CITY OF EMPORIA PUBLIC BUILDING COMMISSION
WEDNESDAY, FEBRUARY 19, 2025 AT 11:00 AM
CITY COMMISSION CHAMBER

ORDER OF BUSINESS

ROLL CALL

APPROVAL OF MINUTES OF PREVIOUS MEETING

1) **Public Building Commission Minutes for February 5, 2025**
Presented by: Kerry Sull, City Clerk
Recommended Action: Approve Minutes of February 5, 2025, City of Emporia, Kansas Public Building Commission

COMMUNICATIONS

1) NO COMMUNICATION

REPORTS

1) NO REPORTS

OLD BUSINESS

NEW BUSINESS

1) **Resolution No. 3762 of the City of Emporia, Kansas Public Building Commission Authorizing and Directing the issuance, Sale and Delivery of Revenue Bonds for Fire Station Project, Series A 2025**
Presented by: Mark Detter, Deputy City Manager
Recommended Action: Approve Resolution No. 3762 Authorizing The Issuance, Sale, And Delivery Of Revenue Bonds, for Fire Station Project Series 2025 A, of the City Of Emporia, Kansas Public Building Commission: Authorizing The Execution and Delivery of Leases Between the City Of Emporia, Kansas Public Building Commission and the City Of Emporia, Kansas: And Making Certain Covenants And Agreements And Actions Connected Therewith

ADJOURNMENT

Public Building
Commission Meeting **1:30 p.m.** **February 5, 2025**

The Governing Body of the City of Emporia, Kansas, met in Regular Session, Wednesday, February 5, 2025, with President Harter presiding, Vice-President Smith, Commissioners Brinkman and Curtis. Commissioner Sauder was absent. Also present were City Manager Cocking, Deputy City Manager Detter, Assistant City Manager Wash, Secretary Sull and City Attorney Montgomery.

It was moved by Commissioner Curtis, seconded by Vice-President Smith to approve the minutes of the Public Building Commission meeting held January 21, 2025, as presented. The vote follows: Commissioner Curtis, aye; Vice-President Smith, aye; Commissioner Brinkman, aye; and President Harter, aye.

Updates on current progress for the Fire Station Projects were presented by Tessere Architect and Crossland Construction Company, Inc.

CITY COMMISSION
(Public Building Commission)
(Intent to Issue Revenue Bonds for Fire Station Facility)
(Authorizing the Sale of Public Commission Revenue Bonds)
(Resolution Number 3755)

Mark Detter, Deputy City Manager, was recognized and addressed the Governing Body. He stated construction has begun on the new fire station facility and the process of designing upgrades to Fire Station No. 2. This proposed resolution declares the City of Emporia Public Building Commission's intent to issue revenue bonds in an amount not to exceed $18,110,000.00 to acquire a site and construct, furnish, and equip fire station facilities to be leased by the City of Emporia. The resolution authorizes paying all the costs of site acquisition, equipping and construction of fire facilities. The resolution authorizes giving notice of intent and authorizes the sale of Public Building Commission Revenue Bonds Series 2025. Greg Vahrenberg, PBC's Municipal Financial Advisor, solicited proposals for a private placement. Webster Bank of Athens, Georgia, provided the best proposal with a 4.62% true interest cost for 20 years. He stated the debt service on the PBC Revenue Bonds for the fire station facilities wraps around the City's current debt. The debt service schedule starts in 2026 at approximately $1,224,000.00 with payments increasing in 2033 and escalates to approximately $1,814,000.00 in 2044. The debt starting in 2026 is paid for by the previous retirement of bonds issued by the City. He stated staff recommend approval of Resolution Number 3760 of the PBC declaring the Public Building Commission's intent to issue $18,110,000.00 in Series 2025 Revenue Bonds.

Vice-President Smith made a motion to approve Resolution Number 3760 of the City of Emporia Public Building Commission declaring the Public Building Commission's intent to issue $18,110,000.00 in Series 2025 Revenue Bonds. Commissioner Curtis seconded the motion. The vote follows: Vice-President Smith, aye; Commissioner Curtis, aye; Commissioner Brinkman, aye; and President Harter, aye.

CITY COMMISSION
(Public Building Commission)
(Informational Items)

At the time this Agenda was prepared, the following items were in the works:

TENTATIVE AGENDA FOR FEBRUARY 19, 2025, MEETING.

- PBC Approval of Bond Resolution and Lease.

Commissioner Curtis then made a motion to adjourn. Vice-President Smith seconded the motion. The vote follows: Commissioner Curtis, aye; Vice-President Smith, aye; Commissioner Brinkman, aye; and President Harter, aye.

____
Erren Harter, President PBC

ATTEST:

____
Kerry Sull, Secretary PBC

Public Building Commission Action Report

Resolution No. 3762 authorizing and directing the issuance, sale, and delivery
of Revenue Bonds (Fire Station Project), Series 2025A,
of the City of Emporia Public Building Commission.

Title:	Resolution No. 3762 authorizing and directing, issuance, sale, and delivery of Revenue Bonds (Fire Station Project), Series 2025A, of the City of Emporia Public Building Commission.
Agenda Date:	February 19, 2025
Presented By:	Mark Detter, Deputy City Manager

Background:

The City of Emporia has begun construction on a new Fire Station facility and is in the process of designing upgrades to Fire Station # 2.

Discussion:

The Resolution authorizes the issuance of Series 2025A Bonds, of the City of Emporia, Kansas Public Building Commission. The Resolution also authorizes the execution and delivery of a lease between the City of Emporia PBC and the City of Emporia, Kansas, and makes certain covenants and agreements connected therewith.

Financial considerations:

The PBCs' Municipal Financial Advisor solicited proposals for a private placement. Webster Bank of Athens, Georgia provided the best proposal with a 4.64 % True Interest Cost over 20 years. Greg Vahrenberg of Raymond James (PBC's MA) structured the debt service on the PBC Revenue Bonds for the fire station facilities to wrap around the City's current debt. Payments will increase substantially in 2033. The debt service schedule starts in 2026 at $ 825,000 and escalates to $1,200,000 in 2044. The debt starting in 2026 is paid for by the previous retirement of bonds issued by the City.

Recommended action:

Approve Resolution No. 3762 of the City of Emporia Public Building Commission authorizing and directing the issuance, sale and delivery of revenue bonds (Fire Station Project), Series A 2025A, of the City of Emporia, Kanas Public Building Commission; Authorizing the execution and delivery of leases between the City of Emporia, Kansas Public Building Commission and the City of Emporia, Kansas; and making certain covenants and agreements and actions connected to therewith.

Attachments:

Resolution No. 3762 of the City of Emporia Public Building Commission.
Final Debt Service Schedule City of Emporia Series 2025A PBC Bonds.
Base Lease
Project Lease
Bond Purchase Agreement.

Gilmore & Bell, P.C.
02/12/2025

EXCERPT OF MINUTES OF A MEETING OF THE CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION HELD ON FEBRUARY 19, 2025

The City of Emporia, Kansas Public Building Commission ("PBC") met at City Hall in Emporia, Kansas, at __:__ _.m. The following members of the PBC were present:

Absent:

The President declared that a quorum was present and called the meeting to order.

* * * * * * * * * * * * * *
(Other Proceedings)

There was presented a Resolution entitled:

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF REVENUE BONDS (FIRE STATION PROJECT), SERIES 2025A, OF THE CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION; AUTHORIZING THE EXECUTION AND DELIVERY OF LEASES BETWEEN THE CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION AND THE CITY OF EMPORIA, KANSAS; AND MAKING CERTAIN COVENANTS AND AGREEMENTS AND ACTIONS CONNECTED THEREWITH.

Member ____________________ moved that the Resolution be adopted. The motion was seconded by Member ____________________. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the following vote:

Aye: ____.

Nay: ____.

The President declared the Resolution duly adopted and the Resolution was then duly numbered Resolution No. 3762 and was signed by the President and attested by the Secretary.

* * * * * * * * * * * * * *
(Other Proceedings)

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On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the City of Emporia, Kansas Public Building Commission held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

____
Secretary

Gilmore & Bell, P.C.
02/12/2025

RESOLUTION NO. 3762

OF THE

CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION

ADOPTED

FEBRUARY 19, 2025

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION PROJECT)
SERIES 2025A

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RESOLUTION NO. 3762

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF REVENUE BONDS (FIRE STATION PROJECT), SERIES 2025A, OF THE CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION; AUTHORIZING THE EXECUTION AND DELIVERY OF LEASES BETWEEN THE CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION AND THE CITY OF EMPORIA, KANSAS; AND MAKING CERTAIN COVENANTS AND AGREEMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, under the authority of K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45 of the City of Emporia, Kansas (the "City") (collectively the "Act"), the City of Emporia, Kansas Public Building Commission, a municipal corporation of the State of Kansas (the "PBC"), has heretofore been created by action duly taken by the governing body of the City; and

WHEREAS, the City owns a tract of real estate described as:

Lot 74 ,the South 35 feet of Lot 76, the North 15 feet of Lot 76, Lot 78, and Lot 80, all on Market Street in the City Emporia Lyon County, Kansas, according to the recorded plat thereof;

(the "Site"); and

WHEREAS, the City has heretofore deemed it advisable to construct, furnish and equip a building for the benefit of the City's use as a fire station facility (the "Facility," and collectively with the Site, the "Project"); and

WHEREAS, the PBC has the power and authority under the Act to issue revenue bonds to provide funds for the purpose of paying all or a portion of the costs of the Project; and

WHEREAS, the City has adopted Resolution No. 3759 declaring an intent to undertake the Project at an estimated cost of $18,100,000, and requesting that the PBC provide for the financing of the Project in an amount of not to exceed $18,100,000; and

WHEREAS, the PBC has adopted and published Resolution No. 3760, which declared the intent of the PBC to issue, in one or more series, revenue bonds in an aggregate amount not to exceed $18,100,000 to be issued in accordance with the provisions of the Act and all other laws of the State of Kansas supplemental thereto or amendatory thereof; and

WHEREAS, the PBC does hereby find and determine that it is desirable to issue its City of Emporia, Kansas Public Building Commission Revenue Bonds (Fire Station Facility Project), Series 2025A, in the principal amount of $12,210,000 (the "Series 2025A Bonds"), for the purpose of paying a portion of the costs of the Project, as more fully described herein; and

WHEREAS, the PBC determines it is necessary and desirable in connection with the issuance of the Series 2025A Bonds to enter into a Base Lease, dated as of March 6, 2025 (the "Base Lease"), between the City and the PBC, under which the City will lease the Site to the PBC upon the terms and conditions set forth therein, including a term commencing on March 6, 2025, and ending on March 6, 2050, subject to early termination; and

WHEREAS, the PBC further determines it is necessary and desirable in connection with the issuance of the Series 2025A Bonds to enter into a Project Lease, dated as of March 6, 2025 (the "Project Lease"), between the PBC and the City, under which the proceeds of the Series 2025A Bonds shall be used to pay a portion of the costs of the Project and pursuant to which the PBC shall lease the Project to the City, in consideration of rentals which are intended to be sufficient to provide for the payment of the principal of, premium, if any, and interest on the Series 2025A Bonds as the same become due; and

WHEREAS, all things necessary to make the Series 2025A Bonds, when authenticated by the Bond Registrar and issued as provided in this Bond Resolution, the valid and legally binding limited obligations of the PBC, and the execution and delivery of this Bond Resolution and the execution and issuance of the Series 2025A Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein and in the Base Lease and Project Lease, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

"Act" means K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45, all as amended and supplemented from time to time.

"Additional Bonds" means any bonds issued in addition to the Series 2025A Bonds pursuant to ***Section 211*** hereof.

"Additional Rent" means all Impositions, all Maintenance Costs, all amounts required to be rebated to the United States pursuant to this Bond Resolution, all other payments of whatever nature payable or to become payable pursuant to this Bond Resolution or which Tenant has agreed to pay or assume under the provisions of the Lease and any and all expenses (including reasonable attorney's fees) incurred by Issuer in connection with the issuance of the Bonds or the administration or enforcement of any rights under the Lease or this Bond Resolution.

