of Defaults.** Within 30 days after the occurrence of any Event of Default hereunder of which the Trustee is required to take notice or if notice of default has been given as provided in **Section 11.01(f)**, the Trustee shall give written notice thereof to the City and Notice by Mail to the Owners of all Certificates then-Outstanding (unless such default has been cured or waived; provided, however, that, except in the case of a default in the payment of the Principal Portion or Interest Portion of Basic Rent Payments represented thereby, the Trustee shall be protected in withholding such notice if and so long as the Trustee in good faith determines that the withholding of such notice is in the interests of such Owners).

## ARTICLE X

### DEFEASANCE

#### **Section 10.01. Discharge of Declaration of Trust.**

(a) When (1) the obligations of the City under the Lease have been satisfied in connection with the exercise by the City of its option to purchase the Equipment in accordance with **Article X** of the Lease by the irrevocable deposit in escrow of moneys or Government Obligations (maturing as to principal and interest in such amounts and at such times as are necessary to make any required payments without reinvestment of any earnings thereon) or both moneys and such Government Obligations, and (2) the City has delivered to the Trustee (A) an Opinion of Counsel to the effect that the conditions for such discharge contained herein and in **Section 10.02** have been satisfied or irrevocably provided for and (B) if sufficiency of the deposited moneys and Government Obligations is dependent upon investment earnings, an accountant's certificate verifying the sufficiency of such moneys or Government Obligations or both so deposited for the payment of the Principal Portion and Interest Portion of the Certificates and any applicable Prepayment Price to be paid with respect to the Certificates and (3) the City has deposited sufficient moneys to pay the fees, charges and expenses of the Trustee (or has made provision satisfactory to the Trustee for their payment), thereupon the obligations created by this Declaration of Trust shall cease, determine and become void except for the right of the Certificate Owners and the obligation of the Trustee to apply such moneys and Government Obligations to the payment of the Certificates as herein set forth; provided, however, that all provisions hereof relating to the compensation or indemnification of the Trustee shall survive the satisfaction and discharge of this Declaration of Trust.

(b) After all amounts owing to the Certificate Owners have been paid hereunder and under the Lease and all fees, expenses and charges of the Trustee have been paid (including, without limitation, attorneys' fees and expenses), the Trustee shall turn over to the City any surplus in the Lease Revenue Fund and all balances remaining in any other Funds other than moneys and Government Obligations held for the payment of the Certificates at maturity or on prepayment, which moneys and Government Obligations shall continue to be held by the Trustee in trust for the benefit of the Certificate Owners and shall be applied by the Trustee to the payment, when due, of the Principal Portions and any premium and Interest Portions of Basic Rent represented by the Certificates.

**Section 10.02. Deposit of Moneys or Securities.** If moneys or Government Obligations as hereinabove provided are deposited with and held by the Trustee or other bank or trust company, the Trustee or other bank or trust company shall, within 30 days after such moneys or Government Obligations have been deposited with it, give Notice by Mail to the Owners at the addresses listed on the registration books kept by the Registrar pursuant to **Section 3.06**, setting forth (a) the maturity date or Prepayment Date, as the case may be, of the Certificates, (b) a description of the moneys and/or Government Obligations so held by it, and (c) that this Declaration of Trust has been released in accordance with the provisions of this Section. Whenever in this Declaration of Trust or the Lease it is provided or permitted that there be deposited with or held in trust by the Trustee or other bank or trust company moneys or Government Obligations in the necessary amount to pay or prepay any Certificates, the moneys or Government Obligations to be deposited or held may include moneys or Government Obligations held by the Trustee in the Funds established pursuant to this Declaration of Trust (exclusive of the Project Fund and the Rebate Fund), the principal of and interest on which when due, together with any moneys held by the Trustee or other bank or trust company for such purpose, will provide moneys sufficient to pay the Principal Portions and Interest Portions of the Basic Rent represented by the Certificates as the same becomes due, except that, in the case of Certificates that are to be prepaid prior to

maturity and in respect of which irrevocable notice of such prepayment has been given as in **Article V** provided or irrevocable provision satisfactory to the Trustee has been made for the giving of such notice, the amount to be deposited or held shall be the Prepayment Price with respect to such Certificates and all unpaid interest to the Prepayment Date.

## ARTICLE XI

### THE TRUSTEE

#### **Section 11.01. Duties, Immunities and Liabilities of Trustee.**

(a) The Trustee shall, prior to an Event of Default or Event of Nonappropriation, and after the curing of all Events of Default or Events of Nonappropriation that may have occurred, perform only such duties as are specifically set forth in this Declaration of Trust. The Trustee will have no implied duties. The permissive right or power to take any action may not be construed as a duty to take action under any circumstances, and the Trustee will not be liable except in the event of its negligence or willful misconduct. The Trustee shall, during the existence of any Event of Default or Event of Nonappropriation, exercise such of the rights and powers vested in it by this Declaration of Trust and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Trustee will not be obligated to risk its own funds in the administration of the Trust Estate. Notwithstanding any provision herein to the contrary, the Trustee need not take any action under this Declaration of Trust that may involve it in any expense or liability until indemnified to its satisfaction for any expense or liability, including liability related to environmental contamination, it reasonably believes it may incur.

(c) The Trustee is not responsible for any recitals contained in this Declaration of Trust or in the Certificates, or for the recording, filing, rerecording or refileing of this Declaration of Trust or security agreements (excluding the continuation of Uniform Commercial Code financing statements) in connection therewith, or for insuring the Equipment, or for collecting any insurance money or for the sufficiency of the security for the Certificates. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Declaration of Trust or of the Certificates. The Trustee shall not be accountable for the use or application by the City of any of the Certificates or the proceeds thereof or of any money paid to or upon the order of the City under any provision of this Declaration of Trust or the Lease.

(d) The Trustee will not be required to give any bond or surety or report to any court despite any statute, custom or rule to the contrary.

(e) The Trustee may execute any of the duties under this Declaration of Trust by or through agents, attorneys, trustees or receivers, and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, attorney, trustee or receiver appointed with due care by it hereunder.

(f) The Trustee will not be required to take notice or be deemed to have notice of any default, Event of Default or other fact or event under this Declaration of Trust other than the City's failure to pay Basic Rent Payments required by **Section 4.01** of the Lease, unless the Trustee is specifically notified in writing of the default, Event of Default or other fact or event by the City or the Owners of not

less than 25% of the unpaid Principal Portion of Basic Rent Payments represented by the Certificates then-Outstanding.

(g) The Trustee may consult legal counsel, may conclusively rely on the opinion or advice of such legal counsel and will not be liable for any act or omission taken or suffered pursuant to the opinion or advice of such counsel. The fees and expenses of the counsel will be deemed to be a proper expense of the Trustee.

(h) Unless specifically required by the terms of this Declaration of Trust, the Trustee need not take notice of or enforce any other document or relationship, including any contract, settlement, arrangement, plan, assignment, pledge, release, decree or the like, other than the Lease, but its duties will be solely as set out in this Declaration of Trust.

(i) The Trustee may be removed at any time by written direction of an Authorized Representative (provided that no Event of Default or Event of Nonappropriation has occurred and is continuing) or by a Directive or shall resign at any time the Trustee shall cease to be eligible in accordance with subsection (l) of this Section, or shall become incapable of acting, or shall be adjudged as bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the property or affairs of the Trustee for the purpose of rehabilitation, conservation or liquidation, and thereupon a successor Trustee shall be appointed by written direction of an Authorized Representative (provided that no Event of Default or Event of Nonappropriation has occurred and is continuing) or by a Directive. Written notice of any removal or resignation pursuant to this subsection (i) shall be given to the City and the Owners.

(j) The Trustee may at any time resign by giving written notice of such resignation to the City and by giving the Certificate Owners Notice by Mail of such resignation at the addresses listed on the registration books kept by the Trustee pursuant to **Section 3.06**. Upon receiving such notice of resignation, a successor Trustee shall be appointed by written direction of an Authorized Representative (provided that no Event of Default or Event of Nonappropriation has occurred and is continuing) or by a Directive.

(k) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee has been appointed and has accepted appointment within 45 days of giving notice of removal or notice of resignation as aforesaid, the removed or resigning Trustee or any Certificate Owner (on behalf of himself and all other Certificate Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Declaration of Trust shall signify its acceptance of such appointment by executing and delivering to the City and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee held by it as security for the Certificates, including its interest in the Lease, with like effect as if originally named the Trustee herein and the duties and obligations of the predecessor Trustee hereunder shall thereafter cease and terminate; but, nevertheless at the request of the City or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Declaration of Trust and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to

the trusts and conditions herein set forth. Upon request of the successor Trustee, the City shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, such successor Trustee shall cause Notice by Mail of such acceptance to be given to the Owners at the addresses listed on the registration books kept by the Registrar pursuant to **Section 3.06**.

(l) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a state or national trust company, association or bank having the powers of a trust company and being duly authorized to execute trust powers, in good standing in the State, having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision and examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (l), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

(m) The Trustee may elect not to proceed in accordance with the directions of the Owners of the Certificates without incurring any liability to the Certificate Owners if in the opinion of the Trustee such direction may result in environmental or other liability to the Trustee, in its individual capacity, for which the Trustee has not received indemnity from the Certificate Owners, and the Trustee may rely upon an Opinion of Counsel addressed to the Trustee in determining whether any action directed by Certificate Owners may result in such liability.

(n) The Trustee may inform the Certificate Owners of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event no fiduciary duty exists that imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not received indemnity pursuant to this Declaration of Trust.

(o) Notwithstanding any other provision of this Declaration of Trust to the contrary, any provision intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee shall be interpreted to include any action of the Trustee whether it is deemed to be in its capacity as Trustee, Registrar or paying agent.

(p) The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Section 7.02**, except for its own negligence or willful misconduct.

(q) The Trustee shall not be responsible for the use of any Certificates executed and delivered hereunder.

(r) The Trustee shall have the right, but shall not be required, to demand, in respect of the execution of any Certificate, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Declaration of Trust, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action

by the Trustee as are deemed desirable for the purpose of establishing the right of the City to any such action.

(s) The Trustee may become the owner of Certificates with the same rights it would have if it were not the Trustee, and, to the extent permitted by law, may act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Certificate Owners, whether or not such committee will represent the Owners of a majority in principal amount of the Certificates then-Outstanding.

(t) Provided copies of original financing statements, if any, are timely delivered to the Trustee, the Trustee shall cause to be filed continuation statements to the financing statements under the Uniform Commercial Code of the State, with the appropriate filing office of the State, in such manner as may be required by the Uniform Commercial Code of the State. The City shall be responsible for the reasonable fees and costs, including fees and costs of counsel or other experts, incurred by the Trustee in the preparation and filing of all continuation statements hereunder. Notwithstanding anything to the contrary contained herein, the Trustee shall not be responsible for any initial, amendment or other filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection of any such security interests, the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings or any amendments or other changes that may be required by Article 9 of the Uniform Commercial Code of the State. The Trustee shall be fully protected in relying on information with respect to such initial filings delivered to it by or on behalf of the City.

(u) The Trustee agrees to accept and act upon instructions or directions pursuant to this Declaration of Trust sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation, the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(v) The Trustee may establish such funds, accounts and subaccounts as it deems appropriate for carrying out its duties under this Declaration of Trust.

(w) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, pandemics, epidemics, recognized public emergencies, quarantine restrictions, hacking or cyber-attacks, or other use or infiltration of the Trustee's technological infrastructure exceeding authorized access, or loss or malfunctions of, or interruptions to, utilities, communications or computer (software and hardware) services unless caused by the Trustee's negligence or willful misconduct; it being understood that the Trustee shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

**Section 11.02. Merger or Consolidation.** Any entity into which the Trustee may be merged or converted or with which it may be consolidated or any entity resulting from any merger, conversion or consolidation to which it shall be a party or any entity to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such entity shall be eligible under **Section 11.01(l)** shall be the successor to such Trustee, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

**Section 11.03. Liability of Trustee; Indemnity.** The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

Notwithstanding anything elsewhere in this Declaration of Trust or the Lease contained, before taking any action under this Declaration of Trust (except with respect to acceleration of the Certificates and payment of the Certificates upon such acceleration or any payments of the Certificates when due), the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all reasonable fees, costs and expenses (including, without limitation, attorneys' fees and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action, including, without limitation, liability in connection with environmental contamination, and the cleanup thereof, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

**Section 11.04. Right of Trustee to Rely on Documents.** The Trustee shall be protected in acting upon any notice, ordinance, resolution, request, consent, order, certificate, report, opinion, Directive or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Any action taken by the Trustee pursuant to and in accordance with this Declaration of Trust upon the request, authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Certificate shall be conclusive and binding upon all future Owners of the same Certificate and upon Certificates issued in exchange therefor or upon transfer or in place thereof. The Trustee may consult with counsel, who may be counsel of or to the City, with regard to legal questions or the interpretation of the provisions hereof, and the opinion or advice of such counsel may be conclusively relied upon by the Trustee and shall be full and complete authorization and protection in respect of any action taken, omitted or suffered by it hereunder in good faith and in accordance therewith. The fees and expenses of such counsel will be deemed to be a proper expense of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Declaration of Trust the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking, omitting or suffering any action hereunder, such matter (unless other evidence in respect thereof is herein specifically prescribed) may be deemed to be conclusively proved and established by a written statement signed by an Authorized Representative, and such statement shall be full warrant to the Trustee for any action taken, omitted or suffered in good faith under the provisions of this Declaration of Trust in reliance upon such statement, and, prior to the occurrence of a default of which the Trustee has been notified as provided in **Section 11.01(f)** or of which by said section it is deemed to have notice, the Trustee will also be at liberty to accept a similar statement to the effect that any particular dealing, transaction or action is necessary or expedient, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

**Section 11.05. Preservation and Inspection of Documents.** All documents received by the Trustee under the provisions of this Declaration of Trust shall be retained in its possession until six months after payment in full of all Certificates and discharge of this Declaration of Trust and shall be



subject at all reasonable times to the inspection of the City and any Certificate Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

**Section 11.06. Compensation of the Trustee.** The City shall, from time to time, upon the written request of the Trustee, (a) pay to the Trustee reasonable compensation for its services as set forth in **Section 4.07** of the Lease (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) and (b) reimburse the Trustee for all reasonable advances, fees, costs and expenses, including but not limited to, advances to and reasonable fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys or other experts employed by it in the exercise and performance of its powers and duties hereunder. Said compensation is to be paid as Supplemental Rent pursuant to the Lease. The Trustee will have a first lien against the Trust Estate for its reasonable costs, fees, expenses and advances hereunder. In every instance in which this Declaration of Trust or the Lease provides for compensation, reimbursement or indemnification of the Trustee, such provision shall be deemed to provide for, whether or not expressly so stated, the payment of all related fees, costs, charges, advances and expenses of the Trustee (including, without limitation, attorneys' fees and expenses), unless the context shall clearly indicate otherwise.

## ARTICLE XII

### MISCELLANEOUS

**Section 12.01. Survival of Provisions.** The obligations of the Trustee with respect to matters arising before the termination of this Declaration of Trust shall survive the termination of this Declaration of Trust.

**Section 12.02. No Third-Party Beneficiaries.** No persons other than the City, the Trustee, the Owners of Certificates and the successors and assigns of such persons, shall have any rights whatsoever under this Declaration of Trust.

**Section 12.03. Notices.** It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Declaration of Trust or the Lease to be given or filed with the Trustee, the City or the Certificate Owners if the same is duly mailed by registered or certified mail with postage prepaid (except as indicated in (a) below) addressed as follows:

(a) To the Owners of the Certificates if the same is duly mailed by first-class mail, postage prepaid, addressed to each of the Owners of Certificates at the time Outstanding at his address as shown by the register maintained pursuant to **Section 3.06**.

(b) If to the City: City of University City, Missouri  
6801 Delmar Boulevard  
University City, Missouri 63130  
Attn: City Manager

(c) If to the Trustee: UMB Bank, N.A.  
2 South Broadway, 6th Floor  
St. Louis, Missouri 63102  
Attn: Corporate Trust Department

A duplicate copy of each notice, certificate or other communication given hereunder, or pursuant to the Lease, to any of the parties mentioned in this Section shall be given to all other parties mentioned in this Section, including the Owners of the Certificates if a copy is required to be furnished to them by other provisions of this Declaration of Trust. The Trustee or the City may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent to it. Notice to the Trustee shall be effective only upon receipt.

**Section 12.04. Waiver of Personal Liability.**

(a) All obligations or liabilities under this Declaration of Trust on the part of the Trustee are solely obligations or liabilities of the Trustee in its capacity hereunder as a corporate trustee of the Trust Estate. To the extent permitted by law, the City hereby releases each and every director, officer, agent, attorney and employee of the Trustee from any personal or individual liability under this Declaration of Trust. No director, officer, agent, attorney or employee of the Trustee will at any time or under any circumstances be individually or personally liable under this Declaration of Trust for anything done or omitted to be done by the Trustee hereunder.