"Authorized Denomination" means $5,000 or any integral multiples thereof.

"Base Lease" means the Base Lease dated as of the Dated Date between the City, as lessor, and the Issuer, as lessee.

"Basic Rent" means the semi-annual amount of rent due and payable under the Project Lease which, when added to Basic Rent Credits, will be sufficient to pay, on any Payment Date, all principal of, redemption premium, if any, and interest on all Bonds which are due and payable on such Payment Date.

"Basic Rent Credits" means (i) all funds on deposit in the Principal and Interest Account and available for the payment of principal of, redemption premium, if any, and interest on the Bonds on any

Bond Payment Date and (ii) all payments made directly to the Paying Agent for the payment of principal of, redemption premium, if any, and interest on the Bonds as permitted by ***Section 3.1*** of the Project Lease.

"Beneficial Owner" of Bonds includes any Owner of Bonds and any other Person who, directly or indirectly has the investment power with respect to any such Bonds.

"Bond" or **"Bonds"** means the Series 2025A Bonds and any Additional Bonds.

"Bond Counsel" means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer and the Tenant.

"Bond Payment Date" means any date on which principal of or interest on any Bond is payable.

"Bond Purchase Agreement" means: (a) with respect to the Series 2025A Bonds, the Bond Purchase Agreement dated as of February 11, 2025 between the Issuer and the Purchaser; and (b) with respect to Additional Bonds, the Bond Purchase Agreement between the Issuer and the Purchaser of such Additional Bonds.

"Bond Register" means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

"Bond Registrar" means: (a) with respect to the Series 2025A Bonds, the State Treasurer, and its successors and assigns; and (b) with respect to Additional Bonds, the entity designated as Bond Registrar in the supplemental resolution authorizing such Additional Bonds.

"Bond Resolution" means collectively this Bond Resolution relating to the Series 2025A Bonds, as amended and supplemented, and any Supplemental Resolution adopted in accordance with the provisions of this Bond Resolution.

"Business Day" means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

"Cede & Co." means Cede & Co., as nominee of DTC and any successor nominee of DTC.

"City" means the City of Emporia, Kansas.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

"Costs of Issuance" means all costs of issuing any series of Bonds, including all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving financial ratings on any series of Bonds, and any premiums or expenses incurred in obtaining any credit enhancement.

"Costs of Issuance Account" means the account by that name created pursuant to ***Section 501*** hereof.

"Dated Date" means March 6, 2025.

"Defaulted Interest" means interest on any Bond which is payable but not paid on any Interest Payment Date.

"Defeasance Obligations" means any of the following obligations:

(a) Cash; or

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

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

> (1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;
>
> (2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;
>
> (3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;
>
> (4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;
>
> (5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and
>
> (6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

"Derivative" means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

"DTC" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

"Event of Default" means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise; or

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the City, or to the Issuer and the City by the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding; provided, however, if any default shall be such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the City within such period and diligently pursued until the default is corrected; or

(c) An Event of Default as defined in the Project Lease has occurred.

"Facility" means collectively the constructing, furnishing and equipping of building located on the Site for the benefit of the City's use as a fire station facility, a portion of which is to be funded from the proceeds of the Series 2025A Bonds.

"Fiscal Year" means the twelve month period ending on December 31.

"Funds and Accounts" means funds and accounts created pursuant to or referred to in ***Section 501*** hereof.

"Interest Payment Date(s)" means: (a) with respect to the Series 2025A Bonds, the Stated Maturity of an installment of interest on the Series 2025A Bonds which shall be March 1 and September 1 of each year, commencing March 1, 2026; and (b) with respect to Additional Bonds, the Stated Maturity of an installment of interest on such Additional Bonds, as set forth in the supplemental resolution authorizing such Additional Bonds.

"Issue Date" means the date when the Issuer delivers any series of Bonds to the Purchaser in exchange for the Purchase Price.

"Issuer" means the PBC and any successors or assigns.

"Land" means the real property (or interests therein) described in the Project Lease.

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

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Notice Address" means with respect to the following entities:

(a) To the Issuer at:

City of Emporia, Kansas Public Building Commission
111 East 6th Avenue
P.O. Box 928
Emporia, Kansas 66801
Attn: President

(b) To the Tenant at:

City of Emporia, Kansas
111 East 6th Avenue
P.O. Box 928
Emporia, Kansas 66801
Attn: Director of Finance

(c) To the Paying Agent at:

Series 2025A Bonds:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

Additional Bonds:

The address set forth in the supplemental resolution authorizing such Additional Bonds.

(d) To the Purchaser:

Series 2025A Bonds:

Webster Bank
300 Lexington Avenue, 5th Floor
New York, New York 10017

Additional Bonds:

The address set forth in the supplemental resolution authorizing such Additional Bonds.

(e) To the Rating Agency(ies):

Moody's Municipal Rating Desk
7 World Trade Center
250 Greenwich Street
23rd Floor
New York, New York 10007

S&P Global Ratings, a division of S&P Global Inc.
55 Water Street, 38th Floor
New York, New York 10004

or such other address as is furnished in writing to the other parties referenced herein.

"Notice Representative" means:

(a) With respect to the Issuer, its President.

(b) With respect to the Tenant, the Director of Finance.

(c) With respect to the Bond Registrar and Paying Agent, the Director of Fiscal Services.

(d) With respect to any Purchaser, the manager of its Public Sector Finance department.

(e) With respect to any Rating Agency, any Vice President thereof.

"Outstanding" means, when used with reference to Bonds, as of a particular date of determination, all Bonds theretofore, authenticated and delivered, except the following Bonds:

(a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation pursuant to the Bond Resolution;

(b) Bonds deemed to be paid in accordance with the provisions of ***Section 1001*** of the Bond Resolution; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under the Bond Resolution.

"Owner" when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

"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.

"Paying Agent" means: (a) with respect to the Series 2025A Bonds, the State Treasurer, and its successors and assigns; and (b) with respect to Additional Bonds, the entity designated as Paying Agent in the supplemental resolution authorizing such Additional Bonds.

"PBC" means the City of Emporia, Kansas Public Building Commission.

"Permitted Investments" shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

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

"Pledged Property" means (a) all right, title and interest of the Issuer in and to the Project; (b) all right, title and interest, of the Issuer in, to and under the Base Lease and the Project Lease, all Basic Rent or Additional Rent derived by the Issuer pursuant to the Project Lease, subject to the provisions of the Base Lease and the Project Lease; provided that the pledge and assignment hereby made shall not impair or diminish the obligations of the Issuer under the provisions of the Base Lease and the Project Lease; and (c) all moneys and Investment Securities from time to time held under the terms of this Bond Resolution, including, without limitation, Bond proceeds and income from the temporary investment thereof, proceeds from insurance and condemnation awards, any and all real or personal property of every kind and nature from time to time hereafter, by delivery or by right of any kind, pledged, assigned or transferred as and for additional security for the Bonds by the Issuer.

"President" means the duly appointed and/or elected President, or in the President's absence, the duly appointed and/or elected Vice President or Acting President of the Issuer.

"**Principal and Interest Account"** means the account of that name created in ***Section 501*** hereof.

"Project Lease" means the Project Lease dated as of the Dated Date of the Series 2025A Bonds, between the Issuer, as lessor, and the City, as lessee, as from time to time amended and supplemented in accordance with the provisions thereof.

"Project" means and includes the interest of the Issuer in the Land and the Facility acquired, constructed or installed with the proceeds of the Series 2025A Bonds, together with any Project Additions.

"Project Additions" means any additions to the Project acquired, constructed or installed from proceeds of any series of Additional Bonds authorized and issued pursuant to this Bond Resolution. It also includes any alterations or additions made to the Project to the extent provided in ***Articles XI*** and ***XII*** of the Project Lease.

"Project Costs" means those costs incurred in connection with the Project, including:

(a) all costs and expenses necessary or incident to the acquisition of the Land and such of the Facility as are acquired, constructed or in progress at the date of such acquisition.

(b) fees and expenses of architects, appraisers, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of architects, appraisers, surveyors and engineers in relation to the construction, furnishing and equipping of the Project or the issuance of the Bonds.

(c) all costs and expenses of every nature incurred in constructing, acquiring or installing the remaining portion of the Project.

(d) payment of interest actually incurred on any interim financing obtained from a lender unrelated to the Tenant for performance of work on the Project prior to the issuance of the Bonds.

(e) the cost of the title insurance policies and the cost of any insurance and performance and payment bonds required by ***Article VI*** of the Project Lease.

(f) interest accruing on the Bonds during the period of construction of the Facility.

(g) Costs of Issuance.

"Project Fund" means the account by that name created by ***Section 501*** hereof.

"Purchase Price" means: (a) with respect to the Series 2025A Bonds the amount set forth in the Bond Purchase Agreement; and (b) with respect to Additional Bonds, the amount set forth in the supplemental resolution authorizing such Additional Bonds.

"Purchaser" means: (a) with respect to the Series 2025A Bonds, Webster Bank, New York, New York, the original purchaser of the Series 2025A Bonds, and any successor and assigns; and (b) with respect to Additional Bonds, the original purchaser of such Additional Bonds, as set forth in the supplemental resolution authorizing such Additional Bonds.

"Rating Agency" means any company, agency or entity that provides financial ratings for the Bonds.

"Record Dates" for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

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

"Redemption Price" when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of the Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Rental Payments" means the aggregate of the Basic Rent payments and Additional Rent payments provided for pursuant to the Project Lease.

"Replacement Bonds" means Bonds issued to the Beneficial Owners of the Bonds in accordance with ***Section 207*** hereof.

"Secretary" means the duly appointed Secretary, or in the Secretary's absence, the duly appointed Deputy Secretary or Acting Secretary of the Issuer.

"Securities Depository" means, initially, DTC, and its successors and assigns.

"Series 2025A Bonds" means the Issuer's Revenue Bonds (Fire Station Project), Series 2025A, authorized and issued by the Issuer pursuant to this Bond Resolution.

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

"Standard & Poor's" means S&P Global Ratings, a division of S&P Global Inc., New York, New York, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Standard & Poor's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"State" means the state of Kansas.

"State Treasurer" means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

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

"Supplemental Resolution" means any amendment or supplement to this Bond Resolution entered into as provided in ***Article VIII*** hereof.

"Tax Agreement" means the Tax Compliance Agreement dated as of the Issue Date between the Issuer and the Tenant, as from time to time amended and supplemented in accordance with the provisions thereof.

"Tenant" means the City, its successors and assigns.

"Term Bonds" means any Bonds designated as Term Bonds in this Bond Resolution or in any supplemental resolution authorizing the issuance of Additional Bonds.

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

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Series 2025A Bonds. There shall be issued and are hereby authorized and directed to be issued the City of Emporia, Kansas Public Building Commission Revenue Bonds (Fire Station Project), Series 2025A, of the City in the aggregate principal amount of $12,210,000 for the purpose of providing funds to pay a portion of the Project Costs.

Section 202. Description of the Series 2025A Bonds. The Series 2025A Bonds shall consist of fully registered bonds in Authorized Denominations, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Series 2025A Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, and subject to redemption and payment, prior to their Stated Maturities as provided in ***Article III*** hereof and shall bear interest at the rates per annum as follows:

Stated Maturity September 1	Principal Amount	Annual Rate of Interest	Stated Maturity September 1	Principal Amount	Annual Rate of Interest
2027	$ 30,000	4.550%	2036	$ 880,000	4.550%
2028	230,000	4.550%	2037	800,000	4.550%
2029	315,000	4.550%	2038	885,000	4.550%
2030	335,000	4.550%	2039	925,000	4.550%
2031	350,000	4.550%	2040	970,000	4.550%
2032	365,000	4.550%	2041	1,010,000	4.550%
2033	580,000	4.550%	2042	1,055,000	4.550%
2034	605,000	4.550%	2043	1,095,000	4.550%
2035	630,000	4.550%	2044	1,150,000	4.550%

The Series 2025A Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in ***Section 204*** hereof.