(b) All obligations or liabilities under this Declaration of Trust on the part of the City are solely obligations or liabilities of the City as a political subdivision. To the extent permitted by law, the Trustee hereby releases each and every official, member, employee and agent of the City from any personal or individual liability under this Declaration of Trust. No official, member, employee or agent of the City will at any time or under any circumstances be individually or personally liable under this Declaration of Trust for anything done or omitted to be done by the City hereunder.

**Section 12.05. Electronic Transaction.** The transaction described herein 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.

**Section 12.06. Declaration of Trust Binding Upon Trustee and Successors.** This Declaration of Trust will inure to the benefit of and will be binding upon the Trustee and its successors and assigns, subject to the limitations contained herein.

**Section 12.07. Anti-Discrimination Against Israel Act.** Pursuant to Section 34.600 of the Revised Statutes of Missouri, the Trustee certifies it is not currently engaged in and shall not, for the duration of this Declaration of Trust, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or (c) persons or entities doing business in the State of Israel.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the Trustee has caused this Declaration of Trust to be executed by its duly authorized signatory, all as of the day and year indicated above.

**UMB BANK, N.A.,  
as Trustee**

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

**EXHIBIT A**

**TO DECLARATION OF TRUST**

**FORM OF CERTIFICATE OF PARTICIPATION**

**EXCEPT AS OTHERWISE PROVIDED IN THE DECLARATION OF TRUST (AS DEFINED HEREIN), THIS GLOBAL CERTIFICATE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (AS DEFINED IN THE DECLARATION OF TRUST) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.**

**UNITED STATES OF AMERICA  
STATE OF MISSOURI**

No. \_\_\_\_\_

\$ \_\_\_\_\_

**CERTIFICATE OF PARTICIPATION  
(CITY OF UNIVERSITY CITY, MISSOURI, LESSEE)  
SERIES 2024**

<u>Interest Rate</u>	<u>Payment Date</u>	<u>Certificate Date</u>	<u>CUSIP</u>
_____ %	April 1, 20__		_____

**Registered Owner:** CEDE & CO.

**Principal Sum:** \_\_\_\_\_

**THIS IS TO CERTIFY** that the Registered Owner identified above of this Certificate of Participation (this “Certificate”) is the owner of the proportionate interest hereinafter stated in that certain Lease Purchase Agreement dated as of June 1, 2024 (the “Lease”), between UMB Bank, N.A., a national banking association organized under the laws of the United States of America (the “Trustee”), and the City of University City, Missouri, a Missouri home-rule charter city (the “City”), including payments of basic rent to be made thereunder (the “Basic Rent Payments”). The City is authorized to enter into the Lease pursuant to applicable laws, including the constitution and statutes of the State of Missouri and an ordinance of the City. This Certificate is subject to the Declaration of Trust, dated as of June 1, 2024, by the Trustee, as amended or supplemented from time to time (the “Declaration of Trust”), which is on file at the designated corporate trust office of the Trustee located in St. Louis, Missouri. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Declaration of Trust.

**THE REGISTERED OWNER** of this Certificate is entitled to receive, subject to the terms of the Lease and the Declaration of Trust, on the payment date specified above (the “Certificate Payment Date”), or if selected for prepayment, on the Prepayment Date, the principal sum specified above, representing a portion of the Basic Rent Payment designated as principal coming due on the Certificate

Payment Date, and to receive the Registered Owner's proportionate share of the Basic Rent Payments designated as interest on April 1 and October 1, commencing on April 1, 2025, to and including the Certificate Payment Date or the Prepayment Date, whichever is earlier. Said proportionate share of the Basic Rent Payments designated as interest is computed on the principal sum specified above from the certificate date specified above, or the most recent date to which such interest has been paid, 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 principal and prepayment premium, if any, are payable by check or draft upon the presentation and surrender of this Certificate at the designated corporate trust office of the Registrar, and the amounts representing interest are payable to the person in whose name this Certificate is registered in the register maintained by the Registrar at the close of business on the 15th day (whether or not a Business Day) of the calendar month preceding the applicable interest payment date (the "Record Date") by check or draft mailed to said Registered Owner at his address as it appears in said register or by electronic transfer to such Registered Owner upon written notice given to the Registrar by such Registered Owner not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name of the bank, the bank's ABA routing number, the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgement that an electronic transfer fee may be applicable.

**BASIC RENT PAYMENTS** are payable solely from Available Revenues which include, for any Fiscal Year, any balances of the City from previous Fiscal Years encumbered to pay Rent under the Lease, amounts budgeted or appropriated out of the income and revenue of the City for such Fiscal Year plus any unencumbered balances of the City from previous Fiscal Years that are legally available to pay Rent during such Fiscal Year and all moneys and investments, including earnings thereon, held by the Trustee pursuant to the Declaration of Trust.

NEITHER THE BASIC RENT PAYMENTS NOR ANY OTHER AMOUNTS DUE UNDER THE LEASE CONSTITUTE A DEBT, A GENERAL OBLIGATION OR, EXCEPT FROM AVAILABLE REVENUES, A LIABILITY OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION. THE CITY SHALL NOT BE OBLIGATED TO PAY THE SAME EXCEPT FROM AVAILABLE REVENUES. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS PLEDGED TO THE PAYMENT OF THE BASIC RENT 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 AND INTEREST UNDER THE LEASE REPRESENTED BY THIS CERTIFICATE OR THE MAKING OF ANY OTHER PAYMENTS PROVIDED FOR IN THE LEASE.

This Certificate is one of a duly authorized series of certificates of participation designated "Certificates of Participation (City of University City, Missouri, Lessee), Series 2024," (the "Series 2024 Certificates") delivered for the purpose of providing funds to pay the costs of (i) acquiring, constructing, reconstructing, remodeling, equipping, furnishing and otherwise improving the City's Annex Building and Trinity Building (a portion of which constitutes the "Equipment") and (ii) executing and delivering the Series 2024 Certificates. The Series 2024 Certificates have been executed by the Trustee pursuant to and are governed by the terms of the Declaration of Trust. Copies of the Lease and the Declaration of Trust are on file at the administrative offices of the City and at the designated corporate trust office of the Trustee, and reference to the Lease and the Declaration of Trust and any and all amendments and supplements thereto is made for a description of the pledges and covenants of the City securing the Basic

Rent Payments, the nature, extent and manner of enforcement of such pledges and covenants and the rights, terms and conditions upon which the Series 2024 Certificates are delivered thereunder.

The Declaration of Trust permits certain amendments or supplements to the Declaration of Trust and the Lease not materially adverse to the security of the Owners to be made without the consent of or notice to the 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 Owners.

If certain conditions are met, the Lease may be amended without the consent of or notice to the Certificate Owners to increase the amount of Basic Rent payable by the City, and additional certificates of participation evidencing interests in such increased Basic Rent may be executed and delivered under the Declaration of Trust (“Additional Certificates”). Such Additional Certificates would be on a parity with the Series 2024 Certificates.

The Series 2024 Certificates maturing on April 1, 2036 and thereafter are subject to optional prepayment, as a whole or in part, on April 1, 2034 or any date thereafter, at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Series 2024 Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, from amounts paid by the City upon the exercise of its option to purchase the Trustee’s interest in the Equipment or to partially prepay Basic Rent Payments pursuant to the terms of the Lease.

The Series 2024 Certificates are subject to optional prepayment on any date prior to their respective stated maturities, as a whole (but not in part), at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented thereby, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the event of substantial damage to or destruction or condemnation (other than by the City or any entity controlled by or otherwise affiliated with the City) of, or loss of title to, substantially all of the Equipment, or if as a result of changes in the constitution of the State of Missouri or legislative or administrative action by the State of Missouri or the United States, the Lease or the Declaration of Trust becomes unenforceable and the City purchases the Trustee’s interest in the Equipment pursuant to the Lease.

The Series 2024 Certificates maturing on April 1, 2036, April 1, 2044 and April 1, 2049 are subject to mandatory prepayment at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Series 2024 Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date.

If any of the Certificates are to be prepaid, notice thereof identifying the Certificates to be prepaid will be given by first-class mail, postage prepaid, mailed not less than 30 days prior to the Prepayment Date to each Registered Owner of Certificates to be prepaid. The failure of the Registered Owner of any Certificate to be so prepaid to receive notice of prepayment mailed as provided in the Declaration of Trust shall not affect or invalidate the prepayment of such Certificate. All Certificates for which notice of prepayment is given shall 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 Declaration of Trust and shall no longer be deemed to be Outstanding under the Declaration of Trust.

This Certificate is transferable upon the Certificate register, which shall be kept for that purpose at the designated corporate trust office of the Trustee, upon surrender and cancellation of this Certificate together with a written instrument of transfer satisfactory to the Trustee duly executed by the Registered Owner or his, her or its duly authorized attorney and upon payment of the charges provided in the

Declaration of Trust. Upon such transfer a new fully-registered Certificate or Certificates of the same maturity and aggregate principal amount will be issued to the transferee. The Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Trustee shall not be affected by any notice to the contrary.

The Certificates are being delivered by means of a book-entry system with no physical distribution of Certificates to be made except as provided in the Declaration of Trust. One Certificate with respect to each Certificate Payment Date, registered in the nominee name of the Securities Depository, is being delivered. The book-entry system will evidence positions held in the Certificates by the Securities Depository's Participants, beneficial ownership of the Certificates in authorized denominations being evidenced in the records of such Participants. Transfers of ownership shall be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository and its Participants. The Trustee will recognize the Securities Depository nominee, while the Registered Owner of this Certificate, as the Owner of this Certificate for all purposes, including (i) payments of the Principal Portion and Interest Portion of Basic Rent, (ii) notices and (iii) voting. Transfers of the Principal Portion and Interest Portion of Basic Rent to Participants of the Securities Depository will be the responsibility of the Securities Depository, and transfers of the Principal Portion and Interest Portion of Basic Rent to beneficial owners of the Certificates by Participants of the Securities Depository will be the responsibility of such Participants and other nominees of such beneficial owners. The Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its Participants or persons acting through such Participants. While the Securities Depository nominee is the Owner of this Certificate, notwithstanding the provision hereinabove contained, payments on this Certificate shall be made in accordance with existing arrangements among the City, the Trustee and the Securities Depository.

EXCEPT AS OTHERWISE PROVIDED IN THE DECLARATION OF TRUST, THIS GLOBAL CERTIFICATE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

The Certificates may be delivered in the form of fully-registered Certificates in the denomination of \$5,000 or any integral multiple thereof, subject to certain limitations and as otherwise provided in the Declaration of Trust. The Certificates, upon surrender thereof at the designated corporate trust office of the Trustee with a written request for exchange satisfactory to the Trustee duly executed by the Registered Owner or his, her or its duly authorized attorney in writing, may be exchanged for an equal aggregate principal amount of fully-registered Certificates of any authorized denomination of the same maturity. No service charge shall be made for any transfer or exchange of Certificates, 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 Certificates to make payments of principal or interest with respect to the Certificates. The Trustee's sole obligations are to administer, for the benefit of the Registered Owners thereof, the various funds and accounts established under the Declaration of Trust.

**THE CITY** 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.

**UMB BANK, N.A.,**  
Trustee

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

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**ASSIGNMENT**

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

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Please Print or Typewrite Name, Address and  
Taxpayer Identification Number or Social Security 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 the 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 of the Registered Owner as it appears upon the face of the within Certificate in every particular.

Medallion Signature Guarantee:

**EXHIBIT B**

**TO DECLARATION OF TRUST**

**FORM OF REQUISITION CERTIFICATE  
FOR PROJECT COSTS**

**Request No.** \_\_\_\_\_

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

**WRITTEN REQUEST FOR DISBURSEMENT FROM  
CITY OF UNIVERSITY CITY, MISSOURI  
PROJECT FUND**

To: UMB Bank, N.A.  
2 South Broadway, 6th Floor  
St. Louis, Missouri 63102  
Attn: Corporate Trust Department

Ladies and Gentlemen:

Pursuant to **Section 5.02** of the Lease Purchase Agreement dated as of June 1, 2024 (the “Lease”), between UMB Bank, N.A. (the “Trustee”) and the City of University City, Missouri (the “City”), and **Section 6.04** of the Declaration of Trust dated as of June 1, 2024 (the “Declaration of Trust”), the City hereby requests payment in accordance with this request and said sections of the Lease and the Declaration of Trust. *All capitalized terms used in this request have the meanings assigned in the Lease and the Declaration of Trust.*

The City hereby states and certifies that:

a. The names of the persons, firms or corporations, if any, to whom the payments requested hereby are due and the amounts to be paid are as set forth on **Attachment I** hereto.

b. The amount hereby requested has been paid or is justly due and is hereby requested to be paid to contractors, subcontractors, materialmen, engineers, architects or other persons (which may include the City) (whose names and addresses are stated on **Attachment I** hereto) who have performed necessary and appropriate work or furnished necessary and appropriate materials in the acquisition, construction and installation of the Project (a brief description of such work and materials and the amounts so paid or due being set forth on **Attachment I** hereto).

c. No part of the amounts paid or due, as stated in this certificate, has been, is being or will be made the basis for the withdrawal of any moneys in any previous, pending or subsequently filed certificate.

d. The amount remaining to be paid from the Project Fund to pay the remaining Project Costs to be paid from the Series 2024 Certificates, together with other moneys set aside by the City to pay Project Costs, after payment of the amounts requested, will be sufficient to pay the cost of completing the acquisition, construction and installation of the Project in accordance with an estimate of cost of work not

yet completed, it being understood that no moneys in the Project Fund may be disbursed to pay Project Costs unless after such expenditure the remaining moneys in the Project Fund, together with any other funds available and committed by the City, are sufficient to pay such remaining Project Costs to be paid from the Series 2024 Certificates.

e. This certificate contains no request for payment on account of any retained percentage which the City is at the date of such certificate entitled to retain.

f. There has not been filed with or served upon the City any notice of any lien, right to a lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the respective amounts stated in said certificate which has not been released or will not be released simultaneously with the payment of such obligation.

g. Invoices, statements, vouchers or bills for the amounts requested and lien waivers for all services or materials furnished by subcontractors, except as to any retainage, related to amounts specified in this certificate are attached hereto or are on file with the City.

h. With respect to this disbursement, the City (a) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, and (b) agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with such wire instructions.

i. If this Requisition Certificate requests moneys from the Equipment Subaccount of the Project Fund, the City certifies the description of each item of Equipment and the amount to be paid from the Equipment Subaccount as follows:

DESCRIPTION	SERIAL NO.	MODEL NO.	LOCATION	COST
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j. If this Requisition Certificate requests moneys from the Equipment Subaccount of the Project Fund for Equipment that is a motor vehicle, the City certifies the description of each motor vehicle and the amount to be paid from the Equipment Subaccount as follows:

YEAR	MAKE.	MODEL	VIN	COST
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The City further certifies that each motor vehicle will be registered and titled as follows:

- (i) Owner: City of University City, Missouri
- (ii) Lienholder: UMB Bank, N.A., as Trustee  
2 South Broadway, 6th Floor  
St. Louis, Missouri 63102  
Attn: Corporate Trust Department

The City agrees that it will be responsible for the correct titling of all Equipment. The City will cause the original certificates of title to be delivered to the Trustee for retention in the Trustee's files throughout the term of the Certificates or until the lien is released as provided in **Section 3.07** of the Lease.

Pursuant to **Section 5.02** of the Lease and **Section 6.04** of the Declaration of Trust, the City hereby states and certifies that (a) each of the City's representations contained in the Lease is true, correct and not misleading as though made as of the date hereof, and (b) no event exists that constitutes, or with the giving of notice or the passage of time or both would constitute, an Event of Default.