Each of the Series 2025A Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as ***Exhibit A*** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Series 2025A Bonds and Bond Registrar with respect to the registration, transfer and exchange of the Series 2025A Bonds. The President and Secretary of the Issuer are hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Series 2025A Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner or (b) in the case of an interest payment to any Owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Owner wishes to have such transfer directed.

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

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated

Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to ***Section 303*** hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to ***Section 204*** hereof.

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

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

Section 206. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual, electronic or facsimile signature of the President, attested by the manual, electronic or facsimile signature of the Secretary and the seal of the Issuer shall be affixed thereto or imprinted thereon. The President and Secretary are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Secretary, which registration shall be evidenced by the manual, electronic or facsimile signature of the Secretary with the seal of the Issuer affixed thereto or imprinted thereon, and registered in the office of the Clerk of Lyon County, Kansas, which registration shall be evidenced by the manual, electronic or facsimile signature of the Clerk of Lyon County, Kansas with the seal of Lyon County, Kansas affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual, electronic or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The President and Secretary are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Paying Agent for authentication.

The Series 2025A Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as ***Exhibit A*** hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Series 2025A Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Series 2025A Bond shall be conclusive evidence that such Series 2025A Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Series 2025A Bond to the Purchaser upon instructions of the Issuer or its representative.

Section 207. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

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

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

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

Section 209. Book-Entry Bonds; Securities Depository. Any series of Bonds may be issued as Book-Entry-Only Bonds. If so, such series of Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository 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 (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, or (b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, 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 Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event 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, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 210. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 211. Authorization of Additional Bonds.

(a) Additional Bonds may be issued under and equally and ratably secured by this Bond Resolution on a parity with the Series 2025A Bonds and any other Additional Bonds Outstanding at any time and from time to time, upon compliance with the conditions hereinafter provided in this Section, for any of the following purposes:

(1) To provide funds to pay the costs of completing the Project, the total of such costs to be evidenced by a certificate signed by an authorized representative of the City.

(2) 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.

(3) To provide funds to pay all or any part of the costs of acquisition, purchase or construction of such additions, improvements, extensions, alterations, expansions, or modifications of the Project or any part thereof as the City may deem necessary or desirable and as will not impair the nature of the Project as a facility within the meaning and purposes of the Act.

(4) To provide funds for refunding all or any part of the Bonds of any series then Outstanding, including the payment of any premium thereon and interest to accrue to the designated redemption date and any expenses in connection with such refunding.

(b) Before any Additional Bonds shall be issued under the provisions of this Section, the Purchaser shall be given written notice thereof and the Issuer shall adopt a Supplemental Resolution (i) authorizing the issuance of such Additional Bonds, fixing the amount and terms thereof and describing the purpose or purposes for which such Additional Bonds are being issued or describing the Bonds to be refunded; and (ii) requiring the Issuer to enter into a supplemental lease with the City to provide for rental payments at least sufficient to pay the principal of, premium, if any, and interest on the Bonds then to be Outstanding (including the Additional Bonds to be issued) as the same become due, and for such other matters as are appropriate because of the issuance of the Additional Bonds proposed to be issued which, in the judgment of the Issuer, is not to the prejudice of the Issuer or the Owners of Bonds previously issued.

(c) Such Additional Bonds shall have the same designation as the Series 2025A Bonds, except for an identifying series letter or date and the addition of the word "Refunding" when applicable, shall be dated, shall be stated to mature on Bond Payment Dates in such year or years, shall bear interest at such rate or rates not exceeding the maximum rate then permitted by law, and shall be redeemable at such times and prices (subject to the provisions of ***Article III*** of this Bond Resolution), all as may be provided by the Supplemental Resolution authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest or the provisions for redemption, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Bond Resolution as the Series 2025A Bonds and any other Additional Bonds Outstanding at the time of the issuance of such Additional Bonds.

(d) Such Additional Bonds shall be substantially in the form and executed in the manner set forth in this Article and shall be deposited with the Bond Registrar for authentication.

(e) Except as provided in this Section, the Issuer will not otherwise issue any obligations ratably secured and on a parity with the Series 2025A Bonds, but the Issuer may issue other obligations specifically subordinate and junior to the Series 2025A Bonds with the express written consent of the City.

Section 212. Sale of the Series 2025A Bonds - Bond Purchase Agreement. The execution of the Bond Purchase Agreement by the President is hereby ratified and confirmed. Pursuant to the Bond Purchase Agreement, the Issuer agrees to sell the Series 2025A Bonds to the Purchaser for the Purchase Price, upon the terms and conditions set forth therein.

Section 213. Approval and Execution of the Base Lease and Project Lease. The Base Lease and Project Lease presented with this Bond Resolution are hereby authorized and approved. The President is hereby authorized and directed to execute and deliver the Base Lease and Project Lease for and on behalf of and as the act and deed of the Issuer in substantially the form presented this date with such minor corrections or amendments thereto as the President shall approve, which approval shall be evidenced by his or her execution thereof, and to execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Bond Resolution. The Secretary of the PBC is hereby authorized and directed to attest the execution of the Base Lease and Project Lease and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Bond Resolution.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer. The Bonds shall be subject to redemption and payment prior to their Stated Maturity, as follows:

(a) ***Optional Redemption***.

(1) *Series 2025A Bonds*. At the option of the Issuer, Series 2025A Bonds maturing on September 1, in the years 2034 and thereafter will be subject to redemption and payment prior to their Stated Maturity on September 1, 2033, and thereafter as a whole or in part (selection of maturities and the amount of Series 2025A Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date; provided, however, that partial redemptions: (i) may occur no more than once per calendar year; (ii) must have a minimum principal redemption of $1,000,000; and (iii) must occur in the reverse order of maturity (longest dated payments paid first).

(2) *Additional Bonds*. Additional Bonds are subject to redemption and payment prior to Stated Maturity in accordance with the provisions of the supplemental resolution authorizing the issuance of such Additional Bonds.

(b) ***Mandatory Redemption***.

(1) *General*. The Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements at a Redemption Price

equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity as designated by the Issuer, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.

(2) *Additional Bonds*. Additional Bonds designated as Term Bonds shall be subject to mandatory redemption in accordance with the provisions of the supplemental resolution authorizing such Additional Bonds.

Section 302. Selection of Bonds to be Redeemed.
Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond

Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the State Treasurer and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

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

(a) the Redemption Date;

(b) the Redemption Price;

(c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;

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

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

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

For so long as the Securities Depository is effecting book-entry transfers of any series of Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

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

In addition to the foregoing notice, further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR THE BONDS; LIMITED NATURE OF OBLIGATIONS

Section 401. Security for the Bonds; Limited Nature of Obligations.

(a) The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely and only from the net earnings and revenues derived by the Issuer from the Project, including but not limited to the rents, revenues and receipts under the Project Lease (including, in certain circumstances, Bond proceeds and income from the temporary investment thereof and proceeds from insurance and condemnation awards). The Bonds and the interest thereon shall not be a debt or general obligation of Issuer or the State, and are secured by a pledge and assignment of the Pledged Property, and the Bonds, the interest thereon, or any judgment thereon or with respect thereto, are payable from tax revenues only to the extent that the Tenant generates the rentals payable under the Project Lease from taxation. The Bonds shall not constitute an indebtedness or a pledge of the faith and credit of Issuer, the State or any municipal corporation thereof, within the meaning of any constitutional or statutory limitation or restriction.

The covenants and agreements of the Issuer contained in this Bond Resolution, the Base Lease, the Project Lease and in the Bonds shall be for the equal benefit, protection, and security of the legal Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of, redemption premium, if any, and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution.

(b) No provision, covenant or agreement contained in this Bond Resolution or the Bonds, or any obligation herein or herein imposed upon the Issuer, or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or a charge upon its general credit or powers of taxation. In making the agreements, provisions and covenants set forth in this Bond Resolution, the Issuer has not obligated itself except with respect to the Project and the application of the payments, revenues and receipts therefrom as hereinabove provided. Neither the officers of the Issuer nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Series 2025A Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

(a) Project Fund.

(b) Principal and Interest Account.

(c) Costs of Issuance Account.

(d) Rebate Fund.

The Funds and Accounts referred to in this paragraph shall be administered in accordance with the provisions of this Bond Resolution so long as the Series 2025A Bonds are Outstanding.

Section 502. Deposit of Series 2025A Bond Proceeds. The net proceeds received from the sale of the Series 2025A Bonds shall be deposited simultaneously with the delivery of the Series 2025A Bonds as follows:

(a) Any excess proceeds received from the sale of the Series 2025A Bonds shall be deposited in the Principal and Interest Account.

(b) An amount to pay Costs of Issuance shall be deposited in the Costs of Issuance Account.

(c) The remaining balance of the proceeds derived from the sale of the Series 2025A Bonds shall be deposited in the Project Fund.

Section 503. Application of Moneys in the Project Fund. Moneys in the Project Fund shall be used by the Issuer solely for the purpose of paying the costs of the Project for which the Series 2025A Bonds have been authorized, as hereinbefore provided, in accordance with the plans and specifications therefor prepared by the City's architects, including any alterations in or amendments to said plans and specifications deemed advisable by the City's architects and approved by the Issuer; and transferring any amount to the Rebate Fund required by this ***Article V***.

Withdrawals from the Project Fund will be made only upon receipt of a certificate executed by the City in accordance with ***Article IV*** of the Lease.

Upon completion of the purpose for which the Bonds have been issued, any surplus remaining in the Project Fund shall be transferred to and deposited in the Principal and Interest Account.

Section 504. Deposits to and Application of Moneys in Principal and Interest Account. There shall be deposited in the Principal and Interest Account all Rental Payments received from the City pursuant to the terms of ***Article III*** of the Project Lease. All amounts paid and credited to the Principal and Interest Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Series 2025A Bonds as and when the same become due and the usual and customary fees and expenses of the Paying Agent. Funds shall be withdrawn from the Principal and Interest Account in sums sufficient to pay both principal or Redemption Price of and interest on the Series 2025A Bonds and the fees and expenses of the Paying Agent as and when the same become due, and shall be forwarded to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys. Payment of fees and expenses of the Paying Agent and Bond Registrar shall be subordinate to payments of principal and interest to the Owners of the Bonds.

Any moneys or investments remaining in the Principal and Interest Account after the retirement of the indebtedness for which the Series 2025A Bonds were issued shall be transferred and paid to the City.

Section 505. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Series 2025A Bonds, shall be transferred to the Project Fund until completion of the Project and thereafter to the Principal and Interest Account.

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

Section 507. Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Agreement. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Tax Agreement), for payment to the United States of America, and neither the Issuer nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Tax Agreement.

(b) The Issuer shall periodically determine the arbitrage rebate, if any, under Code § 148(f) in accordance with the Tax Agreement, and the Issuer shall make payments to the United States of America at the times and in the amounts determined under the Tax Agreement. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be deposited into the Principal and Interest Account.

(c) Notwithstanding any other provision of this Bond Resolution, the obligation to pay arbitrage rebate to the United States of America and to comply with all other requirements of this Section and the Tax Agreement shall survive the defeasance or payment in full of the Bonds.

ARTICLE VI

DEPOSIT AND INVESTMENT OF MONEYS

Section 601. Deposits and Investment of Moneys.

(a) Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States which has a main or branch office located in the county in which the Issuer is located. All such depositaries shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

(b) Moneys held in any Fund or Account may be invested in accordance with this Bond Resolution and the Tax Agreement, in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account. In determining the amount held in any Fund or Account under the provisions of the Bond Resolution, Permitted Investments shall be valued at their market value. Such valuation shall be made as of the final Stated Maturity of principal of any Fiscal Year that the Bonds remain Outstanding and may be made in conjunction with redemption of any Bonds.