**CITY OF UNIVERSITY CITY, MISSOURI**

By: \_\_\_\_\_  
Authorized Representative

**ATTACHMENT I  
TO WRITTEN REQUEST FOR DISBURSEMENT FROM  
CITY OF UNIVERSITY CITY, MISSOURI  
PROJECT FUND**

**SCHEDULE OF PAYMENTS REQUESTED**

**Payee and Address**

**Amount**

**Description**

**EXHIBIT C**

**TO DECLARATION OF TRUST**

**PAYMENT SCHEDULE FOR SERIES 2024 CERTIFICATES\***

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
07/09/2024					
04/01/2025	820,000	5.000%	938,651.39	1,758,651.39	1,758,651.39
10/01/2025			624,374.99	624,374.99	
04/01/2026	560,000	5.000%	624,374.99	1,184,374.99	1,808,749.98
10/01/2026			610,375.01	610,375.01	
04/01/2027	590,000	5.000%	610,375.01	1,200,375.01	1,810,750.02
10/01/2027			595,625.00	595,625.00	
04/01/2028	620,000	5.000%	595,625.00	1,215,625.00	1,811,250.00
10/01/2028			580,125.00	580,125.00	
04/01/2029	650,000	5.000%	580,125.00	1,230,125.00	1,810,250.00
10/01/2029			563,875.00	563,875.00	
04/01/2030	680,000	5.000%	563,875.00	1,243,875.00	1,807,750.00
10/01/2030			546,875.00	546,875.00	
04/01/2031	715,000	5.000%	546,875.00	1,261,875.00	1,808,750.00
10/01/2031			528,999.99	528,999.99	
04/01/2032	750,000	5.000%	528,999.99	1,278,999.99	1,807,999.98
10/01/2032			510,250.00	510,250.00	
04/01/2033	790,000	5.000%	510,250.00	1,300,250.00	1,810,500.00
10/01/2033			490,499.99	490,499.99	
04/01/2034	830,000	5.000%	490,499.99	1,320,499.99	1,810,999.98
10/01/2034			469,749.99	469,749.99	
04/01/2035	870,000	5.000%	469,749.99	1,339,749.99	1,809,499.98
10/01/2035			448,000.00	448,000.00	
04/01/2036	915,000	5.000%	448,000.00	1,363,000.00	1,811,000.00
10/01/2036			425,124.99	425,124.99	
04/01/2037	960,000	5.000%	425,124.99	1,385,124.99	1,810,249.98
10/01/2037			401,125.00	401,125.00	
04/01/2038	1,010,000	5.000%	401,125.00	1,411,125.00	1,812,250.00
10/01/2038			375,875.00	375,875.00	
04/01/2039	1,060,000	5.000%	375,875.00	1,435,875.00	1,811,750.00
10/01/2039			349,375.00	349,375.00	
04/01/2040	1,110,000	5.000%	349,375.00	1,459,375.00	1,808,750.00
10/01/2040			321,625.00	321,625.00	
04/01/2041	1,165,000	5.000%	321,625.00	1,486,625.00	1,808,250.00
10/01/2041			292,500.00	292,500.00	
04/01/2042	1,225,000	5.000%	292,500.00	1,517,500.00	1,810,000.00
10/01/2042			261,875.00	261,875.00	
04/01/2043	1,285,000	5.000%	261,875.00	1,546,875.00	1,808,750.00
10/01/2043			229,750.00	229,750.00	
04/01/2044	1,350,000	5.000%	229,750.00	1,579,750.00	1,809,500.00
10/01/2044			196,000.01	196,000.01	
04/01/2045	1,420,000	5.000%	196,000.01	1,616,000.01	1,812,000.02
10/01/2045			160,500.00	160,500.00	
04/01/2046	1,490,000	5.000%	160,500.00	1,650,500.00	1,811,000.00
10/01/2046			123,250.00	123,250.00	
04/01/2047	1,565,000	5.000%	123,250.00	1,688,250.00	1,811,500.00
10/01/2047			84,125.01	84,125.01	
04/01/2048	1,640,000	5.000%	84,125.01	1,724,125.01	1,808,250.02
10/01/2048			43,125.00	43,125.00	
04/01/2049	1,725,000	5.000%	43,125.00	1,768,125.00	1,811,250.00
	<b>25,795,000</b>		<b>19,404,651.35</b>	<b>45,199,651.35</b>	<b>45,199,651.35</b>

\* To provide for the timely payment of Basic Rent, the City shall pay to the Trustee for deposit in the Lease Revenue Fund not less than five Business Days before each Basic Rent Payment Date, the amount due on such Basic Rent Payment Date.

**EXHIBIT C**  
**PRELIMINARY OFFICIAL STATEMENT**

[On file with the City Clerk]





SUPPLEMENT DATED JUNE 20, 2024  
TO  
PRELIMINARY OFFICIAL STATEMENT DATED JUNE 3, 2024

**\$25,505,000\***  
**Certificates of Participation**  
**(City of University City, Missouri, Lessee)**  
**Series 2024**

SUPPLEMENT

This Supplement, dated June 20, 2024 (the “Supplement”) to the Preliminary Official Statement, dated June 3, 2024 (the “Preliminary Official Statement”), sets forth certain information supplementary to the Preliminary Official Statement prepared in connection with the offering of the above-referenced Certificates of Participation (the “Series 2024 Certificates”) for the City of University City, Missouri (the “City”).

**The information contained in this Supplement should be read together with the Preliminary Official Statement.** This Supplement does not update, modify or replace the information contained in the Preliminary Official Statement, which contains information only as of its date, except as set forth below.

Capitalized terms used but not otherwise defined in this Supplement shall have the meanings provided in the Preliminary Official Statement.

On June 13, 2024, two residents of the City filed a lawsuit against the City in St. Louis County Circuit Court in connection with the City’s proposed delivery of the Series 2024 Certificates and the related Lease Purchase Agreement between the City and UMB Bank, N.A., as trustee (the “Lease”). The lawsuit claims the ordinance approving the Series 2024 Certificates violates a provision of the City Charter requiring voter approval of any lease of the two City buildings that are being improved with proceeds of the Series 2024 Certificates because the Equipment being leased will be affixed to the buildings, notwithstanding that the Lease expressly provides that the Equipment is and will remain personal property and will not be deemed to be affixed to or part of the real estate or building. The City believes the lawsuit is without merit and intends to vigorously defend the lawsuit.

Nevertheless, and after consultation with the financing team (including the City’s bond counsel, Stifel, Nicolaus & Company, Incorporated, as underwriter (“Stifel”) and Stifel’s counsel), the City intends to revise the “Project” described in the Lease and the list of “Equipment” described in and subject to the Lease. While the City believes that the original collateral package complied with the provision of the City Charter at issue in the lawsuit, the list of “Equipment” described in and subject to the Lease is being revised to remove the items alleged in the lawsuit to be affixed to buildings and include items that in no way could be deemed to be anything other than personal property. The attorney for the plaintiffs has indicated that if the City takes the above-described action, it will moot the merits of the lawsuit.

To satisfy the procedural requirements of the City Charter, the City expects to have first reading of an ordinance reaffirming the Series 2024 Certificates and revising the Lease on June 24, 2024, and final passage of that ordinance on July 2, 2024. That will necessitate extending the delivery date from June 25, 2024 to July 9, 2024.

The City intends to proceed with the delivery of the Series 2024 Certificates to finance improvements to the police department and municipal court facilities, which are critical to the City’s operations and the public’s use of these public facilities.

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\* Preliminary; subject to change.

Specifically, the following revisions are made to the Preliminary Official Statement to reflect the revisions to the Lease and with respect to the litigation referenced above:

- All references in the Preliminary Official Statement to the “Project” and the descriptions of the purposes for which the Series 2024 Certificates are being delivered shall be deemed to include the acquisition of the Equipment described below under the revisions to the section captioned “**PLAN OF FINANCING – The Project and the Equipment.**”
- The section captioned “**INTRODUCTION – The Financing Documents**” is hereby revised to read as follows:

### **The Financing Documents**

Proceeds of the Series 2024 Certificates will be used to finance the Project, a portion of which will include certain personal property. That personal property is referred to herein as the “Equipment.” The Trustee, as lessor, will convey and lease the Equipment to the City, as lessee, pursuant to the Lease for an original term commencing on the date of delivery of the Series 2024 Certificates and terminating on June 30, 2025 (the “Original Term”). Subject to annual renewal and budget appropriations at the option of the City, the Trustee will continue to lease the Equipment for subsequent one-year renewal terms (the “Renewal Terms”), provided that the final Renewal Term will not extend beyond April 2, 2049\*, which is the day following the final maturity of the Series 2024 Certificates.

The Series 2024 Certificates are being executed and delivered pursuant to the Declaration of Trust, made by the Trustee. Neither the Series 2024 Certificates nor the Basic Rent Payments are obligations of the Trustee, and the Trustee has no liability or obligation under or with respect to the Series 2024 Certificates or the Basic Rent Payments.

Under the Declaration of Trust, the Trustee will hold all of its estate, right, title and interest in the Lease for the benefit of the Owners of the Series 2024 Certificates. The Declaration of Trust provides for the future delivery of additional certificates (the “Additional Certificates” and, together with the Series 2024 Certificates, the “Certificates”) which, if delivered, will rank on a parity with the Series 2024 Certificates and any other Certificates then-Outstanding under the Declaration of Trust. See “**ADDITIONAL CERTIFICATES.**”

- The section captioned “**PLAN OF FINANCING – The Project and the Equipment**” is hereby revised to read as follows:

## **PLAN OF FINANCING**

### **The Project and the Equipment**

The Project consists of (1) acquiring, constructing, reconstructing, remodeling, equipping, furnishing and otherwise improving the City’s Annex Building and Trinity Building and (2) purchasing police vehicles and equipment. The total cost of the Project is estimated to be \$27,000,000. The portions of the Project related to Annex Building and the Trinity Building are expected to be complete by September 1, 2026. Purchases of police vehicles and equipment are

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\* Preliminary; subject to change.

expected to occur in the City’s fiscal year ending June 30, 2025 through the fiscal year ending June 30, 2029.

Proceeds of the Series 2024 Certificates will be used to finance the Project, a portion of which constitutes the Equipment. Only the Equipment serves as security for payment of the Series 2024 Certificates under the Lease. The Equipment is expected to consist of the following:

<u>Equipment Description</u>	<u>Estimated Value</u>
Police vehicles	\$1,250,000
Furniture	575,000
Police radios	550,000
Training simulator	250,000
Dispatch consoles	100,000
Speed trailers	70,000
Miscellaneous office equipment (i.e., computers, copiers, printers, scanners, etc.)	60,000
Mobile rapid deployment cameras	<u>45,000</u>
TOTAL	\$2,900,000

The City is not obligated to purchase all of the Equipment described above, nor is the City limited by the estimated values shown above. The Equipment subject to the Lease will solely be the Equipment that is described in the requisition certificates submitted to the Trustee pursuant to the Declaration of Trust, and the Equipment will be deemed to incorporate all Equipment listed on such requisition certificates (as well as any modifications, additions, improvements, replacements or substitutions thereto or therefor; provided “Equipment” shall not include any motor vehicle or its replacement that is released from the lien of the Lease).

Proceeds of the Series 2024 Certificates in the amount of \$2,900,000 will be deposited into the Equipment Subaccount of the Project Fund held by the Trustee under the Declaration of Trust. The Trustee will disburse money from the Equipment Subaccount upon receipt of requisitions of the City that identify the specific Equipment to be acquired in sufficient detail to provide the Trustee a security interest therein. See **“SUMMARY OF CERTAIN PROVISIONS OF THE DECLARATION OF TRUST – Disbursements from the Project Fund”** in *Appendix C*.

The City typically replaces its police cars every 5-7 years. The Lease permits the Trustee to release its lien on motor vehicles if the City certifies that the motor vehicle has become worn out, undesirable or unnecessary or is due for replacement in accordance with the City’s normal and customary replacement program. See **“Conditions for Release of Certain Portions of the Equipment”** below. The replacement vehicles will not constitute part of the Equipment.

Other Equipment that the City expects to acquire with proceeds of the Series 2024 Certificates likely will have a useful life substantially less than the final maturity of the Series 2024 Certificates. Accordingly, over time, the value of the Equipment likely will be substantially less than the estimated value shown above.

See the caption **“RISK FACTORS AND INVESTMENT CONSIDERATIONS – Dilution of Security for the Series 2024 Certificates and Limited Value of the Equipment.”**

- The section captioned “**RISK FACTORS AND INVESTMENT CONSIERATIONS -- Dilution of Security for the Series 2024 Certificates and Limited Value of the Equipment**” is hereby revised to read as follows:

#### **Dilution of Security for the Series 2024 Certificates and Limited Value of the Equipment**

The estimated value of the Equipment (approximately \$2,900,000 prior to any depreciation) is substantially less than the amount of the Series 2024 Certificates. In the event of a casualty loss, the proceeds of any insurance claim may be insufficient to fund the City’s purchase of the Equipment pursuant to the Lease. If the City determines that the replacement, repair, restoration, modification or improvement of the Equipment is not economically feasible or in the best interest of the City, that determination could increase the likelihood of an Event of Nonappropriation.

The value of the Equipment that is subject to the Lease will significantly diminish over time. The City typically replaces its police cars every 5-7 years. The Lease permits the Trustee to release its lien on motor vehicles if the City certifies that the motor vehicle has become worn out, undesirable or unnecessary or is due for replacement in accordance with the City’s normal and customary replacement program. The replacement vehicles will not constitute part of the Equipment. Other Equipment that the City expects to acquire with proceeds of the Series 2024 Certificates likely will have a useful life substantially less than the final maturity of the Series 2024 Certificates. Accordingly, over time, the value of the Equipment likely will be substantially less than the original estimated value shown above. However, some of the Equipment, such as furniture and police consoles, will be subject to the lien of the Lease throughout the term of the Series 2024 Certificates.

The Declaration of Trust permits the delivery of Additional Certificates payable from the Trust Estate on a parity with the pledge of the Trust Estate to the payment of the Series 2024 Certificates. See “**ADDITIONAL CERTIFICATES.**” The delivery of Additional Certificates payable from the Trust Estate on a parity with the pledge of the Trust Estate to the payment of the Series 2024 Certificates may dilute the security for the Series 2024 Certificates by increasing debt service obligations under the Declaration of Trust without a concomitant increase in the security for the Series 2024 Certificates.

- An additional subsection is added to the section captioned “**RISK FACTORS AND INVESTMENT CONSIDERATIONS**” as follows:

#### **Effects of Determination of Invalidity of the Certificates**

If the Certificates are declared invalid because of ultra vires action of the City or otherwise, the City’s obligation to make payments on the Lease ends, and the Declaration of Trust terminates. Holders of Certificates will have no recourse under the Declaration of Trust.

- The section captioned “**LITIGATION**” is hereby revised to read as follows:

#### **LITIGATION**

On June 13, 2024, two residents of the City filed a lawsuit against the City in St. Louis County Circuit Court in connection with the City’s proposed delivery of the Series 2024 Certificates and the Lease. The lawsuit claims the ordinance approving the Series 2024 Certificates is invalid because it violates a provision of the City Charter requiring voter approval of certain real

estate transactions concerning the two City properties that are being improved with proceeds of the Series 2024 Certificates. If the plaintiffs are granted relief, the Certificates could be deemed to be invalid. The City believes the lawsuit is without merit and intends to vigorously defend the lawsuit. At closing, Special Tax Counsel will opine that the Declaration of Trust has been approved by the City, and that the transaction documents to which the City is a party, including the Lease, have been duly authorized, executed and delivered by the City and constitute legal, valid and binding agreements of the City. See “**LEGAL MATTERS.**”

Except as described above, there is no litigation pending that (a) seeks to restrain or enjoin or in any way limit the approval or delivery of this Official Statement or the Series 2024 Certificates or the proceedings or authority under which they are to be delivered or (b) in any manner challenges or threatens the powers of the City to enter into or carry out the transactions contemplated by the Declaration of Trust and the Lease.

- The section captioned “**SUMMARY OF CERTAIN PROVISIONS OF THE DECLARATION OF TRUST – Establishment of Funds**” in *Appendix C* is hereby revised to read as follows:

#### **Establishment of Funds**

The Declaration of Trust establishes the following Funds:

- (a) Project Fund, and within the Project Fund, an Equipment Subaccount.
- (b) Lease Revenue Fund.
- (c) Rebate Fund.

The Funds (except the Rebate Fund) established pursuant to the Declaration of Trust shall be held by the Trustee in trust and for the benefit of the Certificate Owners. The money in the Funds shall be applied as provided in the Declaration of Trust.

- The section captioned “**SUMMARY OF CERTAIN PROVISIONS OF THE DECLARATION OF TRUST – Disbursements from the Project Fund**” in *Appendix C* is hereby revised to read as follows:

#### **Disbursements from the Project Fund**

Moneys in the Project Fund shall be used to pay for Project Costs, including Costs of Delivery. Payment shall be made from moneys in the Project Fund upon receipt by the Trustee of a requisition certificate therefor signed by an Authorized Representative, which requisition certificate shall contain the statements, representations and certifications set forth in the form attached to the Declaration of Trust and shall be otherwise substantially in such form.

Any requisition certificate for disbursement of moneys in the Equipment Subaccount of the Project Fund must include the serial number and/or model number (as applicable) and location of any Equipment acquired; or if the requisition certificate is for a motor vehicle, it must include the vehicle identification number and the City’s certification that the Trustee will be named as lienholder on the vehicle title.

In making disbursements for Project Costs, the Trustee shall be entitled to conclusively rely upon each written requisition certificate executed as described above without inquiry or

investigation. It is understood that the Trustee shall *not* make any inspections of the Project, make any provision to obtain completion bonds, mechanics' or materialmen's lien releases or otherwise supervise any phase of the acquisition, construction or installation of the Project. The receipt by the Trustee of a requisition certificate executed as described above shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Project Fund have been completed. The Trustee shall make disbursements to pay Project Costs for which any such request is made within five Business Days of the receipt of a properly executed certificate.

- The section captioned “**SUMMARY OF CERTAIN PROVISIONS OF THE LEASE – Lease Term**” in *Appendix C* is hereby revised to read as follows:

#### **Lease Term**

The Original Term of the Lease shall terminate June 30, 2025. The Lease Term may be continued, solely at the option of the City, at the end of the Original Term or any Renewal Term for an additional one year, provided that the final Renewal Term shall not extend beyond April 2, 2049\*. At the end of the Original Term and at the end of each Renewal Term, unless an Event of Nonappropriation has occurred or the City has exercised its option to purchase the Trustee's interest in the Equipment and for no other reason, the City shall be deemed to have exercised its option to continue the Lease for the next Renewal Term. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except for any difference in the Rent as provided in the Lease.

- A new section captioned “**SUMMARY OF CERTAIN PROVISIONS OF THE LEASE – Conditions for Release of Certain Portions of the Equipment**” is hereby created in *Appendix C* to read as follows:

#### **Conditions for Release of Certain Portions of the Equipment**

So long as no Event of Default or Event of Nonappropriation has occurred and is continuing, the Trustee shall release, without the consent of any of the owners of the Certificates, any of the Equipment that constitutes a motor vehicle from the lien of this Lease upon receipt by the Trustee of the following:

- (a) A written request of the City for such release, describing the motor vehicle that is to be released; and
- (b) A certificate of the City stating that the motor vehicle has become worn out, undesirable or unnecessary or is due for replacement in accordance with the City's normal and customary replacement program.

\* \* \*

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\* Preliminary; subject to change.

**EXHIBIT D**  
**CONTINUING DISCLOSURE UNDERTAKING**

[On file with the City Clerk]





## CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of June 1, 2024 (this “**Continuing Disclosure Undertaking**”), is executed and delivered by the **CITY OF UNIVERSITY CITY, MISSOURI** (the “**City**”).

### RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the City in connection with the execution and delivery of \$25,795,000 aggregate principal amount of Certificates of Participation (City of University City, Missouri, Lessee), Series 2024 (the “**Certificates**”), pursuant to a Declaration of Trust dated as of June 1, 2024 (the “**Declaration of Trust**”) made by UMB Bank, N.A., as trustee (the “**Trustee**”), which Certificates evidence proportionate interests of the owners thereof in basic rent payments to be made by the City pursuant to a Lease Purchase Agreement dated as of June 1, 2024 (the “**Lease**”), between the City and the Trustee.

2. The City is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Certificates and to assist the Participating Underwriter in complying with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “**Rule**”). The City is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

The City covenants and agrees as follows:

**Section 1. Definitions.** In addition to the definitions set forth in the Declaration of Trust and the Lease, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the City pursuant to, and as described in, **Section 2**.

“**Beneficial Owner**” means any registered owner of any Certificates and any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the Trustee or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the City to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the City a written acceptance of such designation.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org).

**“Financial Obligation”** means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; provided, however, the term Financial Obligation does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**“Fiscal Year”** means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

**“Material Events”** means any of the events listed in **Section 3**.

**“MSRB”** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

**“Participating Underwriter”** means any of the original underwriter(s) of the Certificates required to comply with the Rule in connection with the offering of the Certificates.

## **Section 2. Provision of Annual Reports.**

- (a) The City shall, not later than **210** days after the end of the City’s Fiscal Year, commencing with the year ending June 30, 2024, file with the MSRB, through EMMA, the following financial information and operating data (the **“Annual Report”**):
- (1) The audited financial statements of the City for the prior Fiscal Year prepared in accordance with accounting principles generally accepted in the United States. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the audited financial statements contained in the final Official Statement relating to the Certificates, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
  - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the City.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an **“obligated person”** (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The City shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in this Section; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City’s Fiscal

Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

- (b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

**Section 3. Reporting of Material Events.** No later than **10** Business Days after the occurrence of any of the following events, the City shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Certificates (“**Material Events**”):

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the securities or other material events affecting the tax status of the securities;
- (g) modifications to rights of security holders, if material;
- (h) security calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the securities, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (m) the consummation of a merger, consolidation or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (o) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the Material Events identified above, the term “security” or “securities” means a Certificate or the Certificates, respectively, and “obligated person” means the City.

If the City has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the City shall send a notice to the MSRB of the failure of the City to file on a timely basis the Annual Report, which notice shall be given by the City in accordance with this **Section 3**.

**Section 4. Termination of Reporting Obligations.** The City’s obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior prepayment or payment in full of all of the Certificates. If the City’s obligations under this Continuing Disclosure Undertaking are

assumed in full by some other entity, such entity shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the City, and the City shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Certificates, the City shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

**Section 5. Dissemination Agent.** The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as Dissemination Agent hereunder at any time upon **30** days prior written notice to the City. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the City pursuant to this Continuing Disclosure Undertaking.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Undertaking, the City may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Special Tax Counsel or other counsel experienced in federal securities law matters provides the City with its written opinion that the undertaking of the City contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the City shall describe such amendment or waiver in the next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (a) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (b) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Undertaking. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Undertaking, the City shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

**Section 8. Default.** If the City fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Declaration of Trust, the Lease or the Certificates, and the sole remedy under this

Continuing Disclosure Undertaking in the event of any failure of the City to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

**Section 9. Beneficiaries.** This Continuing Disclosure Undertaking shall inure solely to the benefit of the City, the Participating Underwriter, and the Beneficial Owners from time to time of the Certificates and shall create no rights in any other person or entity.

**Section 10. Severability.** If any provision in this Continuing Disclosure Undertaking, the Declaration of Trust, the Lease or the Certificates shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 11. Electronic Transaction.** The arrangement described herein 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 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 12. Governing Law.** This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the City has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

**CITY OF UNIVERSITY CITY, MISSOURI**

By: \_\_\_\_\_  
Gregory Rose, City Manager

[Continuing Disclosure Undertaking]

## EXHIBIT A

### FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

The financial information and operating data contained in the tables under the following described sections in *Appendix A* to the final Official Statement (but only to the extent not otherwise provided under Section 2(a)(1) of the Continuing Disclosure Undertaking):

1. **“DEBT STRUCTURE OF THE CITY – General Obligation Indebtedness of the City”** (while no table exists, information should be provided on any general obligation bonds outstanding, including a description of the issue, the outstanding principal amount, the source of payment and the annual debt service requirements thereof).
2. **“DEBT STRUCTURE OF THE CITY – Lease Obligations of the City – *Certificates of Participation.*”**
3. **“FINANCIAL INFORMATION CONCERNING THE CITY – Sources of Revenue.”**
4. **“FINANCIAL INFORMATION CONCERNING THE CITY – Retail Sales and Use Taxes.”**
5. **“FINANCIAL INFORMATION CONCERNING THE CITY – Summary of Revenues and Expenditures.”**
6. **“FINANCIAL INFORMATION CONCERNING THE CITY – Property Valuations – *Historical Assessed Valuation.*”**
7. **“FINANCIAL INFORMATION CONCERNING THE CITY – Tax Rates.”**
8. **“FINANCIAL INFORMATION CONCERNING THE CITY – Tax Collection Record.”**
9. **“FINANCIAL INFORMATION CONCERNING THE CITY – Major Property Taxpayers.”**





**EXHIBIT E**  
**TAX COMPLIANCE AGREEMENT**

[On file with the City Clerk]



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**TAX COMPLIANCE AGREEMENT**

**Dated as of June 1, 2024**

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**Between the**  
**CITY OF UNIVERSITY CITY, MISSOURI**

**and**

**UMB BANK, N.A.,**  
**as Trustee**

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**\$25,795,000**  
**CERTIFICATES OF PARTICIPATION**  
**(CITY OF UNIVERSITY CITY, MISSOURI, LESSEE)**  
**SERIES 2024**

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**TAX COMPLIANCE AGREEMENT**

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**Exhibit G** – Tax-Exempt Financing Compliance Policy and Procedure

\* \* \*

## TAX COMPLIANCE AGREEMENT

**THIS TAX COMPLIANCE AGREEMENT** (this “Tax Agreement”), entered into as of June 1, 2024, between the **CITY OF UNIVERSITY CITY, MISSOURI**, a home-rule charter city and political subdivision organized and existing under the laws of the State of Missouri (the “City”), and **UMB BANK, N.A.**, a national banking association organized and existing under the laws of the United States of America, as Trustee (the “Trustee”);

### RECITALS

1. This Tax Agreement is being executed and delivered in connection with the execution and delivery of \$25,795,000 principal amount of Certificates of Participation (City of University City, Missouri, Lessee), Series 2024 (the “Certificates”), evidencing a proportionate interest of the owners thereof in rental payments (the “Basic Rent Payments”) to be made by the City pursuant to an annually-renewable Lease Purchase Agreement dated as of June 1, 2024 (the “Lease”), which Certificates are delivered under a Declaration of Trust dated as of June 1, 2024 (the “Declaration”) by the Trustee, for the purposes described in this Tax Agreement, the Declaration and the Lease.

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 portion (the “Interest Portion”) of the Basic Rent Payments will be excluded from gross income for federal income tax purposes.

3. The City and the Trustee are entering into this Tax Agreement 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 Portion of the Basic Rent Payments from gross income for federal income tax purposes, and to provide guidance for complying with the arbitrage rebate and yield reduction amounts provisions of Code § 148(f).

4. The City adopted a Tax-Exempt Financing Compliance Policy and Procedure on February 27, 2012, as it may from time to time be amended (the “Tax Compliance Procedure”), a copy of which is attached as **Exhibit G**, 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 Declaration and the Lease, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. In addition, the following words and terms used in this Tax Agreement have the following meanings:

**“Adjusted Gross Proceeds”** means the Gross Proceeds of the Certificates reduced by amounts (a) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (b) that as of the Issue Date are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period, and (c) representing grant repayments or sale or Investment proceeds of any purpose Investment.

**“Annual Compliance Checklist”** means a checklist for the Certificates 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 E**.

**“Available Construction Proceeds”** means the sale proceeds of the Certificates, increased by (a) Investment earnings on the sale proceeds, (b) earnings on amounts in a reasonably required reserve or replacement fund allocable to the Certificates but not funded from the Certificates, and (c) earnings on such earnings, reduced by sale proceeds (1) in any reasonably required reserve fund or (2) used to pay delivery costs of the Certificates. Available Construction Proceeds do not include Investment earnings on amounts in a reasonably required reserve or replacement fund after the earlier of (A) the second anniversary of the Issue Date or (B) the date the Financed Facility is substantially completed.

**“Basic Rent”** or **“Basic Rent Payments”** means the payment of Basic Rent required by the Lease, each payment of which is comprised of a Principal Portion and an Interest Portion.

**“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 principal and interest 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 principal and interest payments on the Certificates for the immediately preceding Certificate Year.

**“Bond Compliance Officer”** means the City’s Finance Director or other person named in the Tax Compliance Procedure.

**“Certificate”** or **“Certificates”** means any Certificate or Certificates described in the recitals, authenticated and delivered under the Declaration.

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

“**City**” means the City of University City, 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.

“**Computation Date**” means each date on which arbitrage rebate and Yield reduction amounts for the Certificates are computed. The City may treat any date as a Computation Date, subject to the following limits:

- (a) the first rebate installment payment must be made for a Computation Date not later than five years after the Issue Date;
- (b) each subsequent rebate installment payment must be made for a Computation Date not later than five years after the previous Computation Date for which an installment payment was made; and
- (c) the date the last Certificate is discharged is the final Computation Date.

The City selects April 1, 2029 as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

“**Declaration**” means the Declaration of Trust dated as of June 1, 2024, by the Trustee, as amended and supplemented in accordance with the provisions thereof.

“**Final Written Allocation**” means the Final Written Allocation of expenditures prepared by the Bond Compliance Officer in accordance with the Tax Compliance Procedure and **Section 4.2(b)**.

“**Financed Facility**” means the portion of the Project being financed or refinanced with the proceeds of the Certificates as described on **Exhibit D**.

“**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), (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, and (e) any other replacement proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds:

- (1) Project Fund.
- (2) Lease Revenue Fund.
- (3) Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Certificates).

“**Guaranteed Investment Contract**” means 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).



**“Interest Portion”** means the portion of each Basic Rent Payment that represents the payment of interest as set forth in the Lease.

**“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.

**“Issue Date”** means July 9, 2024.

**“Lease”** means the Lease Purchase Agreement dated as of June 1, 2024, between the Trustee, as lessor, and the City, as lessee, as amended and supplemented in accordance with the provisions thereof.

**“Management or Service 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 or Service Agreements.

**“Measurement Period”** means, with respect to each item of property financed as part of the Financed Facility, the period beginning on the later of (a) the Issue Date or (b) the date the property is placed in service and ending on the earlier of (1) the final maturity date of the Certificates or (2) the end of the expected economic useful life of the property.

**“Minor Portion”** means the lesser of \$100,000 or 5% of the sale proceeds of the Certificates.

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

**“Official Intent Date”** means February 12, 2024, as described in **Section 2.1(i)**.

**“Opinion of Special Tax Counsel”** means the written opinion of Special Tax Counsel to the effect 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 Portion of the Basic Rent Payments from gross income for federal income tax purposes.

**“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 Issue Date of the Certificates.

**“Principal Portion”** means the portion of each Basic Rent Payment that represents the payment of principal as set forth in the Lease.

**“Project”** means all of the property being acquired, developed, constructed, renovated, and equipped by the City using Certificate proceeds and Qualified Equity, all as described on **Exhibit D**.

**“Qualified Equity”** means funds (but excluding an existing equity ownership interest in real property or tangible personal property) that are not derived from proceeds of a tax-exempt financing that are spent on the Project on a date that is no earlier than a date on which such expenditures would be eligible for reimbursement by proceeds of the Certificates under Regulations § 1.150-2(d)(2) and ending not later than the date the Project is capable of and actually used at substantially its designed level.

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

(a) 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.

(b) 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 arrangements whereby (1) 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 (2) 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.

(c) 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 (1) 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, (2) 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 (3) 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.

(d) 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.

**“Reasonable Retainage”** means Gross Proceeds retained by the City for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed (a) for purposes of the 18-month spending test, 5% of the net sale proceeds of the Certificates on the date 18 months after the Issue Date, or (b) for purposes of the 2-year spending test, 5% of the Available Construction Proceeds as of the end of the 2-year spending period.

**“Rebate Analyst”** means Gilmore & Bell, P.C. or any successor Rebate Analyst selected pursuant to this Tax Agreement.

**“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.

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

**“Tax Agreement”** means this Tax Compliance Agreement, as amended, and supplemented in accordance with the provisions hereof.

**“Tax Compliance Procedure”** means the City’s Tax-Exempt Financing Compliance Policy and Procedure, dated February 27, 2012, a copy of which is attached as **Exhibit G**, as it may from time to time be amended.

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

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

**“Trustee”** means UMB Bank, N.A., and its successor or successors and any other corporation or association which at any time may be substituted in its place at the time serving as Trustee under the Declaration.

**“Underwriter”** means Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri, the underwriter of the Certificates.

**“Yield”** means yield on the Lease, computed under Regulations § 1.148-4, and 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, (2) has lawful power and authority to enter into, execute and deliver the Lease and this Tax Agreement and to carry out its obligations under the Lease and this Tax Agreement,

and (3) by all necessary action has been duly authorized to execute and deliver the Lease and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Certificates–General Covenant and Allocation of Proceeds to Project.*

(1) The City (to the extent within its power or direction) will not use any money on deposit in any fund or account maintained in connection with the Certificates, whether or not such money was derived from the proceeds of the sale of the Certificates or from any other source, in a manner that would cause the Lease or any Certificate to be an “arbitrage bond” within the meaning of Code § 148, and will not (to the extent within its power or direction) otherwise use or permit the use of any Certificate proceeds or any other funds of the City, directly or indirectly, in any manner, or take or permit to be taken any other action or actions, that would cause the Interest Portion of the Basic Rent Payments to be included in gross income for federal income tax purposes.

(2) The City will finance the Project with Certificate proceeds and Qualified Equity. For purposes of the covenants in this **Section 2.1** relating to Non-Qualified Use of the Project, any Non-Qualified Use shall be treated as first allocated entirely to the portion of the Project financed with Qualified Equity, and then, but only to the extent of any excess Non-Qualified Use, to the portion of the Project financed by Certificate proceeds (that is, the Financed Facility).

(c) *Governmental Obligations–Use of Proceeds.* Throughout the Measurement Period, (1) all of the Financed Facility is expected to be owned by the City or another Qualified User, (2) no portion of the Financed Facility is expected to be used in a Non-Qualified Use, and (3) the City will not permit any Non-Qualified Use of the Financed Facility without first obtaining favorable advice of Special Tax Counsel.