ARTICLE VII

GENERAL COVENANTS AND PROVISIONS

The Issuer covenants and agrees with each of the Owners of any of the Bonds that so long as any of the Bonds remain Outstanding and unpaid it will comply with each of the following covenants:

Section 701. Payment of Principal of, Premium, if any, and Interest on the Bonds. The Issuer covenants and agrees that it will, but solely from the rents, revenues and receipts derived from the Project as described herein, promptly pay or cause to be paid the principal of, premium, if any, and interest on the Bonds as the same become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof, and to this end the Issuer covenants and agrees that it will use its best efforts to cause the Project to be continuously leased as a revenue and income producing undertaking, and that, should there be a default under the Project Lease with the result that the right of possession of the Project is returned to the Issuer, the Issuer shall fully cooperate with the Owners to protect the rights and security of the Owners and shall diligently proceed in good faith and use its best efforts to secure another lawful tenant for the Project to the end that at all times sufficient rents, revenues and receipts will be derived by Issuer from the Project to provide for payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. Nothing herein shall be construed as requiring the Issuer to operate the Project as a business other than as lessor or to use any funds or revenues from any source other than funds and revenues derived from the Project.

Section 702. Authority to Execute Resolution and Issue Bonds. The Issuer covenants that it is duly authorized under the constitution and laws of the State of Kansas to execute this Bond Resolution, to issue the Bonds; that all action on its part for the execution and delivery of this Bond Resolution and the issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the import thereof.

Section 703. Performance of Covenants. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Resolution, in the Bonds and in all proceedings pertaining thereto.

Section 704. Instruments of Further Assurance. The Issuer covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Resolutions and such further acts, instruments, financing statements and other documents required to secure the payment of the principal of, premium, if any, and interest on the Bonds. The Issuer covenants and agrees that, except as herein and in the Project Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project or the rents, revenues and receipts derived therefrom or from the Project Lease, or of its rights under the Project Lease.

Section 705. Maintenance, Taxes and Insurance. The Issuer represents that pursuant to the provisions of the Project Lease, the City has agreed to cause the Project to be maintained and kept in good condition, repair and working order, to pay, as the same respectively become due, all taxes, assessments and other governmental charges at any time lawfully levied or assessed upon or against the Project or any part thereof, and to keep the Project constantly insured to the extent provided for therein, all at the sole expense of the City.

Section 706. Inspection of Project Books. The Issuer covenants and agrees that all books and documents in its possession relating to the Project and the rents, revenues and receipts derived from the Project shall at all times be open to inspection by such accountants or other agencies as the Issuer may from time to time designate.

Section 707. Enforcement of Rights Under the Project Lease. The Issuer covenants and agrees that it shall enforce all of its rights and all of the obligations of the City (at the expense of the City) under the Project Lease to the extent necessary to preserve the Project in good order and repair, and to protect the rights of the Owners hereunder with respect to the pledge and assignment of the rents, revenues and receipts coming due under the Project Lease. The Issuer agrees to enforce all rights of the Issuer and all obligations of the City under and pursuant to the Project Lease for and on behalf of the Owners.

Section 708. Possession and Use of Project. So long as not otherwise provided in this Bond Resolution, the City shall be suffered and permitted to possess, use and enjoy the Project and appurtenances so as to carry out its obligations under the Project Lease.

ARTICLE VIII

SUPPLEMENTAL RESOLUTIONS

Section 801. Supplemental Resolutions Not Requiring Consent of Owners. The Issuer may from time to time, without the consent of or notice to any of the Owners, enter into such Supplemental Resolution or Supplemental Resolutions as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Bond Resolution or to make any other change not prejudicial to the Owners;

(b) To grant to or confer upon the Bond Registrar for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners;

(c) To more precisely identify the Project or to substitute or add additional property thereto;

(d) To subject to this Bond Resolution additional revenues, properties or collateral;

(e) To issue Additional Bonds as provided in ***Section 211*** hereof; and

(f) To conform the provisions of this Bond Resolution to the provisions of the Code as the same now exists or may be hereafter amended.

Section 802. Supplemental Resolutions Requiring Consent of Owners.

(a) Exclusive of Supplemental Resolutions described in the preceding section, and subject to the terms and provisions contained in this Section, and not otherwise, Owners owning not less than 66-2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Bond Resolution to the contrary notwithstanding, to consent to and approve the execution by the Issuer of such other Supplemental Resolution or Supplemental Resolution as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Bond Resolution or in any Supplemental Resolutions; provided, however, that nothing in this Section contained shall permit or be construed as permitting (1) an extension of the maturity of the principal of or the interest on any Bond issued hereunder, or (2) a reduction in the principal amount of any Bond or the rate of interest thereon, or (3) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (4) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Resolution.

(b) Any provision of this Bond Resolution or the Bonds may be amended with the written consent of the Owners owning 100% in aggregate principal amount then Outstanding.

Section 803. City's Consent to Supplemental Resolution. Anything herein to the contrary notwithstanding, a Supplemental Resolution under this Article which affects any rights of the City shall not become effective unless and until the City shall have consented in writing to the execution and delivery of such Supplemental Resolution, provided that receipt by the Issuer of an amendment to the Lease executed by the City in connection with the issuance of Additional Bonds under ***Section 211*** hereof shall be deemed to constitute consent of the City to the execution of a Supplemental Resolution pursuant to ***Section 211***

hereof. In this regard, the Issuer will cause notice of the proposed execution and delivery of any such Supplemental Resolution (other than a Supplemental Resolution proposed to be executed and delivered pursuant to ***Section 211*** hereof) together with a copy of the proposed Supplemental Resolution to be mailed to the City at least 15 days prior to the proposed date of execution and delivery of any such Supplemental Resolution.

ARTICLE IX

DEFAULT AND REMEDIES

Section 901. Remedies. The provisions of this Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated to enforce the rights of such Owner or Owners against the Issuer and to require and compel duties and obligations required by the provisions of the Bond Resolution, by the Project Lease, or by the Constitution and laws of the State.

The Issuer hereby directs the Paying Agent to notify the Owners of any Event of Default of which it has actual notice.

Section 902. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds of any series shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the Funds and Accounts herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Bonds.

Section 903. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall, subject to any determination in such action or proceeding or applicable law of the State, be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 904. Waivers of Events of Default. Any Event of Default hereunder and its consequences may be waived and shall be waived upon the written request of the Owners of at least 25%

in aggregate principal amount of all Bonds then Outstanding. In case of any such waiver or rescission, or in case any proceedings taken by the Issuer under this Bond Resolution on account of any such default shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the City and the Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon, and all rights, remedies and powers of the Issuer shall continue as if no such proceedings had been taken.

ARTICLE X

DEFEASANCE

Section 1001. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Pledged Property hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until: (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with ***Section 303*** of this Bond Resolution. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

ARTICLE XI

TAX COVENANTS

Section 1101. General Covenants. The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Series 2025A Bonds; and (b) all provisions and requirements of the Tax Agreement. The President and Secretary are hereby authorized and directed to execute the Tax Agreement in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Series 2025A Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Section 1102. Survival of Covenants. The covenants contained in this Article and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Series 2025A Bonds pursuant to ***Article XI*** hereof or any other provision of this Bond Resolution until such time as is set forth in the Tax Agreement.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1201. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

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

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

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 1202. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 1203. Electronic Transactions. The transactions described in this Bond Resolution may be conducted, and documents related to the Series 2025A Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 1204. Further Authority. The officers and officials of the Issuer, including the President and Secretary, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1205. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 1206. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1207. Effective Date.
This Bond Resolution shall take effect and be in full force from and after its adoption by the Issuer.

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ADOPTED by the City of Emporia, Kansas Public Building Commission on February 19, 2025.

(SEAL)

____
President

ATTEST:

____
Secretary

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of Resolution No. ______ (the "Resolution") of the City of Emporia, Kansas Public Building Commission, adopted on February 19, 2025, as the same appears of record in my office, and that the Resolution has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: February 19, 2025.

____
Secretary

EXHIBIT A
(FORM OF SERIES 2025A BONDS)

REGISTERED	**REGISTERED**
NUMBER ___	**$_____**

UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF LYON

CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION REVENUE BOND (FIRE STATION PROJECT)

SERIES 2025A

Interest Rate:	**Maturity Date:**	**Dated Date: March 6, 2025**	**Identification Number:**

REGISTERED OWNER: ____________________
____
____
Tax I.D. No. __-_______

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Emporia, Kansas Public Building Commission, a municipal corporation in the County of Lyon, State of Kansas (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2026 (the "Interest Payment Dates"), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Series 2025A Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Series 2025A Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Series 2025A Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The interest payable on this Series 2025A Bond on any Interest Payment Date shall be paid to the person in whose name this Series 2025A Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner or, (b) in the case of an interest payment to any Registered Owner of $500,000 or more in aggregate principal amount of Series 2025A Bonds, by electronic transfer to such Registered Owner upon written notice given to the Bond 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 bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Series 2025A Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Series 2025A Bonds. This Series 2025A Bond is one of an authorized series of bonds of the Issuer designated "Revenue Bonds (Fire Station Project), Series 2025A," aggregating the principal amount of $12,210,000 (the "Series 2025A Bonds") issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Series 2025A Bonds (the "Bond Resolution"). The Series 2025A Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45, as amended, and all other provisions of the laws of the State of Kansas applicable thereto. Subject to the terms and conditions set forth therein, the Bond Resolution permits the Issuer to issue Additional Bonds (as defined therein) secured by the Bond Resolution ratably and on a parity with the Series 2025A Bonds (the Series 2025A Bonds together with such Additional Bonds being herein referred to collectively as the "Bonds"). Reference is hereby made to the Bond Resolution for a description of the provisions, among others, with respect to the nature and extent of the security for the Series 2025A Bonds, the rights, duties and obligations of the Issuer and the Owners, and the terms upon which the Series 2025A Bonds are issued and secured

Special Obligations. The Series 2025A Bonds and the interest thereon are special obligations of the Issuer payable exclusively out of the Pledged Property under the Bond Resolution, including but not limited to the rents, revenues and receipts under the Project Lease, and are secured by a pledge of the Project as described in the Project Lease and a pledge and assignment of the Pledged Property, including all rentals and other amounts to be received by the Issuer under and pursuant to the Project Lease, all as provided in the Bond Resolution. The Series 2025A Bonds and the interest thereon do not constitute a debt or general obligation of the Issuer, the State of Kansas or any municipal corporation thereof, and are payable from taxation only to the extent that the Tenant generates the rentals payable under the Project Lease from taxation. The Series 2025A Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Redemption Prior to Maturity. The Series 2025A Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

Transfer and Exchange. This Series 2025A Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Series 2025A Bond together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Series 2025A Bond or Series 2025A Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Series 2025A Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Series 2025A Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Series 2025A Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Series 2025A Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Series 2025A Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas.

IN WITNESS WHEREOF, the Issuer has caused this Series 2025A Bond to be executed by the manual, electronic or facsimile signature of its President and attested by the manual, electronic or facsimile signature of its Secretary, and its seal to be affixed hereto or imprinted hereon.

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

(Facsimile Seal)

______________(facsimile)__________________
President

ATTEST:

By __________(facsimile)__________________
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2025A Bond is one of a series of Revenue Bonds (Fire Station Project), Series 2025A, of the City of Emporia, Kansas Public Building Commission, described in the within-mentioned Bond Resolution.

Registration Date: ________________________

Office of the State Treasurer,
Topeka, Kansas,
as Bond Registrar and Paying Agent

By _____________________________________

Registration Number: _____________________

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Series 2025A Bonds:

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

____
(Name and Address)

____
(Social Security or Taxpayer Identification No.)

the Series 2025A Bond to which this assignment is affixed in the outstanding principal amount of $___________, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint ____________________ as agent to transfer said Series 2025A Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____________________

____
Name

____
Social Security or
Taxpayer Identification No.

____
Signature (Sign here exactly as name(s) appear on the face of Certificate)

Signature guarantee:

By ____________________________________

CERTIFICATE OF SECRETARY

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

The undersigned, Secretary of the City of Emporia, Kansas Public Building Commission, does hereby certify that the within Series 2025A Bond has been duly registered in my office according to law as of March 6, 2025.

WITNESS my hand and official seal.

(Facsimile Seal) (facsimile)
Secretary

CERTIFICATE OF COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

The undersigned, County Clerk of Lyon, Kansas, does hereby certify that the within Series 2025A Bond has been duly registered in my office according to law as of March 6, 2025.