(d) *Governmental Obligations–Private Security or Payment.* As of the Issue Date, the City expects that none of the Basic Rent Payments will be (under the terms of the Lease, the Certificates or any underlying arrangement) directly or indirectly:

(1) secured by (A) any interest in property used or to be used for a Non-Qualified Use, or (B) 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 without first obtaining favorable advice of Special Tax 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 or Service Agreements.* As of the Issue Date, the City has no Management or Service Agreements with Non-Qualified Users. During the Measurement Period, the City will not enter into any Management or Service Agreement with any Non-Qualified User without first obtaining favorable advice of Special Tax Counsel.

(g) *Leases and Other Use Agreements.* Except for the Lease, which does not give rise to Non-Qualified Use, as of the Issue Date, the City has not entered into any leases or similar use agreements or

arrangements with respect to any portion of the Financed Facility other than Qualified Use Agreements. During the Measurement Period, the City will not enter into any lease or similar use agreement or arrangement with respect to any portion of the Financed Facility other than a Qualified Use Agreement without first obtaining favorable advice of Special Tax Counsel.

(h) *Limit on Maturity of Certificates.* A list of the assets included in the Project and a computation of the “average reasonably expected economic life” is attached to this Tax Agreement as **Exhibit D**. Based on this computation, the “average maturity” of the Certificates, as computed by Special Tax Counsel, does not exceed the average reasonably expected economic life of the Financed Facility.

(i) *Expenditure of Certificate Proceeds.*

(1) The City will evidence each allocation of the proceeds of the Certificates and Qualified Equity for the Project to an expenditure in writing. No allocation will be made more than 18 months following the later of (A) the date of the expenditure or (B) the date the Financed Facility was placed in service.

(2) On the Official Intent Date, the governing body of the City adopted a resolution declaring the intent of the City to finance the Financed Facility with tax-exempt obligations and to reimburse the City for expenditures made for the Financed Facility prior to the issuance of those obligations. A copy of the resolution is attached as **Exhibit C**. The City does not expect to allocate any proceeds of the Certificates to reimburse an expenditure paid prior to the Issue Date but reserves the ability to make such a reimbursement allocation in the future in accordance with advice of Special Tax Counsel. No reimbursement allocation will be made for an expenditure made more than three years before the date of the reimbursement allocation.

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

(k) *Certificates Not Federally Guaranteed.* The City will not take any action or permit any action to be taken which would cause any Certificate to be “federally guaranteed” within the meaning of Code § 149(b).

(l) *IRS Form 8038-G.* Special Tax 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 Tax 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 Tax Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the “as-filed” Form 8038-G, along with proof of filing, is attached as **Exhibit B**.

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

(n) *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 Portion of the Basic Rent Payments from gross income for federal income tax purposes.

(o) *Single Issue; No Other Issues.* The Lease 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 Certificates, and (3) are expected to be paid from substantially the same source of funds as the Certificates (disregarding guarantees from unrelated parties, such as bond insurance).

(p) *Interest Rate Swap.* As of the Issue 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. The City will not enter into any such arrangement in the future without first obtaining favorable advice of Special Tax Counsel.

(q) *Guaranteed Investment Contract.* As of the Issue 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.

(r) *Bank Qualified Tax-Exempt Obligation.* The City’s obligation to pay Basic Rent under the Lease is not a “qualified tax-exempt obligation” under Code § 265(b)(3).

**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 Tax Counsel, specifically referencing the Lease and 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 Portion of the Basic Rent Payments from gross income for federal income tax purposes; provided that any such reporting requirements or actions relate to records that the Trustee has or is required to have or responsibilities of the Trustee contained herein or in the Declaration.

(b) The Trustee, upon receipt of a written request from 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 (1) the Yield on the Lease as it relates to any data or conclusions necessary to verify that neither the Lease nor any Certificate is an “arbitrage bond” within the meaning of Code § 148, and (2) compliance with the arbitrage rebate requirements of Code § 148(f). The City will pay all reasonable 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 (1) the Certificates or (2) 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 2.2(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 certificate 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 approval and delivery of the Lease and 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 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 Certificate proceeds and other money, in order to support the City's conclusion that neither the Lease nor any Certificate is an arbitrage bond. The persons executing this Tax Agreement on behalf of the City are officers of the City responsible for executing the Lease and authorizing the Trustee to deliver 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. Purposes of the Financing.** The Lease is being executed and the Certificates are being delivered for the purpose of providing funds (a) to finance costs of the Financed Facility and (b) to pay costs related to the delivery of the Lease and the Certificates.

**Section 3.4. Funds and Accounts.** The following funds and accounts have been established under the Declaration:

- (a) Project Fund.
- (b) Lease Revenue Fund.
- (c) Rebate Fund.

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

(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	\$25,795,000.00
Plus: Original Issue Premium	1,708,111.43
Less: Underwriting Discount	<u>(206,360.00)</u>
Total Certificate Proceeds	<u>\$27,296,751.43</u>

(b) *Use of Certificate Proceeds.* The remaining Certificate proceeds will be deposited to the Project Fund and are expected to be allocated to expenditures as follows: \$198,603.31 will be used to pay delivery costs of the Certificates and \$27,098,148.12 will be used to pay costs of the Financed Facility.

**Section 3.6. Multipurpose Issue.** [Reserved].

**Section 3.7. No Current Refunding.** No proceeds of the Certificates will be used to pay the principal of or interest on any other debt obligation.

**Section 3.8. Project Completion.** The City has incurred, or will incur within six months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the Net Proceeds of the Certificates on the Financed Facility. The completion of the Financed Facility and the allocation of the Net Proceeds of the Certificates to expenditures will proceed with due diligence. At least 85% of the Net Proceeds of the Certificates will be allocated to expenditures on the Financed Facility within three years after the Issue Date.

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

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

(a) *Reserve Fund.* No reserve or replacement fund has been established with respect to the Lease.

(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, and that instead have been or will be used to acquire higher yielding Investments. Except for the Lease Revenue 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 Basic Rent Payments 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. Issue Price and Yield.**

(a) *Issue Price.* Based on the Underwriter's certifications in the Underwriter's Receipt and Closing Certificate, the City hereby elects to establish the issue prices of the Certificates pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called "general rule"), and the issue prices of the Certificates maturing in the years 2027-2033 pursuant to Regulations § 1.148-1(f)(2)(ii) (relating to the



so-called “hold-the-offering-price rule”). Therefore, the aggregate issue price of the Certificates for such purpose is \$27,503,111.43.

(b) *Yield.* Based on the issue price, the Yield on the Lease is 4.062197%, as computed by Special Tax Counsel and shown on **Exhibit A**. 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 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 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 any portion of the Lease or any Certificate 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 IV** 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 Lease is executed and the Certificates are delivered. The City recognizes that the Interest Portion of the Basic Rent Payments will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The City further acknowledges that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained to permit the Lease and the Certificates to be refinanced with tax-exempt obligations and to substantiate the position that the Interest Portion of the Basic Rent Payments is exempt from gross income in the event of an audit of the Lease and 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 Lease and 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) *Bond Compliance Officer.* The City when necessary to fulfill the Post-Issuance Tax Requirements will, through its Bond Compliance Officer, sign Form 8038-T in connection with the payment

of arbitrage rebate or Yield reduction amounts, participate in any federal income tax audit of the Lease or the Certificates or related proceedings under a voluntary compliance agreement procedure (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 and the Certificates and the City shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Declaration or state law.

**Section 4.2. Record Keeping, Use of Certificate Proceeds and Use of Financed Facility.**

(a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Lease and the Certificates in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in advice or a written Opinion of Special Tax Counsel or to the extent otherwise provided in this Tax Agreement, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until three years following the final maturity of (1) the Certificates or (2) any obligation issued 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 (A) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (B) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (C) exhibit a high degree of legibility and readability both electronically and in hardcopy, (D) provide support for other books and records of the City and (E) 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 Certificate Proceeds and Qualified Equity to Expenditures.* The Bond Compliance Officer will account for the investment and expenditure of Certificate proceeds in the level of detail required by the Tax Compliance Procedure. The Bond Compliance Officer will supplement the expected allocation of Certificate proceeds and Qualified Equity to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure. A sample Final Written Allocation is attached as **Exhibit F**.

(c) *Annual Compliance Checklist.* Attached as **Exhibit E** is a sample Annual Compliance Checklist for the Certificates. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Project 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 Bond Compliance Officer will take the actions identified in advice of Special Tax Counsel or as described in the Tax Compliance Procedure to correct any deficiency.

(d) *Advice and Opinions of Special Tax Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the City and the Trustee any advice or Opinion of Special Tax Counsel required under the provisions of 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:

(a) *Project Fund and Costs of Delivery.* Certificate proceeds deposited in the Project Fund, including funds used to pay the delivery costs of the Certificates, and Investment earnings on those proceeds may be invested without Yield restriction for up to three years following the Issue Date. If any such Certificate proceeds remain unspent after three years, those amounts may continue to be invested without Yield restriction so long as the City pays to the IRS all Yield reduction payments in accordance with

Regulations § 1.148-5(c). These payments are required whether or not the Certificates are exempt from the arbitrage rebate and Yield reduction amounts requirements of Code § 148.

(b) *Lease Revenue Fund.* To the extent that the Lease Revenue Fund qualifies as a Bona Fide Debt Service Fund, money in such fund 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) *Rebate Fund.* Money other than sale proceeds or Investment proceeds of the Certificates on deposit in the Rebate Fund may be invested without Yield restriction.

(d) *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) *Certificates 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 or are made available on an internet website or other similar electronic media that is regularly used to post bid specifications to potential bidders. A writing includes a hard copy, a fax, or an electronic e-mail copy.

(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 bond issue), 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. If the bidding process affords any opportunity for a potential provider to review other bids before providing a bid, then providers have an equal opportunity to bid only if all potential providers have an equal opportunity to review other bids. Thus, no potential provider may be given an opportunity to review other bids that is not equally given to all potential providers (that is no exclusive “last look”).

(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 Issue Date, (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 (to the extent the Trustee is provided with such records) retain the following records with the Certificate documents until three years after the last outstanding Certificate is 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. Certain Gross Proceeds Exempt from the Rebate Requirement.**

(a) *General*. A portion of the Gross Proceeds of the Certificates may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Certificates and will not otherwise affect the application of the Investment limitations described in **Section 4.3**. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in **Section 4.6** applies even if a portion of the Gross Proceeds of the Certificates is exempt from the rebate requirement. To the extent all or a portion of the Certificates is exempt from rebate, the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in **Section 4.6**. The City may defer the final rebate Computation Date and the payment of rebate for the Certificates to the extent permitted by Regulations §§ 1.148-7(b)(1) and 1.148-3(e)(2) but only in accordance with specific written instructions provided by the Rebate Analyst.

(b) *Applicable Spending Exceptions.*

(1) The City expects that at least 75% of the Available Construction Proceeds will be used for construction or rehabilitation expenditures for property owned by the City.

(2) The following optional rebate spending exceptions can apply to the Certificates:

- 6-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).
- 18-month spending exception (Regulations § 1.148-7(d)).
- 2-year spending exception (Code § 148(f)(4)(C) and Regulations § 1.148-7(e)).

(c) *Special Elections Made with Respect to Spending Exception Elections.* No special elections are being made in connection with the application of the spending exceptions.

(d) *Bona Fide Debt Service Fund.* To the extent that the Lease Revenue Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings in the fund cannot be taken into account in computing arbitrage rebate and Yield reduction amounts (1) with respect to such portion that meets the 6-month, 18-month or 2-year spending exception, or (2) for a given Certificate Year, if the gross earnings on the Lease Revenue Fund for such Certificate Year are less than \$100,000. If the average annual debt service on the Certificates does not exceed \$2,500,000, the \$100,000 earnings test may be treated as satisfied in every Certificate Year.

(e) *Documenting Application of Spending Exception.* At any time prior to the first Computation Date, the City may engage the Rebate Analyst to determine whether one or more spending exceptions have been satisfied and the extent to which the City must continue to comply with **Section 4.6**.

(f) *General Requirements for Spending Exception.* The following general requirements apply in determining whether a spending exception is met.

(1) Using Adjusted Gross Proceeds or Available Construction Proceeds to pay the principal of any Certificate is not taken into account as an expenditure for purposes of meeting any of the spending tests.

(2) The 6-month spending exception generally is met if all Adjusted Gross Proceeds of the Certificates are spent within six months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial six-month period, so long as this amount is spent within one year of the Issue Date.

(3) The 18-month spending exception generally is met if all Adjusted Gross Proceeds of the Certificates are spent in accordance with the following schedule:

<b>Time Period After the Issue Date</b>	<b>Minimum Percentage of Adjusted Gross Proceeds Spent</b>
6 months	15%
12 months	60%
18 months (Final)	100%

(4) The 2-year spending exception generally is met if all Available Construction Proceeds are spent in accordance with the following schedule:

<b>Time Period After the Issue Date</b>	<b>Minimum Percentage of Available Construction Proceeds Spent</b>
6 months	10%
12 months	45%
18 months	75%
24 months (Final)	100%

(5) For purposes of applying the 18-month and 2-year spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the City uses due diligence to complete the Financed Facility and the failure does not exceed the lesser of 3% of the aggregate issue price of the Certificates or \$250,000. **No such exception applies for any other spending period.**

(6) For purposes of applying the 18-month and 2-year spending exceptions only, the Certificates meet the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such Reasonable Retainage is spent within 30 months after the Issue Date in the case of the 18-month exception or three years after the Issue Date in the case of the 2-year spending exception.

**Section 4.6. Computation and Payment of Arbitrage Rebate and Yield Reduction Amounts.**

(a) *Rebate Fund.* The Trustee will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund under this Tax Agreement. Any Investment earnings derived from the Rebate Fund will be credited to the Rebate Fund, and any Investment loss will be charged to the Rebate Fund.

(b) *Computation of Rebate Amount.* The Trustee will provide the Rebate Analyst Investment reports relating to each fund held by the Trustee that contains Gross Proceeds of the Certificates at such times as reports are provided to the City and not later than 10 days following each Computation Date. The City will provide the Rebate Analyst with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Certificate Year and not later than 10 days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Certificates, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate (the “Rebate Amount”) following each Computation Date and deliver a written report to the Trustee and the City together with an opinion or certificate of the Rebate Analyst stating that the Rebate Amount and Yield reduction amounts were determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is less than the Rebate Amount and Yield reduction amounts due, the City will, within 55 days after such

Computation Date, pay to the Trustee the amount of the deficiency for deposit into the Rebate Fund. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is greater than the Rebate Amount, the Trustee will transfer such surplus in the Rebate Fund to the Lease Revenue Fund. After the final Computation Date or at any other time if the Rebate Analyst has advised the Trustee, any money left in the Rebate Fund will be paid to the City and may be used for any purpose not prohibited by law.

(c) *Rebate Payments.* Within 60 days after each Computation Date, the Trustee will pay (but solely from money in the Rebate Fund or provided by the City) to the United States the Rebate Amount and Yield reduction amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center  
Ogden, UT 84201

(d) *Successor Rebate Analyst.* If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the City desires that a different firm act as the Rebate Analyst, then the City by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, will engage a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder. If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, and the City fails to appoint a qualified successor Rebate Analyst within 30 days following notice of such resignation, then the Trustee will appoint a firm to act as the successor Rebate Analyst.

(e) *Filing Requirements.* The Trustee and 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 advice of Special Tax Counsel.

(f) *Survival After Defeasance.* Notwithstanding anything in the Declaration to the contrary, the obligation to pay arbitrage rebate and Yield reduction amounts to the United States will survive the payment or defeasance of the Certificates.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 5.1. Term of Tax Agreement.** This Tax Agreement will be effective concurrently with the execution of the Lease and delivery of the Certificates and will continue in force and effect until all of the Basic Rent Payments have been fully paid and all Certificates are canceled; provided that, the provisions of **Article IV** regarding payment of arbitrage rebate and Yield reduction amounts and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions of **Section 4.2** relating to record keeping shall continue in force for the period described therein for records to be retained.

**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 owners of the Certificates, but



only if such amendment is in writing and is accompanied by advice or an Opinion of Special Tax 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 Portion of the Basic Rent Payments 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 advice or Opinion of Special Tax Counsel.

**Section 5.3. Opinion of Special Tax Counsel.** The City and the Trustee may deviate from the provisions of this Tax Agreement if furnished with advice or an Opinion of Special Tax Counsel addressed to each of them to the effect that the proposed deviation will not adversely affect the exclusion of the Interest Portion of the Basic Rent Payments from gross income for federal income tax purposes. The City and the Trustee will comply with any further or different instructions provided in advice or an Opinion of Special Tax 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 Portion of the Basic Rent Payments; provided that with respect to the Trustee any such instructions are within the scope of the Trustee's responsibilities as set forth in the Declaration.

**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 which 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 its knowledge, those facts, circumstances, estimates and expectations are reasonable. The parties to this Tax Agreement understand that their certifications will be relied upon by Special Tax Counsel, in rendering its opinion as to the validity of the Certificates and the exclusion from federal gross income of the Interest Portion of the Basic Rent Payments.

**Section 5.5. Severability.** If any provision in this Tax Agreement, the Lease or 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 owners of the Certificates. Nothing in this Tax Agreement or in the Declaration, the Lease or the Certificates, express or implied, gives to any person, other than the parties to this Tax Agreement, their successors and assigns, and the owners 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 owners of the Certificates or the Trustee pursuant to the terms of the Declaration or any other document which 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 Transactions.** 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.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the parties to this Tax Agreement have caused this Tax Agreement to be duly executed by their duly authorized officers as of the Issue Date.

**CITY OF UNIVERSITY CITY, MISSOURI**

By: \_\_\_\_\_  
Title: City Manager

By: \_\_\_\_\_  
Title: Finance Director, as Bond Compliance Officer

**UMB BANK, N.A., as Trustee**

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

**EXHIBIT A**

**DEBT SERVICE SCHEDULE AND PROOF OF YIELD**

*[\*To be inserted after final pricing\*]*

**EXHIBIT B**

**IRS FORM 8038-G**

*[\*To be inserted after final pricing\*]*

**EXHIBIT C**

**REIMBURSEMENT RESOLUTION**

**EXHIBIT D**

**DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY**

*[\*To be inserted after final pricing\*]*



**EXHIBIT E**

**SAMPLE ANNUAL COMPLIANCE CHECKLIST**

<b>Name of tax-exempt obligations (“Certificates”) financing the Project:</b>	<b>\$25,795,000 Certificates of Participation (City of University City, Missouri, Lessee), Series 2024</b>
<b>Issue Date of Certificates:</b>	<b>July 9, 2024</b>
<b>Placed in service date of the Project:</b>	_____
<b>Name of Bond Compliance Officer:</b>	_____
<b>Period covered by request (“Annual Period”):</b>	_____

<b>Item</b>	<b>Question</b>	<b>Response</b>
<b>1 Ownership</b>	Was the entire Project owned by the City during the entire Annual Period? If “Yes,” skip to Item 2.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was advice of Special Tax Counsel obtained prior to the transfer?  If Yes, include a description of the advice in the Tax-Exempt Bond File.  If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>Item</b>	<b>Question</b>	<b>Response</b>
<b>2 Leases &amp; Other Rights to Possession</b>	During the Annual Period, was any part of the Project leased (other than pursuant to the Lease) at any time pursuant to a lease or similar use agreement or arrangement for more than 50 days? If “No,” skip to Item 3.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Special Tax Counsel obtained prior to entering into the lease or other use agreement or arrangement?  If Yes, include a description of the advice in the Tax-Exempt Bond File.  If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
<b>3 Management or Service Agreements</b>	During the Annual Period, has the management of all or any part of the operations of the Project been assumed by or transferred to another entity (e.g., does a private entity operate the Annex Building or the Trinity Building on behalf of the City)? If “No,” skip to Item 4.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Special Tax Counsel obtained prior to entering into the Management or Service Agreement?  If Yes, include a description of the advice in the Tax-Exempt Bond File.  If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
<b>4 Other Use</b>	Was any other agreement entered into with an individual or entity that grants special legal rights or privileges to such individual or entity that are not otherwise available to the general public? If “No,” skip to Item 5.	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Special Tax Counsel obtained prior to entering into the agreement?  If Yes, include a description of the advice in the Tax-Exempt Bond File.  If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
<b>5 Arbitrage &amp; Rebate</b>	Have all rebate and Yield reduction calculations mandated in the Tax Compliance Agreement been prepared for the current year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No, contact the Rebate Analyst and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

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

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

## EXHIBIT F

### SAMPLE FINAL WRITTEN ALLOCATION

#### CERTIFICATES OF PARTICIPATION (CITY OF UNIVERSITY CITY, MISSOURI, LESSEE) SERIES 2024

##### Final Written Allocation

The undersigned is the Bond Compliance Officer of the City of University City, Missouri (the “City”), and in that capacity is authorized to execute federal income tax returns required to be filed by the City and to make appropriate elections and designations regarding federal income tax matters on behalf of the City. This allocation of the proceeds of the above-described tax-exempt obligations (the “Certificates”) is necessary for the City to satisfy ongoing reporting and compliance requirements under federal income tax laws.

*Purpose.* This document, together with the schedules and records referred to below, is intended to memorialize allocations of Certificate proceeds to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code of 1986, as amended (the “Code”). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the City or, if later, the date the Project was Placed in Service (both as defined below), and no later than 60 days following the 5th anniversary of the Issue Date (as defined below).

*Background.* The Certificates were delivered on July 9, 2024 (the “Issue Date”), pursuant to a Declaration of Trust dated as of June 1, 2024 (the “Declaration”), by UMB Bank, N.A. The Certificates were delivered to provide funds to (a) undertake the project described in the Tax Compliance Agreement (the “Project”) and (b) deliver the Certificates. Proceeds of the Certificates were deposited in the Project Fund established under the Declaration.

*Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs.* Costs of the Project were paid from sale proceeds of the Certificates, earnings from the investment of sale proceeds and other funds of the City, as shown on **Exhibit A**.

*Identification of Financed Facility.* The portions of the Project financed from Certificate proceeds (*i.e.*, the “Financed Facility” referenced in the Tax Compliance Agreement) are listed on page 1 of **Exhibit B**.

*Identification and Timing of Expenditures for Arbitrage Purposes.* For purposes of complying with the arbitrage rules, the City allocates the proceeds of the Certificates to the various expenditures described in the invoices, requisitions or other substantiation attached as **Exhibit B**. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the City for an amount it had previously paid or incurred. Amounts received from the sale of the Certificates and retained as underwriting discount are allocated to that purpose and spent on the Issue Date. Amounts allocated to interest expense are treated as paid on the interest payment dates for the Certificates.

*Placed In Service.* The Project was Placed in Service on the date set out on **Exhibit B**. For this purpose, the Financed Facility is considered to be “Placed in Service” as of the date on which, based on all the facts and circumstances: (a) the constructing and equipping of the Financed Facility has reached a degree

of completion that would permit its operation at substantially its designed level; and (b) the Financed Facility is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The City reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

**CITY OF UNIVERSITY CITY, MISSOURI**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Finance Director

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

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:

\_\_\_\_\_  
Date of Review: \_\_\_\_\_

**EXHIBIT A  
TO FINAL WRITTEN ALLOCATION**

**ALLOCATION OF SOURCES AND USES**

**EXHIBIT B  
TO FINAL WRITTEN ALLOCATION**

**IDENTIFICATION OF PROJECT AND FINANCED FACILITY  
&  
DETAILED LISTING OF EXPENDITURES**

**EXHIBIT G**

**TAX-EXEMPT FINANCING COMPLIANCE POLICY AND PROCEDURE**

**EXHIBIT F**

**AMENDED AND RESTATED CERTIFICATE PURCHASE AGREEMENT**

[On file with the City Clerk]





**\$25,795,000**  
**CERTIFICATES OF PARTICIPATION**  
**(CITY OF UNIVERSITY CITY, MISSOURI, LESSEE)**  
**SERIES 2024**

**AMENDED AND RESTATED**  
**CERTIFICATE PURCHASE AGREEMENT**

July 2, 2024

City of University City, Missouri  
6801 Delmar Boulevard  
University City, Missouri 63130

UMB Bank, N.A., as Trustee  
St. Louis, Missouri

Ladies and Gentlemen:

The undersigned Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”) hereby offers to enter into this Amended and Restated Certificate Purchase Agreement (the “**Amended and Restated Purchase Agreement**”) with the City of University City, Missouri (the “**City**”), a legally constituted charter city created, organized and existing under the laws of the State of Missouri (the “**State**”) and its charter, and UMB Bank, N.A., as trustee (the “**Trustee**”), whereby the Underwriter will purchase the Series 2024 Certificates (as defined and described below). This Amended and Restated Purchase Agreement amends and restates that certain Certificate Purchase Agreement dated June 11, 2024 (the “**Original Purchase Agreement**”) and together with the Amended and Restated Purchase Agreement, the “**Purchase Agreement**”) among the Underwriter, the City and the Trustee. The Underwriter is making this offer subject to the acceptance by the City at or before 11:00 p.m., St. Louis, Missouri time, on the date hereof. If the City accepts this Purchase Agreement, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall bind both the City and the Underwriter. The Underwriter may withdraw this Purchase Agreement upon written notice delivered by the Underwriter to the City Manager of the City at any time before the City accepts this Purchase Agreement. Terms used but not defined in this Purchase Agreement are defined in the Declaration of Trust and Official Statement (each as defined below).

1. Purchase and Sale.

Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase all (but not less than all) of the following certificates of participation: \$25,795,000.00 aggregate principal amount of Certificates of Participation (City of University City, Missouri, Lessee), Series 2024 (the “**Series 2024 Certificates**”), at the purchase price of \$27,296,751.43 (representing the aggregate principal amount of the Series 2024 Certificates, less an Underwriter’s discount of \$206,360.00 and plus original issue premium of \$ 1,708,111.43).

The Underwriter intends to make an initial bona fide public offering of the Series 2024 Certificates at a price or prices described in **Schedule I** hereto; provided, however, the Underwriter reserves the right to change such initial public offering prices as the Underwriter deems necessary or desirable, in its sole discretion, in connection with the marketing of the Series 2024 Certificates (but in all cases subject to the requirements of **Section 5** hereof), and may offer and sell the Series 2024 Certificates to certain dealers,

unit investment trusts and money market funds, certain of which may be sponsored or managed by the Underwriter at prices lower than the public offering prices or yields greater than the yields set forth therein (but in all cases subject to the requirements of **Section 5** hereof).

The City acknowledges and agrees that with respect to the transaction contemplated hereby: (a) the Underwriter is not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (b) the primary role of the Underwriter, as an underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the City and the Underwriter and the Underwriter has financial and other interests that differ from those of the City; (c) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the City and has not assumed any advisory or fiduciary responsibility to the City (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters); (d) the only obligations the Underwriter has to the City expressly are set forth in this Purchase Agreement; and (e) the City has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

## 2. Description and Purpose of the Series 2024 Certificates.

The Series 2024 Certificates are to be executed and delivered at the direction of the City pursuant to a Declaration of Trust dated as of June 1, 2024 (the "**Declaration of Trust**"), made by the Trustee, an ordinance adopted by the City Council of the City on July 2, 2024 (the "**Ordinance**"), which repealed and replaced a June 10, 2024 ordinance that originally authorized the execution and delivery of the Series 2024 Certificates for the purpose of revising the forms of the Legal Documents (as defined below) originally approved by the June 10, 2024 ordinance. The Series 2024 Certificates represent the proportionate interests of the owners thereof in basic rent payments to be made by the City pursuant to a Lease Purchase Agreement dated as of June 1, 2024 (the "**Lease**"), entered into between the Trustee, as lessor, and the City, as lessee. The Series 2024 Certificates shall be dated the date of delivery.

The proceeds of the sale of the Series 2024 Certificates will be used for the purpose of paying the costs of (a) acquiring, constructing, reconstructing, remodeling, equipping, furnishing and otherwise improving the City's Annex Building and Trinity Building, and purchasing police vehicles and equipment and (b) executing and delivering the Series 2024 Certificates.

The Series 2024 Certificates will be secured under the provisions of the Declaration of Trust and the Lease. The Series 2024 Certificates shall mature in the years, bear interest, be purchased at the prices and be subject to prepayment at the times and in the amounts, all as set forth in **Schedule I** attached hereto. The authorized denominations, record dates, interest payment dates and other details and particulars of the Series 2024 Certificates shall be as described in the Declaration of Trust and the Official Statement (as defined below).

## 3. Delivery of the Official Statement and Other Documents.

(a) The City has approved and delivered or caused to be delivered to the Underwriter copies of the Preliminary Official Statement dated June 3, 2024, as supplemented and amended by the Supplement dated June 20, 2024 to Preliminary Official Statement dated June 3, 2024, which, including the cover pages and all appendices thereto, is herein referred to as the "**Preliminary Official Statement.**" It is acknowledged by the City that the Underwriter may deliver the Preliminary Official Statement and a final Official Statement (as hereinafter defined) electronically over the internet and in printed paper form. The City deems the Preliminary Official Statement final as of its date and as of the date hereof for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("**Rule 15c2-12**"),

except for any information which is permitted to be omitted therefrom in accordance with paragraph (b)(1) of Rule 15c2-12.

(b) Within seven (7) business days from the date hereof, and in any event not later than the Closing Date (defined herein), the City shall deliver to the Underwriter a final Official Statement relating to the Series 2024 Certificates dated the date hereof (such Official Statement, including the cover page, and all appendices attached thereto, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements and statements incorporated by reference therein or attached thereto, as have been approved by the City, Special Tax Counsel (as defined herein), and the Underwriter, is referred to herein as the “**Official Statement**”) and such additional conformed copies thereof as the Underwriter may reasonably request in sufficient quantities to comply with Rule 15c2-12, rules of the MSRB and to meet potential customer requests for copies of the Official Statement. The Underwriter agrees to file a copy of the Official Statement, including any amendments or supplements thereto prepared by the City, with the MSRB on its Electronic Municipal Markets Access (“**EMMA**”) system, if required by MSRB Rule G-32. The Official Statement shall be executed by and on behalf of the City by an authorized officer of the City. The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the City shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriter. The City hereby agrees to deliver to the Underwriter an electronic copy of the Official Statement in a form that permits the Underwriter to satisfy its obligations under the rules and regulations of the MSRB and the U.S. Securities and Exchange Commission (“**SEC**”) including in a word-searchable pdf format including any amendments thereto. The City hereby ratifies, confirms and consents to and approves the use and distribution by the Underwriter before the date hereof of the Preliminary Official Statement and hereby authorizes and consents to the use by the Underwriter of the Official Statement in connection with the public offering and sale of the Series 2024 Certificates.

(c) In order to assist the Underwriter in complying with Rule 15c2-12, the City will undertake, pursuant to the Continuing Disclosure Undertaking, dated as of June 1, 2024 (the “**Continuing Disclosure Undertaking**”), to provide annual financial and operating information and notices of the occurrence of specified events. A description of the Continuing Disclosure Undertaking is set forth in, and a form of such undertaking is attached as an appendix to, the Preliminary Official Statement and the Official Statement.

#### 4. Establishment of Issue Price.

(a) The Underwriter agrees to assist the City in establishing the issue price of the Series 2024 Certificates and shall execute and deliver to the City at Closing (as defined below) an “issue price” or similar certificate, substantially in the form attached hereto as **Exhibit A**, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Special Tax Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2024 Certificates.

(b) [Except as otherwise set forth in **Schedule I**,] The City represents that it will treat the first price at which 10% of each maturity of the Series 2024 Certificates (the “**10% Test**”) is sold to the public as the issue price of that maturity. [At or promptly after the execution of this Purchase Agreement, the] The Underwriter [shall report] hereby reports to the City that at least 10% of [the price or prices at which the Underwriter has sold to the public] each maturity of the Series 2024 Certificates[.] [If at that time the 10% Test] has [not] been sold [satisfied as] to the public at [any maturity of the Series 2024 Certificates, the Underwriter agrees to promptly report to the City the prices at which it sells the unsold Series 2024 Certificates of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Time has occurred, until either (i) the Underwriter has sold all Series 2024 Certificates of that

maturity or (ii) the 10% Test has been satisfied as to the Series 2024 Certificates of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Time may be at reasonable periodic intervals or otherwise upon request of the City or Special Tax Counsel] the offering price or prices as set forth in **Schedule I** attached hereto. For purposes of this Section, if Series 2024 Certificates mature on the same date, but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2024 Certificates.

[(c) The Underwriter confirms that it has offered the Series 2024 Certificates to the public on or before the date of this Purchase Agreement at the offering price or prices (the “**Initial Offering Price**”) set forth in **Schedule I**, except as otherwise set forth therein. **Schedule I** also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Series 2024 Certificates for which the 10% Test has not been satisfied and for which the City and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the Initial Offering Price to the public of each such maturity as of the sale date as the issue price of that maturity (the “**Hold-The-Offering-Price Rule**”). So long as the Hold-The-Offering-Price Rule remains applicable to any maturity of the Series 2024 Certificates, the Underwriter will neither offer nor sell unsold Series 2024 Certificates of that maturity to any person at a price that is higher than the Initial Offering Price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2024 Certificates to the public at a price that is no higher than the Initial Offering Price to the public.

The Underwriter will advise the City promptly after the close of the fifth (5<sup>th</sup>) business day after the sale date whether it has sold 10% of that maturity of the Series 2024 Certificates to the public at a price that is no higher than the Initial Offering Price to the public.]