WITNESS my hand and official seal.

(Facsimile Seal) (facsimile)
County Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

STEVEN JOHNSON, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Series 2025A Bond has been filed in the office of the State Treasurer, and that this Series 2025A Bond was registered in such office according to law on March 6, 2025.

WITNESS my hand and official seal.

(Facsimile Seal) By: (facsimile)
Treasurer of the State of Kansas

BASE LEASE

THIS BASE LEASE (the "Base Lease") dated as of March 6, 2025, between the City of Emporia, Kansas (the "City"), a municipality duly organized and existing under the constitution and laws of the state of Kansas and the City of Emporia, Kansas Public Building Commission, a municipal corporation of the State of Kansas, as lessee (the "PBC");

W I T N E S S E T H:

WHEREAS, pursuant to the authority of K.S.A. 12-1757 *et seq.*, as amended by Charter Ordinance No. 45 (collectively, the "Act"), the PBC is authorized to acquire by lease a tract of real estate owned by the City described as:

> Lot 74 ,the South 35 feet of Lot 76, the North 15 feet of Lot 76, Lot 78, and Lot 80, all on Market Street in the City Emporia Lyon County, Kansas, according to the recorded plat thereof;

(the "Site" or "Land"); and

WHEREAS, the City and the PBC propose that the PBC shall lease the Land from the City and provide up to $12,210,000 from proceeds of revenue bonds of the PBC and available funds of the City to pay the costs to construct, furnish and equip a building to be located on the Land for the benefit of the City's use as a fire station facility (the "Facility," and collectively with the Land, the "Project"), and to lease the Project to the City pursuant to a Project Lease dated as of the date hereof (the "Project Lease") between the PBC and the City; and

NOW, THEREFORE, in consideration of the covenants and agreements by the PBC herein set forth, the City hereby leases the Land to the PBC, to have and to hold, with all appurtenances thereto, upon the terms and conditions set forth herein.

FURTHER, the City and the PBC hereby covenant and agree as follows:

SECTION 1. **Representations by the City**. The City represents, covenants and agrees as follows:

(a) The lease of the Land by the City to the PBC and the lease of the Project by the PBC to the City, as provided in the Project Lease, are necessary, desirable and in the public interest, and the City hereby declares its current need for the Project;

(b) The City, pursuant to Resolution No. [___] adopted by its governing body, has full power and authority to enter into the transactions contemplated by this Base Lease and the Project Lease and to carry out its obligations hereunder and thereunder, and by proper action has authorized the execution and delivery of this Base Lease and the Project Lease;

(c) Neither the execution and delivery of this Base Lease or the Project Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, 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 now a party or by which the City is bound;

(d) The City has marketable record fee simple title to the Land;

(e) The Land is not subject to any dedication, easement, right-of-way, reservation, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the construction of the Project on the Land, as contemplated by the Project Lease;

(f) All taxes, assessments or impositions of any kind with respect to the Land, except current taxes, if any, have been paid in full;

(g) The Land is properly zoned for the purpose of constructing the Project; and

(h) 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 Project shall be or may be impaired, changed or encumbered in any manner, except as permitted by this Base Lease and the Project Lease.

SECTION 2. **Representation of the PBC**. The PBC represents, covenants and agrees as follows:

(a) To enter into the Project Lease simultaneously with the delivery of this Base Lease;

(b) To provide funds exclusively from the proceeds of its revenue bonds, in an aggregate amount of $12,210,000 (the "Bonds") to pay a portion of the costs of constructing, furnishing, and equipping the Facility on the Land, as authorized pursuant to a resolution of the PBC (the "Bond Resolution"); and

(c) To surrender and deliver the Project to the City upon the expiration of this Base Lease.

SECTION 3. Term of Base Lease. The term of this Base Lease shall commence on March 6, 2025, and end on March 6, 2050, unless terminated on the conditions hereinafter provided.

SECTION 4. Termination. This Base Lease shall terminate upon the earlier of the following events: (a) the completion of the term set forth in ***Section 3***; or (b) payment in full of the Bonds or provision is made therefore in accordance with the Bond Resolution and the City exercises its option to purchase the PBC's interest in the Project pursuant to ***ARTICLE XVII*** of the Project Lease. Thereupon, this Base Lease shall be considered assigned to the City and terminated through merger of the leasehold interest with the fee interest.

SECTION 5. Assignments and Subleases.

(a) The PBC may assign its rights under this Base Lease without the consent of the City (i) in connection with any assignment of its rights under the Project Lease, (ii) if the Project Lease is terminated for any reason or (iii) if an "Event of Default" as defined in the Project Lease has occurred.

If an "Event of Default" under the Project Lease occurs, the PBC shall have the right to possession of the Land for the remainder of the term of this Base Lease and shall have the right to sublease the Project or sell its interest in the Project and this Base Lease upon whatever terms and conditions it deems prudent and in the interest of the Owners of the Bonds.

(b) The City may assign its rights and obligations under this Base Lease and may sublet the Project on the conditions set forth in the Project Lease and the Act.

SECTION 6. Taxes and Assessments. The City covenants and agrees to pay any and all assessments of any kind or character and all taxes levied or assessed upon the Project.

SECTION 7. Title and Consideration. Title to the Land shall remain in the City at all times. The leasing of the Project to the City under the Project Lease shall be deemed the City's entire consideration for this Base Lease.

SECTION 8. Severability. If any one or more of the terms, provisions, covenants or conditions of this Base Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Base Lease shall be affected thereby, and each provision of this Base Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 9. Amendments, Changes and Modifications. This Base Lease may not be effectively amended, changed, modified, altered or supplemented except with the written consent of both the PBC and the City. Any waiver of any provision of this Base Lease or any right or remedy hereunder must be affirmatively and expressly made in writing and shall not be implied from inaction, course of dealing or otherwise.

SECTION 10. Applicable Law. This Base Lease shall be governed by and construed in accordance with the laws of the state of Kansas.

SECTION 11. Execution. Separate counterparts of this Base Lease may be executed by the PBC and the City with the same force and effect as though the same counterpart had been executed by both the PBC and the City.

SECTION 12. Successors. This Base Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 13. Electronic Transactions. To the extent permitted by law, the transaction described herein may be conducted and related documents may be stored by electronic means, and 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 14. Complete Agreement. This written agreement, together with the Lease and the Bond Resolution, constitute a final expression of the agreements between the parties hereto and such agreements may not be contradicted by evidence of any prior or contemporaneous oral agreement. No unwritten oral agreement between the parties exists.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the PBC and the City have caused this Base Lease to be executed by their respective authorized officials and officers, all as of the day and year first above written.

CITY OF EMPORIA, KANSAS

(SEAL)

ATTEST:

____
Mayor

____
City Clerk

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

This instrument was acknowledged before me on _____________, 2025, by Erren Harter, Mayor, and Kerry Sull, Clerk, of the City of Emporia, Kansas, a municipality duly organized and existing under the constitution and laws of the State of Kansas.

(Seal)

____
Notary Public

My Commission Expires: __________________

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

(SEAL)

____
President

ATTEST:

____
Secretary

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

This instrument was acknowledged before me on ____________, 2025, by Erren Harter, President and Kerry Sull, Secretary, of the City of Emporia, Kansas Public Building Commission, a municipal corporation organized under the laws of the State of Kansas.

(Seal)

____
Notary Public

My Commission Expires: __________________

Gilmore & Bell, P.C.
02/12/2025

PROJECT LEASE

BY AND BETWEEN

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

AND

CITY OF EMPORIA, KANSAS

DATED MARCH 6, 2025

604915.20002\PROJECT LEASE V.2

LEASE

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PROJECT LEASE

THIS PROJECT LEASE, made and entered into as of March 6, 2025, by and between the City of Emporia, Kansas Public Building Commission, a municipal corporation duly organized under the laws of the State of Kansas (the “PBC” or “Issuer”), and the City of Emporia, Kansas, a city of the first class organized under the laws of the State of Kansas (the “Tenant” or “City”).

W I T N E S S E T H:

WHEREAS, the Issuer is a duly organized municipal corporation created by the City, pursuant to K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45 (the “Act”), with full lawful power and authority to enter into this Project Lease; and

WHEREAS, the Tenant is a city of the first class duly organized and existing under the constitution and laws of the State of Kansas with full lawful power and authority to enter into this Project Lease; and

WHEREAS, pursuant to the Act, the Issuer is authorized to acquire by lease a tract of real estate owned by the City described as:

> Lot 74 ,the South 35 feet of Lot 76, the North 15 feet of Lot 76, Lot 78, and Lot 80, all on Market Street in the City Emporia Lyon County, Kansas, according to the recorded plat thereof;

(the “Site” or “Land”); and

WHEREAS, the Issuer has entered into a Base Lease dated March 6, 2025 (the “Base Lease”) whereby the City has leased the Land to the Issuer; and

WHEREAS, the Issuer, in furtherance of the purposes and pursuant to the provisions of the Act, desires to construct, furnish and equip a building to be located on the Land for the benefit of the City’s use as a fire station facility (the “Facility,” and collectively with the Land, the “Project”), and has proposed and does hereby propose that it shall:

(a) Acquire a leasehold interest in the Land;

(b) Construct, furnish, and equip the Project;

(c) Lease the Project to the Tenant for the rentals and upon the terms and conditions hereinafter set forth; and

(d) Issue, for the purpose of paying the foregoing costs, the Series 2025A Bonds under and pursuant to and subject to the provisions of the Act and the Bond Resolution;

WHEREAS, Tenant, pursuant to the foregoing proposals of Issuer, desires to lease the Project from Issuer, with an option to purchase, for the rentals and upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, Issuer and Tenant do hereby covenant and agree as follows:

ARTICLE I

Section 1.1 Definitions. Capitalized terms not otherwise defined in this Project Lease shall have the meanings set forth in the Bond Resolution. In addition to the words, terms and phrases elsewhere defined in this Project Lease and in the Bond Resolution, the following words, terms and phrases as used herein shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Act" means K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45, all as amended and supplemented from time to time.

"Additional Rent" means all Impositions, all Maintenance Costs, all amounts required to be rebated to the United States pursuant to the Bond Resolution, all Paying Agent fees and expenses, all other payments of whatever nature payable or to become payable pursuant to the Bond Resolution or which Tenant has agreed to pay or assume under the provisions of this Project Lease and any and all expenses (including reasonable attorney's fees) incurred by Issuer in connection with the issuance of the Bonds or the administration or enforcement of any rights under this Project Lease or the Bond Resolution.

"Additional Term" means the additional term of this Project Lease commencing on the last day of the Basic Term and terminating upon the payment or provision for payment of the principal of, redemption premium, if any, and interest on all Outstanding Bonds.

"Authorized Issuer Representative" means the President of the PBC, or such other person as is designated to act on behalf of the PBC as evidenced by written certificate furnished to the City and the Paying Agent, containing the specimen signature of such person. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Issuer Representative.

"Authorized Tenant Representative" means the Mayor the City, or such other person as is designated to act on behalf of the Tenant as evidenced by written certificate furnished to PBC and the Paying Agent, containing the specimen signature of such person. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Tenant Representative.

"Bankruptcy Code" means Title 11 of the United States Code, as amended.

"Base Lease" means the Base Lease, dated as of March 6, 2025, between the City, as lessor, and the PBC, as lessee, as from time to time supplemented and amended in accordance with the provisions thereof.

"Basic Rent" means the semiannual amount which, when added to Basic Rent Credits, will be sufficient to pay, on any Payment Date, all principal of, redemption premium, if any, and interest on the Bonds which is due and payable on such Payment Date.

"Basic Rent Credits" means (i) all funds on deposit in the Principal and Interest Account and available for the payment of principal of, redemption premium, if any, and interest on the Bonds on any Bond Payment Date and (ii) all payments made directly to the Paying Agent for the payment of principal of, redemption premium, if any, and interest on the Bonds as permitted by ***Section 3.1*** hereof.

"Basic Rent Payment Date" means one Business Day prior to any Bond Payment Date until the principal of, redemption premium, if any, and interest on the Bonds have been fully paid or provision made for their payment in accordance with the provisions of the Bond Resolution.

"Basic Term" means that term commencing as of the date of this Project Lease and ending on December 1, 2044, subject to prior termination as specified in this Project Lease, but terminating in any event when all of the principal of, redemption premium, if any, and interest on all Outstanding Bonds shall have been paid in full or provision made for their payment in accordance with the provisions of the Bond Resolution and the City has exercised its option to purchase the Project under ***Article XVII*** hereof.

"Bond" or **"Bonds"** means the Series 2025A Bonds and any Additional Bonds authorized and issued pursuant to the Bond Resolution.

"Bond Resolution" means Resolution No. [____] of the Issuer authorizing the issuance of the Series 2025A Bonds, and any Supplemental Resolutions adopted in accordance with the provisions of the Bond Resolution.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, *et seq*.

"Certificate of Completion" means a written certificate signed an Authorized Tenant Representative stating that (a) the Project has been completed in accordance with the plans and specifications prepared or approved by the Issuer or Tenant, as the case may be; (b) the Project has been completed in a good and workmanlike manner; (c) no mechanic's or materialmen's liens have been filed, nor is there any basis for the filing of such liens, with respect to the Project; (d) the Facility is located upon the Land; and (e) if required by applicable building codes, that an appropriate certificate of occupancy has been issued with respect to the Project.

"City" means the City of Emporia, Kansas.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

"Default" means any event or condition the occurrence of which, with the lapse of time or the giving of notice or both, constitutes an Event of Default.

"Environmental Assessment" means an environmental assessment with respect to the Project conducted by an independent consultant satisfactory to the Issuer which reflects the results of such inspections, records reviews, soil tests, groundwater tests and other tests requested, which assessment and results shall be satisfactory in scope, form and substance to the Issuer and the Tenant.

"Environmental Law" means CERCLA, SARA, and any other federal, state or local environmental statute, regulation or ordinance presently in effect or coming into effect during the term of this Project Lease.

"Event of Bankruptcy" means an event whereby the Tenant shall: (a) admit in writing its inability to pay its debts as they become due; or (b) file a petition in bankruptcy or for reorganization or for the adoption of an arrangement under the Bankruptcy Code as now or in the future amended, or file a pleading asking for such relief; or (c) make an assignment for the benefit of creditors; or (d) consent to the appointment of a trustee or receiver for all or a major portion of its property; or (e) be finally adjudicated as bankrupt or insolvent under any federal or state law; or (f) suffer the entry of a final and nonappealable court order under any federal or state law appointing a receiver or trustee for all or a major part of its property or ordering the winding-up or liquidation of its affairs, or approving a petition filed against it under the Bankruptcy Code, which order, if the Tenant has not consented thereto, shall not be vacated, denied, set aside or stayed within 60 days after the day of entry; or (g) suffer a writ or warrant of attachment or any similar process to be issued by any court against all or any substantial portion of its property, and such writ or warrant of attachment or any similar process is not contested, stayed, or is not released within 60 days after the final entry, or levy or after any contest is finally adjudicated or any stay is vacated or set aside.

"Event of Default" means any one of the following events:

(a) Failure of Tenant to make any payment of Basic Rent at the time and in the amounts required hereunder; or

(b) Failure of Tenant to make any payment of Additional Rent at the times and in the amounts required hereunder, or failure to observe or perform any other covenant, agreement, obligation or provision of this Project Lease on the Tenant's part to be observed or performed, and the same is not remedied within thirty (30) days after the Issuer has given the Tenant written notice specifying such failure (or such longer period as shall be reasonably required to correct such default; provided that (1) Tenant has commenced such correction within said 30-day period, and notwithstanding the provisions of the Project Lease relating to Continuing Disclosure, and (2) Tenant diligently prosecutes such correction to completion); or

(c) An Event of Bankruptcy; or

(d) Abandonment of the Project by Tenant.

"Facility" means collectively the constructing, furnishing and equipping of a building located on the Site for use by the City as a fire station facility, a portion of which is to be funded from the proceeds of the Series 2025A Bonds.

"Full Insurable Value" means the full actual replacement cost less physical depreciation as determined from time to time (but not more frequently than once in every 24 months or less frequently than every five years) by an independent architect, appraiser, appraisal company or one of the insurers, selected and paid by Tenant.

"Hazardous Substances" shall mean "hazardous substances" as defined in CERCLA.

"Impositions" means all taxes and assessments, general and special, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or payable for or in respect of the Project or any part thereof, or any improvements at any time thereon or Tenant's interest therein, including any new lawful 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 real or personal property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen.

"Land" means the property on which the Facilities, or portions thereof, will be constructed or installed as described herein.

"Maintenance Costs" means all costs and expenses of every kind of operating and maintaining the Project during the Term of this Project Lease.

“Net Proceeds” means the receipts obtained from reletting or sale after deducting all expenses incurred in connection with such reletting or sale, including without limitation, all repossession costs, brokerage commissions, legal expenses, expenses of employees, alteration costs and expenses of preparation of the Project for reletting or sale. When used with respect to any insurance or condemnation award with respect to the Project, Net Proceeds shall mean the proceeds from the insurance or condemnation award remaining after the payment of all expenses (including attorneys' fees) incurred in the collection of such proceeds.

“**Notice Address**” means:

(a) With respect to the Tenant:

City of Emporia, Kansas
111 East 6th Avenue
P.O. Box 928
Emporia, Kansas 66801
Attn: Director of Finance

(b) With respect to the Issuer:

City of Emporia, Kansas Public Building Commission
111 East 6th Avenue
P.O. Box 928
Emporia, Kansas 66801
Attn: President

“Notice Representative” means:

(a) with respect to the Tenant, the Director of Finance; and

(b) with respect to the Issuer, the President thereof.

“Permitted Encumbrances” means any mortgages, liens or other encumbrances specifically described herein; easements and rights-of-way of record at the time of lease of the Land to the Issuer, and any other title exceptions not affecting marketability or the usefulness of the Project to the Tenant.

“President” means the duly appointed and/or elected President or, in the President's absence, the duly appointed Vice President or Acting President of the Issuer.

“Project Contracts” means those documents for acquisition and construction of the Project, referred to in ***Section 4.2*** hereof.

“Project Lease” means this Project Lease by and between the Issuer and the Tenant, as from time to time supplemented and amended in accordance with the provisions hereof and of the Bond Resolution.

“Rental Payments” means the aggregate of the Basic Rent and Additional Rent payments provided for pursuant to ***Article III*** of this Project Lease.

"SARA" means the Superfund Amendments and Reauthorization Act of 1986, as now in effect and as hereafter amended.

"Secretary" means the duly appointed and/or elected Secretary or, in the Secretary's absence, the duly appointed Deputy Secretary or Acting Secretary of the Issuer.

"Series 2025A Bonds" means the City of Emporia, Kansas Public Building Commission Revenue Bonds (Fire Station Facility Project), Series 2025A, dated as of the Dated Date, in the aggregate principal amount of $12,210,000.

"Tenant" means the City, its successors and assigns.

"Term" means, collectively, the Basic Term and any Additional Term of this Project Lease.

Section 1.2 Rules of Interpretation.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine gender. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

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

(c) All references in this instrument to designated "Articles," "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this instrument as originally executed. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Project Lease as a whole and not to any particular Article, Section or subdivision.

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

Section 1.3 Representations and Covenants by Tenant. Tenant makes the following covenants and representations as the basis for the undertakings on its part herein contained.

(a) The Tenant will not make, or cause or permit to be made, any use of the Bond proceeds which would cause the Series 2025A Bonds to be "arbitrage bonds" within the meaning of the Code. The Tenant will comply with, and will take all action reasonably required to insure that the Issuer complies with, all applicable requirements of the Code until all of the Series 2025A Bonds have been paid.

(b) The Tenant has the right, power and authority pursuant to the Act to enter into this Project Lease, and to perform its obligations hereunder. This Project Lease and the Tenant's obligations under it are not subject to the limitations imposed by the Kansas Cash Basis Law, as codified in K.S.A. 10-1001 *et seq*., or the Kansas Budget Law, as codified in K.S.A. 79-2925 *et seq*., and amendments thereto.

(c) Neither the execution or delivery of this Project Lease, the consummation of the transactions contemplated hereby or by the Bond Resolution, nor the fulfillment of or compliance with the terms and conditions of this Project Lease contravenes any provisions or conflicts with or results in a breach of the terms, conditions or provisions of any mortgage, debt, agreement, indenture or instrument to which the Tenant is a party or by which it is bound, or to which it or any of its properties is subject, or would constitute a default (without regard to any required notice or the passage of any period of time) under any of the foregoing, or would result in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Tenant under the terms of any mortgage, debt, agreement, indenture or instrument, or violates any existing law, administrative regulation or court order or consent decree to which the Tenant is subject.

(d) This Project Lease constitutes a legal, valid and binding obligation of the Tenant enforceable against the Tenant in accordance with its terms. The Tenant covenants to make all the Rental Payments required under this Project Lease from whatever source of revenues is legally available, and will levy ad valorem taxes without limit if necessary to make such Rental Payments.

(e) The Tenant will furnish to the Issuer prior to issuance and delivery of each series of Bonds, all information requested by the Issuer necessary for the Issuer to comply with the Code, including any required information to complete Internal Revenue Service Form 8038-G with respect to the tax-exempt Bonds.

(f) The Tenant covenants and agrees that moneys at any time on deposit in the funds and accounts under the Bond Resolution shall be invested or reinvested in Permitted Investments in the manner and to the extent therein provided. The Tenant covenants and agrees that it will not take any action or fail to take any action, including without limitation any action with respect to the investment of the proceeds of any Bonds issued under the Bond Resolution or with respect to the payments derived under the Project Lease, which would cause the Series 2025A Bonds to become “arbitrage bonds” within the meaning of Section 148 or corresponding provisions of the Code.

(g) The Tenant will pay all required rebate amounts to the United States in accordance with Code Section 148(f) and the Tax Agreement.

(h) The Tenant hereby covenants and agrees that all of its interests under the Bond Resolution is hereby assigned to the Issuer as security for its obligation to make Rental Payments under this Project Lease.

(i) The Tenant, during the Term, will not in whole or in part, assign, lease, hypothecate or otherwise create any other interest in, or dispose of, or cause or permit any lien, claim or encumbrance to be placed against, the Project, except as is provided for in this Project Lease and the Bond Resolution.

Section 1.4 Representations and Covenants by Issuer. Issuer makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) Issuer is a municipal corporation existing under the Constitution and laws of the State. Under the provisions of the Act, Issuer has the power to enter into and perform the transactions contemplated by this Project Lease and the Bond Resolution and to carry out its obligations hereunder and thereunder.

(b) Issuer will timely file (upon receipt from Tenant of all information necessary) a completed Internal Revenue Service Form 8038-G with respect to the Bonds.

(c) Issuer has not, in whole or in part, assigned, leased, hypothecated or otherwise created any other interest in, or disposed of, or caused or permitted any lien, claim or encumbrance to be placed against, the Project, except as provided for in this Project Lease and the Bond Resolution.

(d) The Issuer, during the Term, will not in whole or in part, assign, lease, hypothecate or otherwise create any other interest in, or dispose of, or cause or permit any lien, claim or encumbrance to be placed against, the Project, except as is provided for in this Project Lease and the Bond Resolution.

(e) Issuer has duly authorized the execution and delivery of this Project Lease and the Bond Resolution and the issuance, execution and delivery of the Series 2025A Bonds.

(f) Issuer will not make, or cause or permit to be made, any use of the Bond proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code. Issuer will comply with, and will take all actions reasonably required to insure that the Tenant complies with, all applicable requirements of the Code until all of the Bonds have been paid.

(g) The Issuer will comply with all the limitations and requirements of the Code with respect to the Bonds.

ARTICLE II

Section 2.1 Granting of Leasehold. Issuer by these presents hereby rents, leases and lets unto Tenant and Tenant hereby rents, leases and hires from Issuer, for the rentals and upon and subject to the terms and conditions hereinafter set forth, the Project for the Basic Term.