[(c)][(d)] The Underwriter confirms that:

- (i) any selling group agreement and each third-party distribution agreement relating to the initial sale of the Series 2024 Certificates to the public, together with the related pricing wires, contains or will contain language obligating the Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(1) to report the prices at which it sells to the public the unsold Series 2024 Certificates of each maturity allocated to it until either all Series 2024 Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Series 2024 Certificates of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (2) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Series 2024 Certificates that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2024 Certificates to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Underwriter shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Series 2024 Certificates to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2024 Certificates to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2024 Certificates of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2024 Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Series 2024 Certificates of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or dealer and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

[(d)][(e)] The City acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2024 Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2024 Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Certificates, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement that was employed in connection with the initial sale of the Series 2024 Certificates to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2024 Certificates[, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires]. The City further acknowledges that the Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Series 2024 Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Certificates, and that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2024 Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Certificates.

[(e)(f)] The Underwriter acknowledges that sales of any Series 2024 Certificates to any person that is a related party to an underwriter participating in the initial sale of the Series 2024 Certificates to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party to an underwriter,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2024 Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2024

Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2024 Certificates to the public),

- (iii) a purchaser of any of the Series 2024 Certificates is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Purchase Agreement by all parties.

5. Representations. The City represents to and agrees with the Underwriter that:

(a) The City is duly organized and validly existing, with full legal right, power and authority to execute, deliver and perform its obligations, as the case may be, under this Purchase Agreement, the Ordinance, the Lease and the Continuing Disclosure Undertaking (collectively, the “**Legal Documents**”) and to perform and consummate all obligations and transactions required or contemplated by each of the Legal Documents and the Official Statement.

(b) The Ordinance approving and authorizing the execution and delivery by the City of the Legal Documents and the offering, delivery and sale of the Series 2024 Certificates upon the terms set forth herein and in the Official Statement, was duly adopted at meetings of the City Council of the City called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(c) The Ordinance and the Series 2024 Certificates conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement and the Series 2024 Certificates, when duly executed and delivered in accordance with the Ordinance and the Declaration of Trust and delivered to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City, entitled to the benefits of the Ordinance and the Declaration of Trust and payable from the sources therein specified.

(d) The City has executed and delivered, or will execute and deliver on or before the Closing Date, each of the Legal Documents. Each of the Legal Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid and binding obligation of the City enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted. Each of the Legal Documents has been executed and delivered, or will be executed and delivered on or before the Closing Date, by each respective signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect.

(e) The City is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below), and no event has occurred and is continuing which with the passage of time or the giving

of notice, or both, would constitute a default or event of default under any Material Judgment or Agreement; and the adoption of the Ordinance, the issuance, delivery and sale of the Series 2024 Certificates and the execution and delivery of the Legal Documents and compliance with and performance of the City's obligations therein and herein will not in any material respect conflict with, violate or result in a breach of or constitute a default under, any such constitutional provision, law, administrative regulation or any Material Judgment or Agreement, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the City (except as described in or contemplated by the Legal Documents and the Official Statement) or under the terms of any such law, administrative regulation or Material Judgment or Agreement. As used herein, the term "Material Judgment or Agreement" means any judgment or decree or any loan agreement, indenture, bond, note or resolution or any material agreement or other instrument to which the City is a party or to which the City or any of its property or assets is otherwise subject (including, without limitation, the Ordinance and the Legal Documents).

(f) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body having jurisdiction which would constitute a condition precedent to the performance by the City of its obligations hereunder and under the Legal Documents have been obtained; provided, that the City makes no representations as to any approvals, consents or other actions which may be necessary to qualify the Series 2024 Certificates for offer and sale under Blue Sky or other state securities laws or regulations.

(g) Any certificates executed by any officer of the City and delivered to the Underwriter pursuant hereto or in connection herewith shall be deemed a representation and warranty of the City as to the accuracy of the statements therein made and as to the authority of the representative to deliver such certificates and make such representation.

(h) Between the date hereof and the time of the Closing, the City shall not, without the prior written consent of the Underwriter, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the City or except for such borrowings as may be described in or contemplated by the Official Statement.

(i) The financial statements of the City as of June 30, 2023 fairly represent the receipts, expenditures, assets, liabilities and cash balances of such amounts and, insofar as presented, other funds of the City as of the dates and for the periods therein set forth. Except as disclosed in the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the City or in its operations since June 30, 2023 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(j) Except for information which is permitted to be omitted pursuant to Rule 15c2-12(b)(1), the information contained in the Preliminary Official Statement (excluding therefrom the information under the captions "**BOOK-ENTRY ONLY SYSTEM**" and "**UNDERWRITING,**" as to which no representations or warranties are made), as of its date and as of the date hereof was and is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The Official Statement is, as of its date and at all times after the date of the Official Statement (excluding therefrom the information under the captions "**BOOK-ENTRY ONLY SYSTEM**" and "**UNDERWRITING,**" as to which no representations or warranties are made) up to and including the

Closing Date will be, true and correct in all material respects and will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(l) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended) at all times subsequent thereto up to and including that date that is 25 days from the “end of the underwriting period” as defined in Rule 15c2-12 (unless the Underwriter notifies the City by the Closing Date of an unsold balance, in which case the “underwriting period” shall be deemed to end on the Closing Date), the Official Statement as so supplemented or amended will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(m) If between the date of the Official Statement and the Closing any event shall occur which might or would cause the information contained in the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City shall promptly (and in any event before the Closing) prepare and furnish (at the expense of the City) a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Underwriter.

(n) Except as described in the Preliminary Official Statement and Official Statement or as otherwise disclosed to the Underwriter, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the City or against any other party of which the City has notice or, to the knowledge of the City, threatened against the City: (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Series 2024 Certificates, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Series 2024 Certificates, (ii) in any way contesting or affecting any authority for the issuance of the Series 2024 Certificates or the validity or binding effect of any of the Legal Documents, (iii) which is in any way contesting the creation, existence, powers or jurisdiction of the City or the validity or effect of the Ordinance or the application of the proceeds of the Series 2024 Certificates, (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or (v) which, if adversely determined, could materially adversely affect the financial position or operating condition of the City or the transactions contemplated by the Preliminary Official Statement and Official Statement or any of the Legal Documents. The City shall advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Series 2024 Certificates.

(o) If required in accordance with Rule 15c2-12, the City has provided or will undertake to provide certain annual financial information and other information and notices of the occurrence of certain events. Except as described in the Official Statement, during the last five years, the City has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

(p) Except as described in the Official Statement, the City, to the best of its knowledge, has never been and is not in default in the payment of principal of, premium, if any, or interest on, or otherwise is not nor has it been in default with respect to, any bonds, notes, or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest.



All representations, warranties and agreements of the City shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive the delivery of the Series 2024 Certificates.

6. Underwriter's Representation.

By entering into this Purchase Agreement, the Underwriter certifies that it and its parent company, wholly or majority-owned subsidiaries, and other affiliates, if any, are not currently engaged in, or for the duration of this Purchase Agreement will not engage in, a boycott of goods or services from the State of Israel; companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or persons or entities doing business in the State of Israel. The Underwriter understands that "boycott" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations, but does not include an action made for ordinary business purposes.

7. Trustee's Representations. By its acceptance hereof, the Trustee hereby represents and warrants to, and agrees with, the Underwriter that:

(a) The Trustee is a national banking association organized and existing under the laws of the United States of America and is authorized to accept and execute trusts of the character set forth in the Declaration of Trust under the laws of the United States of America.

(b) The Trustee has lawful power and authority to enter into the Legal Documents and to carry out its obligations thereunder. By proper action of its Board of Directors, the Trustee has been duly authorized to execute and deliver the Legal Documents, acting by and through its duly authorized officers, and when executed, each of such Legal Documents shall constitute a valid and binding agreement enforceable in accordance with its terms.

(c) The execution and delivery of the Legal Documents and the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Legal Documents and other documents relating to the execution and delivery of the Series 2024 Certificates, will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Trustee is a party or by which it or any of its property is bound, or the Trustee's articles of association or bylaws, or any order, rule or regulation applicable to the Trustee or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee under the terms of any instrument or agreement to which the Trustee is a party.

(d) To the knowledge of the Trustee, there is no litigation or proceeding pending or threatened against the Trustee or any other person affecting the right of the Trustee to execute or deliver the Legal Documents or to comply with its obligations thereunder. Neither the execution and delivery of such Legal Documents by the Trustee, nor compliance by the Trustee with its obligations thereunder require the Trustee to obtain the approval of any regulatory body, any parent company, or any other entity, which approval has not been obtained.

8. Closing.

At 10:00 a.m., Central Time, on July 9, 2024, or at such other time or date as the Underwriter and the City may mutually agree upon as the date and time of the Closing (the "**Closing Date**"), the City will deliver or cause to be delivered to the Underwriter, at the offices of Gilmore & Bell, P.C., St. Louis,

Missouri (“**Special Tax Counsel**”), or at such other place as the Underwriter and the City may mutually agree upon, the Series 2024 Certificates, through the facilities of The Depository Trust Company, New York, New York (“**DTC**”), duly executed and authenticated, and the other documents specified in **Section 9**. At the Closing, (a) upon satisfaction of the conditions herein specified, the Underwriter shall accept the delivery of the Series 2024 Certificates, and pay the purchase price therefor in federal funds payable to the order of the City and (b) the City shall deliver or cause to be delivered the Series 2024 Certificates to the Underwriter through the facilities of DTC in definitive or temporary form, duly executed by the City and in the authorized denominations as specified by the Underwriter at the Closing and the City shall deliver the other documents hereinafter mentioned. Such payment and delivery are herein called the “Closing.” The Series 2024 Certificates shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection.

9. Conditions Precedent.

The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the City contained herein and the performance by the City of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter’s obligations under this Purchase Agreement are and shall be subject to the following additional conditions:

(a) The representations of the City contained herein shall be true, complete and correct in all material respects on the date of acceptance hereof and on and as of the Closing Date.

(b) At the time of the Closing, the Official Statement, the Ordinance and the Legal Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter.

(c) The City shall perform or have performed all of its obligations required under or specified in the Ordinance, the Legal Documents, and the Official Statement to be performed at or prior to the Closing.

(d) The City shall have delivered to the Underwriter the Official Statement by the time, and in the numbers, required by **Section 3** of this Purchase Agreement.

(e) As of the date hereof and at the time of Closing, all necessary official action of the City relating to the Legal Documents and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(f) After the date hereof, up to and including the time of the Closing, there shall not have occurred any change in or particularly affecting the City, the Ordinance, or the Legal Documents as the foregoing matters are described in the Preliminary Official Statement and the Official Statement, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the Series 2024 Certificates.

(g) At or prior to the Closing, the Underwriter shall receive the following documents (in each case with only such changes as the Underwriter shall approve):

(i) The approving opinion of Special Tax Counsel relating to the Series 2024 Certificates, dated the Closing Date;

(ii) The supplemental opinion of Special Tax Counsel, addressed to the Underwriter, dated the Closing Date, to the effect that:

(A) This Purchase Agreement has been duly executed and delivered by the City and is a legal, valid and binding obligation of the City enforceable against the City in accordance with its terms, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;

(B) The statements contained in the Preliminary Official Statement and the Official Statement on the cover page and in the sections entitled "**INTRODUCTION – General,**" "**INTRODUCTION – Limited Obligations,**" "**THE SERIES 2024 CERTIFICATES**" (other than the information concerning DTC and the book-entry system) and "**SECURITY FOR THE SERIES 2024 CERTIFICATES,**" insofar as such statements expressly summarize certain provisions of the Declaration of Trust and the Series 2024 Certificates, **APPENDIX C - DEFINITIONS OF WORDS AND TERMS AND SUMMARIES OF DOCUMENTS** and **APPENDIX D - FORM OF CONTINUING DISCLOSURE UNDERTAKING** are accurate in all material respects; and

(C) The Series 2024 Certificates are not subject to the registration requirements of the Securities Act of 1933, as amended (the "**1933 Act**") and the Declaration of Trust is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**");

(iii) A letter, dated the Closing Date and addressed to the Underwriter, from Gilmore & Bell, P.C., St. Louis, Missouri, as disclosure counsel, to the effect that:

(A) The Series 2024 Certificates are exempt from the registration requirements of the 1933 Act and the Declaration of Trust is exempt from qualification under the Trust Indenture Act; and

(B) Based upon the information made available to disclosure counsel in the course of its participation in the preparation of the Preliminary Official Statement and the Official Statement and without passing on and without assuming any responsibility for the accuracy, completeness and fairness of the statements in the Preliminary Official Statement and the Official Statement, and having made no independent investigation or verification thereof, nothing has come to its attention which would lead it to believe that the Preliminary Official Statement, as of its date and as of the date hereof, and the Official Statement, as of its date and all times subsequent thereto during the period up to and including the Closing Date, contain any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading in any material respect;

(iv) A letter, dated the Closing Date and addressed to the Underwriter, from Thompson Coburn LLP, as Underwriter's counsel, to the effect that:

(A) Based upon the information made available to Underwriter's counsel in the course of its participation in the preparation of the Preliminary Official Statement and the Official Statement and without passing on and without assuming any responsibility for the accuracy, completeness and fairness of the statements in the Preliminary Official Statement and the Official Statement, and having made no independent investigation or verification thereof, nothing has come to its attention which would lead it to believe that

the Preliminary Official Statement, as of its date and as of the date hereof, and the Official Statement, as of its date and all times subsequent thereto during the period up to and including the Closing Date, contain any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading in any material respect;

(v) A certificate, dated the Closing Date, signed by the City Manager of the City to the effect that: (A) the representations and agreements of the City contained herein are true and correct in all material respects as of the date of the Closing; (B) the Legal Documents have been duly authorized and executed and are in full force and effect; (C) except as described in the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement, no litigation is pending or, to his or her knowledge, threatened (1) seeking to restrain or enjoin the issuance or delivery of any of the Series 2024 Certificates, (2) in any way contesting or affecting any authority for the issuance of the Series 2024 Certificates or the validity of the Series 2024 Certificates, the Ordinance or any Legal Document, (3) in any way contesting the creation, existence or powers of the City or the application of the proceeds of the Series 2024 Certificates, or (4) which, if adversely determined, could materially adversely affect the financial position or operating condition of the City or the transactions contemplated by the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement as of its date and as of the Closing Date or any Legal Document; and (D) the Official Statement is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except no review has been made of information in the Official Statement under the captions **“BOOK-ENTRY ONLY SYSTEM”** and **“UNDERWRITING;”** (E) the financial statements of the City as of June 30, 2023 fairly represent the receipts, expenditures, assets, liabilities and cash balances of such amounts and, insofar as presented, other funds of the City as of the dates and for the periods therein set forth; and (F) except as disclosed in the Preliminary Official Statement and the Official Statement, since June 30, 2023 no materially adverse change has occurred, or any development involving a prospective material change, in the financial position or results of operations of the City and the City has not incurred since June 30, 2023, any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement;

(vi) A certified copy of the Ordinance;

(vii) Executed or certified copies of each other Legal Document;

(viii) A Federal Tax Certificate of the City, in form satisfactory to Special Tax Counsel, executed by such officials of the City as shall be satisfactory to the Underwriter;

(ix) A letter from S&P Global Ratings, a division of S&P Global, Inc., assigning a rating of “AA” to the Series 2024 Certificates based on the City’s underlying creditworthiness;

(x) Evidence that a Form 8038-G relating to the Series 2024 Certificates has been executed by the City and will be filed with the Internal Revenue Service (the **“IRS”**) within the applicable time limit;

(xi) A copy of the City’s executed Blanket Letter of Representation to The Depository Trust Company; and

(xii) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, counsel for the Underwriter or Special Tax Counsel may reasonably request to evidence compliance by the City with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the City herein contained and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City and all conditions precedent to the issuance of additional Series 2024 Certificates pursuant to the Indenture shall have been fulfilled.

10. Termination.

If the City shall be unable to satisfy the conditions of the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be cancelled by the Underwriter at, or at any time before, the time of the Closing. Notice of such cancellation shall be given by the Underwriter to the City in writing, or by telephone confirmed in writing. The performance by the City of any and all conditions contained in this Purchase Agreement for the benefit of the Underwriter may be waived by the Underwriter.

(a) The Underwriter shall also have the right, before the time of Closing, to cancel its obligation to purchase the Series 2024 Certificates, by written notice (or by telephone confirmed in writing) by the Underwriter to the City, if between the date hereof and the time of Closing, in the Underwriter's sole and reasonable judgment any of the following events shall occur:

(i) the market price or marketability of the Series 2024 Certificates, or the ability of the Underwriter to enforce contracts for the sale of the Series 2024 Certificates, shall be materially adversely affected by any of the following events:

(A) legislation shall have been enacted by Congress of the United States ("**Congress**") or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the IRS, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Series 2024 Certificates; or

(B) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(C) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(D) legislation shall have been enacted by Congress or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Series 2024 Certificates, or any comparable securities of the City, are not exempt from the registration, qualification or other requirements of the 1933 Act or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or

(E) any material adverse change in the affairs of the City, including any litigation or the escalation of any litigation currently pending against the City in St. Louis County Circuit Court, (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Series 2024 Certificates or (ii) in any way contesting or affecting any authority for the issuance of the Series 2024 Certificates or the validity or binding effect of any of the Legal Documents, shall have occurred; or

(F) any rating on:

(a) securities of the City which are secured by a pledge on a parity with the Series 2024 Certificates or

(b) if the Series 2024 Certificates (or any portion thereof) are insured by a bond insurance policy, the bond insurer is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency; or

(b) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the City refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Series 2024 Certificates or the ability of the Underwriter to enforce contracts for the sale of the Series 2024 Certificates; or

(c) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(d) a material disruption in securities settlement, payment or clearance services affecting the Series 2024 Certificates shall have occurred; or

(e) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or Congress, or by executive order of the President of the United States; or

(f) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or

sale of the Series 2024 Certificates, including the underlying obligations as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2024 Certificates, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the 1933 Act, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Purchase Agreement by the Underwriter, all obligations of the City and the Underwriter under this Purchase Agreement shall terminate, without further liability.