Section 2.2 Termination of Project Lease. The Project Lease will terminate upon the occurrence of the following:

(a) The Tenant shall have paid to the Issuer all Rental Payments which the Tenant is obligated under this Project Lease to pay during the Basic Term and any Additional Term, and the Tenant has made arrangements which, in the opinion of the Issuer, are adequate to comply with the Issuer's obligations to pay any arbitrage rebate to the United States; or

(b) The Tenant shall exercise its option to purchase in accordance with ***Article XVII*** hereof and has closed the purchase.

ARTICLE III

Section 3.1 Basic Rent. Tenant covenants and agrees to pay Basic Rent in immediately available funds, less Basic Rent Credits, on each Basic Rent Payment Date during the Basic Term. Issuer covenants to deposit such payments in the Principal and Interest Account established in the Bond Resolution and to apply the same in the manner set forth in the Bond Resolution. Notwithstanding the foregoing, in lieu of making Basic Rent payments to the Issuer, the Tenant may forward such payments on or before each Basic Rent Payment Date to the Paying Agent for the payment of principal and interest on the Bonds. All such payments sent to the Paying Agent shall be deemed Basic Rent Credits under this Project Lease, and shall, upon receipt by the Paying Agent, discharge *pro tanto* the liability of the Tenant to make such Basic Rent payments under this Project Lease.

Section 3.2 Additional Rent. In addition to Basic Rent, the Tenant shall pay any Additional Rent required to be paid pursuant to this Project Lease, or, if such payment cannot be made from legally available funds, as soon thereafter as funds can be made legally available after receipt of written notice thereof given to the Tenant by the Authorized Issuer Representative.

Section 3.3 Rent Payable Without Abatement or Setoff. Tenant covenants and agrees with and for the express benefit of Issuer and the Owners that all payments of Basic Rent and Additional Rent shall be made by Tenant as the same become due, and that Tenant shall perform all of its obligations, covenants and agreements hereunder without notice or demand and without abatement, deduction, setoff, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Project shall have been acquired, started or completed, or whether Issuer's interest in the Project or any part thereof is defective or non-existent, and notwithstanding any failure of consideration or commercial frustration of purpose, the eviction or constructive eviction of Tenant, any change in the tax or other laws of the United States of America, the State, or any political subdivision of either, any change in Issuer's legal organization or status, or any default of Issuer hereunder, and regardless of the invalidity of any action of Issuer or any other event or condition whatsoever, and regardless of the invalidity of any portion of this Project Lease. Nothing in this Project Lease shall be construed as a waiver by Tenant of any rights or claims Tenant may have against Issuer under this Project Lease or otherwise, but any recovery upon such rights and claims shall be had from Issuer separately, it being the intent of this Project Lease that Tenant shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Project Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owners, and to include amounts in its annual budget sufficient to make such payments. The Tenant hereby acknowledges that this Project Lease is not subject to termination for failure in any Fiscal Year to appropriate sufficient funds to make any such payments.

Section 3.4 Prepayment of Basic Rent. The Tenant may at any time prepay all or any part of the Rental Payments, which prepayment shall be accompanied by an explanatory written statement of the Authorized Tenant Representative and written instructions as to application of the prepayment towards the early redemption of Bonds.

Section 3.5 Deposit of Rental Payments. The Issuer shall deposit, use and apply all payments of Basic Rent and Additional Rent in accordance with the provisions of this Project Lease and the Bond Resolution.

ARTICLE IV

Section 4.1 Disposition of Bond Proceeds; Project Fund. The proceeds of the Series 2025A Bonds shall be deposited in the Funds and Accounts and shall be applied in the manner set forth in the Bond Resolution and this Article, without further order or authorization.

Section 4.2 Project Contracts. It is recognized by the parties hereto that prior to the execution hereof the Tenant or the Issuer has entered into a contract or contracts with respect to the design, acquisition and/or construction of the Project, and that the Issuer shall enter into future contracts with respect to the design, acquisition and/or construction of the Project. Said contracts are hereinafter referred to as the "Project Contracts." Prior to the execution hereof, certain work has been or may have been performed on the Project pursuant to said Project Contracts. The Tenant hereby conveys to the Issuer all of Tenant's interest in the Project Contracts, and the Issuer hereby designates the Tenant as the Issuer's agent for the purpose of executing and performing the Project Contracts. After the execution hereof, Tenant shall cause the Project Contracts to be fully performed by the contractor(s), subcontractor(s) and supplier(s) thereunder in accordance with the terms thereof, and Tenant covenants to cause the Project or improvements constituting part thereof to be acquired, constructed and installed in accordance with the Project Contracts. The Tenant warrants that the construction and/or acquisition of the Project or improvements constituting part thereof in accordance with said Project Contracts will result in the Project being suitable for use by the Tenant as a fire station facility. Any and all amounts received by Issuer or Tenant from any of the contractors or other suppliers by way of breach of contract, refunds or adjustments shall become a part of and be deposited in the Project Fund.

Section 4.3 Payment of Project Costs.

(a) The Issuer hereby agrees to pay for a portion of the construction of the Project, but solely from the Project Fund, and hereby authorizes payment for the same, but solely from the Project Fund.

(b) The Issuer agrees to cause acquisition and construction of the Project to be diligently and continuously prosecuted and to be completed with reasonable dispatch substantially in accordance with the Project Contracts.

(c) In the event the moneys on deposit in the Project Fund, together with other funds, if any, made available for the Project Costs relating to the Project, are at any time insufficient to pay for the completion of the Project, the Tenant agrees to pay or cause to be paid the amount of such deficiency, from other lawfully available funds, for deposit in the Project Fund.

(d) The Issuer shall disburse moneys on deposit in the Project Fund from time to time to pay or as reimbursement for payment made for, Project Costs relating to the Project, upon receipt of a certificate signed by the Authorized Tenant Representative in the form set forth by ***Appendix A*** hereto which is incorporated herein by reference.

Section 4.4 Changes or Amendments to Project Contracts. The Tenant may make, authorize or permit such changes or amendments to the Project Contracts as it may reasonably determine to be necessary or desirable; provided, however, that no such change or amendment may be made to the Project Contracts that would cause a material change in the cost, scope, nature, or function of the Project, unless the Tenant shall file with the Issuer a certificate of the Authorized Issuer Representative and the Authorized Tenant Representative, to the effect that the Project will, after such change or amendment, continue to comply with the Act, and such change or amendment will not result in the Project being used for any purpose prohibited by this Project Lease or otherwise result in the Tenant failing to comply with any provisions of this Project Lease, or materially adversely affect the Basic Rent available for payment of principal of, premium, if any, and interest on the Bonds, or violate or conflict with the terms of any applicable approvals of the Tenant.

Section 4.5 Completion of Project. Issuer covenants and agrees to proceed diligently to complete the Project on or before the Completion Date. Upon completion of the Project, Issuer shall cause the Authorized Tenant Representative to deliver a Certificate of Completion signed by the Authorized Tenant Representative in the form attached hereto as ***Appendix B***. In the event funds remain on hand in the Project Fund on the date the Certificate of Completion is furnished or on the Completion Date, whichever shall first occur, such remaining funds shall be transferred to the Principal and Interest Account on the Completion Date and shall be applied in accordance with the provisions of the Bond Resolution.

Section 4.6 Right of Entry by Issuer. The duly authorized agents of Issuer shall have the right at any reasonable time prior to the completion of the Project to have access to the Project or any parts thereof for the purpose of inspecting and supervising the acquisition, installation or construction thereof.

Section 4.7 Furnishings and Equipment Purchased by Tenant. If no part of the purchase price of an item of personal property is paid from funds deposited in the Project Fund pursuant to the terms of this Project Lease, then such item of machinery, equipment or personal property shall not be deemed a part of the Project.

Section 4.8 Project Property of Issuer. All buildings, improvements and work constituting a part of the Facility, all work and materials on the Facility as such work progresses, and the Facility as fully completed and equipped, anything under this Project Lease which becomes, is deemed to be, or constitutes a part of the Facility, and the Facility as repaired, rebuilt, rearranged, restored or replaced by Tenant under the provisions of this Project Lease, except as otherwise specifically provided herein, shall immediately when erected or installed become the absolute property of Issuer, subject to the Base Lease.

Section 4.9 Kansas Retailers' Sales Tax. The parties have entered into this Project Lease in contemplation that, under the existing provisions of K.S.A. 79-3606 and other applicable laws, sales of tangible personal property or services purchased directly by Issuer in connection with construction of the Facility are entitled to exemption from the tax imposed by the Kansas Retailers' Sales Tax Act.

ARTICLE V

Section 5.1 Environmental Covenants. Tenant acknowledges that is it responsible for maintaining the Project in compliance with all applicable Environmental Laws. In the event that Tenant does not expeditiously proceed with any compliance action with respect to the Project lawfully required by any local, state or federal authority under applicable Environmental Law, Issuer, immediately after notice to Tenant, may elect (but may not be required) to undertake such compliance. Any moneys expended by Issuer in efforts to comply with any applicable Environmental Law (including the cost of hiring consultants, undertaking sampling and testing, performing any cleanup necessary or useful in the compliance process and attorneys' fees) shall be due and payable as Additional Rent hereunder, subject to the availability of appropriated funds, with interest thereon at the average rate of interest per annum on the Bonds, plus two (2) percentage points, from the date such cost is incurred.

To the extent permitted by law, Tenant shall and does hereby indemnify the Issuer and the Owners and agrees to defend and hold them harmless from and against all loss, cost, damage and expense (including, without limitation, attorneys' fees and costs associated with or incurred in the investigation, defense and settlement of claims) that they may incur, directly or indirectly, as a result of or in connection with the assertion against them or any of them of any claim relating to the presence on, escape or removal from the Project of any Hazardous Substance or other material regulated by any applicable Environmental Law, or compliance with any applicable Environmental Law, whether before, during or after the term of this Project Lease, including claims relating to personal injury or damage to property.

ARTICLE VI

Section 6.1 Insurance as a Condition to Disbursement. As a condition precedent to disbursement of funds from the Project Fund pursuant to ***Article V*** hereunder, the following policies of insurance shall be in full force and effect:

(a) Comprehensive general liability insurance covering Tenant's operations in or upon the Project (including coverage for losses arising from the ownership, maintenance, use or operation of any automobile, truck or other vehicle in or upon the Project) under which Tenant shall be named as insured and Issuer shall be additional named insureds, as their interests in the Project shall appear, in an amount not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence as provided by the Kansas tort claims act or other similar future law (currently $500,000 per occurrence); which policy must provide that such insurance may not be cancelled by the issuer thereof without at least 30 days' advance written notice to Issuer and Tenant, such insurance to be maintained throughout the Term of this Project Lease; and

(b) Workers' Compensation Insurance (or self-insurance complying with the workers' compensation laws of the State); and

(c) Insurance insuring the Project while under construction against fire, lightning and all other risks covered by the broadest form extended coverage endorsement then and from time to time thereafter in use in the State to the Full Insurable Value of the Project. Such insurance coverage shall name Tenant as insured and Issuer as additional insureds, as their respective interests appear, and all Net Proceeds received under such policy or policies by Issuer or Tenant shall be applied as set forth in ***Article XVIII*** hereof; and

(d) With regard to new buildings and improvements constituting a part of the Project and constructed by general contractors other than Tenant, performance and labor and material payment bonds and statutory bonds (with sureties approved by the Issuer) with respect to the Project Contracts in the full amount of the Project Contracts. Said bonds shall name Issuer and the Tenant as obligee. All payments received by Issuer and Tenant under said bonds shall become a part of and be deposited in the Project Fund. With regard to materials and/or labor furnished to the Project at the order of Tenant without formal contract, or by subcontract with Tenant acting as general contractor, with respect to materials or labor which could form the basis of a statutory mechanic's lien, if the amount of the transaction does not exceed $10,000; the payments therefor may be disbursed upon receipt of releases or waivers of statutory mechanic's or subcontractor's liens by all vendors or subcontractors receiving payment or furnishing labor or materials as a subcontractor of the vendor or subcontractor receiving payment.