11. Amendments to Official Statement.

During the period commencing on the date of the Official Statement and ending twenty-five (25) days from the end of the underwriting period (as defined in Rule 15c2-12) the City shall advise the Underwriter if any event relating to or affecting the Official Statement shall occur as a result of which it may be necessary or appropriate to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser or “potential customer” (as defined for purposes of Rule 15c2-12). If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and at all times subsequent thereto up to and including that date that is 25 days from the end of the “underwriting period” (as defined in this Purchase Agreement), the Official Statement as supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and the City shall amend or supplement the Official Statement (in form and substance satisfactory to counsel for the Underwriter) so that the Official Statement will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The expenses of preparing such amendment or supplement shall be borne by the City. For the purpose of this Section, the City will furnish to the Underwriter such information with respect to itself as the Underwriter may from time to time reasonably request.

12. Expenses.

Whether or not the Series 2024 Certificates are sold to the Underwriter, the Underwriter shall be under no obligation to pay any expenses incident to the performance of the City’s obligations hereunder. If the Series 2024 Certificates are delivered by the City to the Underwriter, the City shall pay, from the proceeds of the Series 2024 Certificates or from other funds of the City, the following expenses: (a) the cost of preparing, duplicating or printing, mailing and delivering the Legal Documents, including the cost of electronically distributing the Preliminary Official Statement and the Official Statement and any amendment or supplement of either; (b) the cost of preparation and printing of the definitive Series 2024 Certificates; (c) the fees and expenses of the City, the Trustee, Special Tax Counsel, Disclosure Counsel, Underwriter’s counsel and any entity performing continuing disclosure compliance research or providing continuing disclosure compliance reports and any other experts or consultants retained by the City; (d) the charges of any rating agency with respect to the Series 2024 Certificates; (e) reimbursement to the Underwriter for payment of any fees and expenses reasonably incurred in connection with the initial offering, sale and delivery of the Series 2024 Certificates, including but not limited to industry fees (e.g., DTC, DAC, IPREO, CUSIP and Day Loan fees) only if the City and Underwriter have previously discussed and approved the allocation of proceeds towards these fees, and meal and travel expenses of City personnel, but not including entertainment expenses or those to be paid by the Underwriter pursuant to the last paragraph of this **Section 12**, and (f) all other fees and expenses, not including entertainment expenses, reasonably incurred in connection with the preparation of the Legal Documents and/or the initial offering, sale and delivery of the Series 2024 Certificates.

If the Series 2024 Certificates are sold to the Underwriter by the City, the City shall pay out of the proceeds of the Series 2024 Certificates the discount of the Underwriter or the purchase price paid for the Series 2024 Certificates shall reflect such discount.

Except as otherwise provided in this **Section 12**, the Underwriter shall pay the cost, if any, of qualifying the Series 2024 Certificates for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Series 2024 Certificates and all other expenses incurred by it in connection with its public offering and distribution of the Series 2024 Certificates, not described above.

13. Use of Documents.

The City hereby authorizes the Underwriter to use, in connection with the public offering and sale of the Series 2024 Certificates, this Purchase Agreement, the Preliminary Official Statement, the Official Statement and the Legal Documents, and the information contained herein and therein.

14. Qualification of Series 2024 Certificates.

The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Series 2024 Certificates for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

15. Notices.

Any notice or other communication to be given to the City under this Purchase Agreement may be given by delivering the same in writing to the City at 6801 Delmar Boulevard, University City, Missouri 63130, and any such notice or other communication to be given to the Underwriter may be given by delivering the same in writing to the following address:

Stifel, Nicolaus & Company, Incorporated  
One Financial Plaza  
501 North Broadway, 10<sup>th</sup> Floor  
St. Louis, Missouri 63102  
Attention: Director of Public Finance

16. Benefit.

This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including their successors or assigns) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. Except as otherwise expressly provided herein, all of the agreements and representations of the City contained in this Purchase Agreement and in any certificates delivered pursuant hereto shall remain operative and in full force and effect regardless of: (a) any investigation made by or on behalf of the Underwriter; (b) delivery of and payment for the Series 2024 Certificates hereunder; or (c) any termination of this Purchase Agreement, other than pursuant to **Section 10** (and in all events the agreements of the City pursuant to **Sections 11** and **13** hereof shall remain in full force and effect notwithstanding the termination of this Purchase Agreement under **Section 10** hereof).



17. Governing Law. THIS PURCHASE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE.

18. Miscellaneous.

(a) This Purchase Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements, prior writings and representations with respect thereto.

(b) This Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original hereof.

[Remainder of page intentionally left blank]

Very truly yours,

By:

**STIFEL, NICOLAUS & COMPANY, INCORPORATED,**  
as Underwriter

By: \_\_\_\_\_  
Managing Director

Approved and Agreed to: July 2, 2024

**CITY OF UNIVERSITY CITY, MISSOURI**

By: \_\_\_\_\_  
Gregory Rose, City Manager

Approved and Agreed to: July 2, 2024

**UMB BANK, N.A.**, as Trustee

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

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

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

**SCHEDULE I**

**\$25,795,000  
CERTIFICATES OF PARTICIPATION  
(CITY OF UNIVERSITY CITY, MISSOURI, LESSEE)  
SERIES 2024**

**SERIAL CERTIFICATES**

<b><u>Due (April 1)</u></b>	<b><u>Principal Portion</u></b>	<b><u>Interest Rate</u></b>	<b><u>Price</u></b>
2025	\$ 820,000	5.000%	100.883%
2026	560,000	5.000	102.184
2027	590,000	5.000	103.601
2028	620,000	5.000	104.980
2029	650,000	5.000	106.209
2030	680,000	5.000	107.396
2031	715,000	5.000	108.418
2032	750,000	5.000	109.436
2033	790,000	5.000	110.321
2034	830,000	5.000	111.138
***	***	***	***
2037	960,000	5.000	110.018
2038	1,010,000	5.000	109.421
2039	1,060,000	5.000	108.912
2040	1,110,000	5.000	108.070

**TERM CERTIFICATES**

<b><u>Due (April 1)</u></b>	<b><u>Principal Portion</u></b>	<b><u>Interest Rate</u></b>	<b><u>Price</u></b>
2036	\$1,785,000	5.000%	110.620%
2044	5,025,000	5.000	106.246
2049	7,840,000	5.000	104.619

**Prepayment Provisions**

***Optional Prepayment.*** The Series 2024 Certificates maturing on April 1, 2036 and thereafter shall be subject to optional prepayment, as a whole or in part, on April 1, 2034 or any date thereafter, at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Series 2024 Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, from amounts paid by the City upon the exercise of its option to purchase the Trustee's interest in the Equipment or to partially prepay Basic Rent Payments pursuant to the terms of the Lease.

***Extraordinary Optional Prepayment – Damage, Destruction, Condemnation, Changes in Law.*** The Series 2024 Certificates shall be subject to optional prepayment on any date prior to their respective stated maturities, as a whole (but not in part), at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented thereby, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the event of substantial damage to or destruction or condemnation (other than by the City or any entity controlled by or otherwise affiliated with the City) of, or loss of title to, substantially all of the Equipment, or if as a result of changes

in the constitution of the State or legislative or administrative action by the State or the United States, the Lease or the Declaration of Trust becomes unenforceable and the City purchases the Trustee’s interest in the Equipment pursuant to the Lease.

**Mandatory Prepayment.** The Series 2024 Certificates maturing on April 1, 2036, April 1, 2044 and April 1, 2049 (collectively, the “**Term Certificates**”) shall be subject to mandatory prepayment at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Series 2024 Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the following principal amounts:

**April 1, 2036 Term Certificates**

<b><u>Prepayment Date (April 1)</u></b>	<b><u>Principal Portion</u></b>
2035	\$870,000
2036†	915,000

† Final Maturity

**April 1, 2044 Term Certificates**

<b><u>Prepayment Date (April 1)</u></b>	<b><u>Principal Portion</u></b>
2041	\$1,165,000
2042	1,225,000
2043	1,285,000
2044†	1,350,000

† Final Maturity

**April 1, 2049 Term Certificates**

<b><u>Prepayment Date (April 1)</u></b>	<b><u>Principal Portion</u></b>
2045	\$1,420,000
2046	1,490,000
2047	1,565,000
2048	1,640,000
2049†	1,725,000

† Final Maturity

[Remainder of page intentionally left blank]

**EXHIBIT A**

**\$25,795,000**  
**CERTIFICATES OF PARTICIPATION**  
**(CITY OF UNIVERSITY CITY, MISSOURI, LESSEE)**  
**SERIES 2024**

**FORM OF UNDERWRITER'S RECEIPT FOR CERTIFICATES  
AND CLOSING CERTIFICATE**

The undersigned, Stifel, Nicolaus & Company, Incorporated (the “**Original Purchaser**”), as the underwriter of the above-referenced certificates of participation (the “**Series 2024 Certificates**”), to be executed and delivered by UMB Bank, N.A., as trustee (the “**Trustee**”) at the direction of the City of University City, Missouri (the “**City**”), under the Declaration of Trust dated as of June 1, 2024 (the “**Declaration of Trust**”) of the Trustee and the Certificate Purchase Agreement (the “**Certificate Purchase Agreement**”) dated July 2, 2024 (the “**Sale Date**”) among the Original Purchaser, the Trustee and the City, hereby certifies and represents as follows:

**1. Compliance with Certificate Purchase Agreement.** We acknowledge that we have timely received in satisfactory form and manner all proceedings, certificates, opinions, letters and other documents required to be submitted to us pursuant to the Certificate Purchase Agreement prior to or on the date of the delivery of and payment for the Series 2024 Certificates (except to the extent we have waived or consented to modification of certain provisions thereof), and that the City has in all respects complied with and satisfied all of its obligations to us which are required under the Certificate Purchase Agreement to be complied with and satisfied on or before the date hereof.

**2. Receipt for the Series 2024 Certificates.** We further acknowledge receipt on this date of the Series 2024 Certificates, consisting of fully-registered Series 2024 Certificates numbered from R-1 consecutively upward in authorized denominations of \$5,000 or integral multiples thereof. Each of said Series 2024 Certificates has been signed by the manual or facsimile signature of an authorized signatory of the Trustee.

**3. Issue Price.** For purposes of this section the following definitions apply:

“**Effective Time**” means the time on the Sale Date that the Certificate Purchase Agreement to purchase the Series 2024 Certificates became enforceable.

[“**Holding Period**” means with respect to each Undersold Maturity the period beginning on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the Sale Date; or
- (2) the date and time at which the Original Purchaser has sold at least 10% of that Undersold Maturity of the Series 2024 Certificates to the Public at one or more prices that are no higher than the Initial Offering Price.]

“**Initial Offering Price**” means the price listed in **Schedule A** for each Maturity.

“**Maturity**” means Series 2024 Certificates with the same credit and payment terms; Series 2024 Certificates with different maturity dates, or Series 2024 Certificates with the same maturity date but different stated interest rates, are treated as separate maturities.

**“Public”** means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an Underwriting Firm or a related party to an Underwriting Firm. An Underwriting Firm and a person are related if it and the person are subject, directly or indirectly, to (a) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (b) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another) or (c) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

**“Undersold Maturity”** or **“Undersold Maturities”** means any Maturity for which less than 10% of the principal amount of Series 2024 Certificates of that Maturity were sold to the Public as of the Effective Time.

**“Underwriting Firm”** means (a) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2024 Certificates to the Public and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (a) of this definition to participate in the initial sale of the Series 2024 Certificates to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2024 Certificates to the Public).

We represent as follows:

(a) Attached as **Attachment A** is a copy of the pricing wire or similar communication used to communicate the Initial Offering Price of each Maturity to the Public.

(b) As of the Effective Time, all the Series 2024 Certificates were the subject of an initial offering to the Public.

(c) As of the Effective Time, none of the Series 2024 Certificates were sold to any person at a price higher than the Initial Offering Price for that Maturity.

(d) As of the Effective Time there were no Undersold Maturities. [For any Undersold Maturity, during the Holding Period each Underwriting Firm did not offer nor sell Series 2024 Certificates of the Undersold Maturity to the Public at a price that is higher than the respective Initial Offering Price for that Undersold Maturity.

(e) Any separate agreement among any Underwriting Firm related to the sale of an Undersold Maturity during the Holding Period contained the agreement referenced in paragraph 4(d) above.]

**4. Reliance.** This certificate may be relied upon by the City in executing and delivering the Federal Tax Certificate and by Gilmore & Bell, P.C., Special Tax Counsel, in rendering its opinions relating to the exclusion from federal gross income of the interest on the Series 2024 Certificates. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Gilmore & Bell, P.C.

[Remainder of page intentionally left blank]



DATED: July 9, 2024

**STIFEL, NICOLAUS & COMPANY, INCORPORATED**

By: \_\_\_\_\_  
Managing Director

By: \_\_\_\_\_  
Managing Director – Municipal Syndicate

**SCHEDULE A**

**SERIAL CERTIFICATES**

<b><u>Due (April 1)</u></b>	<b><u>Principal Portion</u></b>	<b><u>Interest Rate</u></b>	<b><u>Price</u></b>
2025	\$ 820,000	5.000%	100.883%
2026	560,000	5.000	102.184
2027	590,000	5.000	103.601
2028	620,000	5.000	104.980
2029	650,000	5.000	106.209
2030	680,000	5.000	107.396
2031	715,000	5.000	108.418
2032	750,000	5.000	109.436
2033	790,000	5.000	110.321
2034	830,000	5.000	111.138
***	***	***	***
2037	960,000	5.000	110.018
2038	1,010,000	5.000	109.421
2039	1,060,000	5.000	108.912
2040	1,110,000	5.000	108.070

**TERM CERTIFICATES**

<b><u>Due (April 1)</u></b>	<b><u>Principal Portion</u></b>	<b><u>Interest Rate</u></b>	<b><u>Price</u></b>
2036	\$1,785,000	5.000%	110.620%
2044	5,025,000	5.000	106.246
2049	7,840,000	5.000	104.619

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**ATTACHMENT A**

Initial Offering Price Documentation

[Attach Pricing Wire or Other Offering Price Documentation]

## **EXHIBIT G**

### **SALE PARAMETERS**

1. The aggregate principal amount of the Certificates shall not exceed \$28,500,000.
2. The final stated maturity of the Certificates shall not be later than April 1, 2049.
3. The underwriting discount shall not exceed 0.875%; other costs of delivery shall not exceed 1.000%.
4. The Certificates shall be sold at an issue price of not more than 112.000% of the principal amount of the Certificates.
5. The true interest cost of the Certificates shall not exceed 4.850%.
6. The Certificates shall be subject to optional prepayment by the City not later than April 1, 2034.

\* \* \*



<u>Stated Maturity (April 1)</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Stated Maturity (April 1)</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
20__	\$	%	20__	\$	%
20__			20__		
20__			20__		
20__			20__		
20__			20__*		

\* Term Certificates

8. Optional Prepayment: The Certificates are subject to optional prepayment by the City on April 1, 20\_\_, which is not later than April 1, 2034.
9. Mandatory Prepayment. The Certificates maturing on April 1, 20\_\_ and April 1, 20\_\_ (the "Term Certificates") identified in paragraph 7 are subject to mandatory prepayment at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, as follows:

Term Certificates Maturing April 1, 20\_\_

<u>Year</u>	<u>Principal Amount</u>
20__	\$
20__	
20__ <sup>+</sup>	

<sup>+</sup>Final Maturity

Term Certificates Maturing April 1, 20\_\_

<u>Year</u>	<u>Principal Amount</u>
20__	\$
20__	
20__ <sup>+</sup>	

<sup>+</sup>Final Maturity

10. Capitalized Terms. Capitalized terms used herein and not otherwise defined herein have the meanings assigned to such terms in the Declaration of Trust dated as of June 1, 2024, pursuant to which the Certificates will be executed and delivered.

The terms set forth in this Final Terms Certificate are within the limitations of **Exhibit G** to the Ordinance.

Executed this \_\_\_ day of \_\_\_\_\_, 2024.

**CITY OF UNIVERSITY CITY, MISSOURI**

By: \_\_\_\_\_  
Gregory Rose, City Manager