Section 6.2 Insurance After Completion. Tenant shall and covenants and agrees that it will, prior to or simultaneously with the expiration of the insurance provided for in the preceding section and throughout the Basic Term at its sole cost and expense, keep the Project continuously insured against loss or damage by fire, lightning and all other risks covered by the broadest form extended coverage insurance endorsement then in use in the State in an amount equal to the Full Insurable Value thereof in such insurance company or companies as it may select and shall at all times maintain general accident and public liability insurance required pursuant to ***Section 6.1(a)***.

Section 6.3 General Insurance Provisions.

(a) Prior to the expiration dates of the expiring policies or within 30 days of renewal, originals or certificates or acceptable binders of the policies provided for in this Article, each bearing notations evidencing payment of the premiums or other evidence of such payment satisfactory to Issuer, shall be delivered by Tenant to Issuer. All policies of such insurance and all renewals thereof shall name Tenant as insured and Issuer as additional named insured, must contain a provision that such insurance may not be cancelled or amended by the issuer thereof without at least thirty (30) days' written notice to Issuer and Tenant and shall be payable to the Issuer and Tenant as their respective interests appear. Issuer and Tenant each hereby agree to do anything necessary, be it the endorsement of checks or otherwise, to cause any such payment, as long as such payment is required by this Project Lease.

(b) Each policy of insurance hereinabove referred to shall be issued by a nationally recognized responsible insurance company qualified under the laws of the State to assume the risks covered therein except that Tenant may be self-insured as to any required insurance coverages under a program of self-insurance approved by the State Commissioner of Insurance or other applicable State regulatory authority to the extent required by law, and with the consent of the Issuer, which consent will not be unreasonably withheld.

(c) Certificates of insurance evidencing the insurance coverages herein required shall be filed with the Issuer continuously during the term of this Project Lease.

(d) Each policy of insurance hereinabove referred to may be subject to a reasonable deductible in an amount approved by the Issuer.

(e) Each policy of insurance required herein may be provided through blanket policies maintained by Tenant.

(f) Anything in this Project Lease to the contrary notwithstanding, subject to the limitations of the Kansas Tort Claims Act, Tenant shall be liable to Issuer pursuant to the provisions of this Project Lease or otherwise, as to any loss or damage which may have been occasioned by the negligence of Tenant, its agents, licensees, contractors, invitees or employees.

ARTICLE VII

Section 7.1 Impositions. Tenant shall, during the Term of this Project Lease, bear, pay and discharge, before the delinquency thereof, any and all Impositions. In the event any Impositions may be lawfully paid in installments, Tenant shall be required to pay only such installments thereof as become due and payable during the Term of this Project Lease as and when the same become due and payable.

Section 7.2 Receipted Statements. Unless Tenant exercises its right to contest any Impositions in accordance with ***Section 7.4*** hereof, Tenant shall, within 30 days after the last day for payment, without penalty or interest, of an Imposition which Tenant is required to bear, pay and discharge pursuant to the terms hereof, deliver to Issuer a photostatic or other suitable copy of the statement issued therefor duly receipted to show the payment thereof.

Section 7.3 Issuer May Not Sell. Issuer covenants that, unless Tenant is in default under this Project Lease it will not, without Tenant's written consent, unless required by law, sell or otherwise part with or encumber its fee or other ownership interest in the Project at any time during the Term of this Project Lease.

Section 7.4 Contest of Impositions. Tenant shall have the right, in its own or Issuer's name or both, to contest the validity or amount of any Imposition by appropriate legal proceedings instituted at least 10 days before the Imposition complained of becomes delinquent if, and provided, Tenant (i) before instituting any such contest, shall give Issuer written notice of its intention to do so and, if requested in writing by Issuer, shall deposit with the Issuer a surety bond of a surety company acceptable to Issuer as surety, in favor of Issuer, or cash, in a sum of at least the amount of the Imposition so contested, assuring the payment of such contested Impositions together with all interest and penalties to accrue thereon and court costs, and (ii) diligently prosecutes any such contest and at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (iii) promptly pays any final judgment enforcing the Imposition so contested and thereafter promptly procures record release or satisfaction thereof. Tenant shall hold Issuer whole and harmless from any costs and expenses Issuer may incur related to any such contest.

ARTICLE VIII

Section 8.1 Use of Project. Subject to the provisions of this Project Lease, Tenant shall have the right to use the Project for its lawful governmental purposes as contemplated by the Constitution of the State, the Act and all applicable provisions of the Code. Tenant 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 Project or to any adjoining public ways, as to the manner of use or the condition of the Project or of adjoining public ways. Tenant shall comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of this Project Lease. Tenant 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 Tenant to comply with the provisions of this Article.

ARTICLE IX

Section 9.1 Assignment by Tenant. Tenant may not assign its interest in this Project Lease without the prior written consent of Issuer. Any such assignment must be to an entity authorized to be a Tenant in accordance with the Act and such assignment shall not affect the tax-exempt status of the Bonds. In the event of any such assignment, Tenant shall remain fully liable for the performance of its duties and obligations hereunder, except to the extent hereinafter provided, and no such assignment and no dealings or transactions between Issuer and any such assignee shall relieve Tenant of any of its duties and obligations hereunder, except as may be otherwise provided in the following section.

Section 9.2 Release of Tenant. If, in connection with an assignment by Tenant of its interest in this Project Lease, (l) the Issuer and the Owners of ninety percent (90%) in aggregate principal amount of the Outstanding Bonds (including any Additional Bonds) shall file with the Issuer their prior written consent to such assignment, and (2) the proposed assignee shall expressly assume and agree to perform all of the obligations of Tenant under this Project Lease; then Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment.

Section 9.3 Covenant Against Other Assignments. Tenant will not assign or in any manner transfer its interests under this Project Lease, nor will it suffer or permit any assignment thereof by operation of law, except in accordance with the limitations, conditions and requirements herein set forth.

Section 9.4 Sublease by Tenant. Tenant may not sublease the Project to a single party or entity, without the prior written consent of Issuer. The Tenant may sublease portions of the Project for use by others in the normal course of its business without Issuer's prior consent or approval provided such sublease does not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds. Any such subtenant must be an entity permitted to be a Tenant under the provisions of the Act. In the event of any such subleasing, Tenant shall remain fully liable for the performance of its duties and obligations hereunder, and no such subleasing and no dealings or transactions between Issuer and any such subtenant shall relieve Tenant of any of its duties and obligations hereunder. Any such sublease shall be subject and subordinate in all respects to the provisions of this Project Lease.

ARTICLE X

Section 10.1 Repairs and Maintenance. Tenant covenants and agrees that it will, during the Term of this Project Lease, keep and maintain the Project and all parts thereof in good condition and repair, including but not limited to the furnishing of all parts, mechanisms and devices required to keep the furnishings, equipment and personal property constituting a part of the Project in good mechanical and working order, and that during said period of time it will keep the Project and all parts thereof free from nuisance or conditions unreasonably increasing the danger of fire.

Section 10.2 Removal, Disposition and Substitution of Furnishings or Equipment. Tenant shall have the right, provided Tenant is not in default in the payment of Basic Rent and Additional Rent, to remove and sell or otherwise dispose of any furnishings or equipment which constitutes a part of the Project and which are no longer used by Tenant or, in the opinion of Tenant, are no longer suitable for use by Tenant in its operations (whether by reason of obsolescence, depreciation or otherwise), subject, however, to the following conditions:

(a) Prior to any such removal, Tenant shall deliver to the Issuer a certificate signed by the Authorized Tenant Representative (i) containing a complete description, including the make, model and serial numbers, if any, of any furnishings or equipment constituting a part of the Project which it proposes to remove, (ii) stating the reason for such removal, (iii) stating what disposition, if any, of the furnishings or equipment is to be made by Tenant after such removal and the names of the party or parties to whom such disposition is to be made and the consideration to be received by Tenant therefor, if any, and (iv) setting forth the original cost and the current fair market value of such furnishings or equipment; provided, however, that in no event shall the value be less than the consideration to be received by Tenant upon the disposition.

(b) Prior to any such removal, Tenant shall pay the current fair market value of such furnishings or equipment as set forth in said certificate to the Issuer and the Issuer shall deposit such amount in the Principal and Interest Account.

(c) Tenant may remove or sell furnishings and equipment constituting a part of the Project without first complying with the provisions of subparagraph (b) above; provided, however, that Tenant shall promptly replace any such furnishings or equipment so removed with furnishings or equipment of the same or a different kind but which are capable of performing the same function, efficiently, as the furnishings or equipment so removed, and the furnishings or equipment so acquired by Tenant to replace such furnishings or equipment shall be deemed a part of the Project. Within thirty (30) days after any such replacement by Tenant, Tenant shall deliver to the Trustee a certificate of the Authorized Tenant Representative setting forth a complete description, including make, model and serial numbers, if any, of the furnishings or equipment which Tenant has acquired to replace the furnishings or equipment so removed by Tenant, the cost thereof and that said furnishings or equipment have been installed.

All furnishings or equipment constituting a part of the Project and removed by Tenant pursuant to this Section shall become the absolute property of Tenant and may be sold or otherwise disposed of by Tenant without accounting to Issuer with respect thereto. In all cases, Tenant shall pay all the costs and expenses of any such removal and shall immediately repair at its expense all damage caused thereby. Tenant's rights under this Article to remove furnishings or equipment constituting a part of the Project is intended only to permit Tenant to maintain an efficient operation by the removal of such furnishings or equipment no longer suitable to Tenant's use for any of the reasons set forth in this Section and such right is not to be construed to permit a removal under any other circumstances and shall not be construed to permit the wholesale removal of such furnishings or equipment by Tenant.

ARTICLE XI

Section 11.1 Alteration of Project. Tenant shall have and is hereby given the right, at its sole cost and expense, to make such changes and alterations in and to any part of the Project as Tenant from time to time may deem necessary or advisable; provided, however, Tenant shall not make any major change or alteration which will adversely affect the intended use or structural strength of any part of the Project. All additions, changes and alterations made by Tenant pursuant to the authority of this Article shall (a) be made in a workmanlike manner and in strict compliance with all laws and regulations applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, shall be deemed a part of the Project; provided, however, that additions of furnishings, equipment and/or personal property of Tenant, not purchased or acquired from funds deposited with the Issuer hereunder and not constituting a part of the Project shall remain the separate property of Tenant and may be removed by Tenant prior to termination of this Project Lease; provided further, however, that all such additional furnishings, equipment and/or personal property which remain in the Project after the termination of this Project Lease for any cause other than the purchase of the Project pursuant to ***Article XVII*** hereof shall, upon and in the event of such termination, become the separate and absolute property of Issuer.

ARTICLE XII

Section 12.1 Additional Facilities. Tenant shall have and is hereby given the right, at its sole cost and expense, to construct on the Land or within areas occupied by the Facility, or in airspace above the Project, such additional buildings and improvements as Tenant from time to time may deem necessary or advisable. All additional buildings and improvements constructed by Tenant pursuant to the authority of this Article shall, during the Term, remain the property of Tenant and may be added to, altered or razed and removed by Tenant at any time during the Term hereof. Tenant covenants and agrees (a) to make all repairs and restorations, if any, required to be made to the Project because of the construction of, addition to, alteration or removal of, said additional buildings or improvements, (b) to keep and maintain said additional buildings and improvements in good condition and repair, ordinary wear and tear excepted, (c) to promptly and with due diligence either raze and remove from the Land, in a good, workmanlike manner, or repair, replace or restore such of said additional buildings or improvements as may from time to time be damaged by fire or other casualty, and (d) that all additional buildings and improvements constructed by Tenant pursuant to this Article which remain in place after the termination of this Project Lease for any cause other than the purchase of the Project pursuant to ***Article XVII*** hereof shall, upon and in the event of such termination, become the separate and absolute property of Issuer.

ARTICLE XIII

Section 13.1 Securing of Permits and Authorizations. Tenant shall not do or permit others under its control to do any work in or in connection with the Project or related to any repair, rebuilding, restoration, replacement, alteration of or addition to the Project, or any part thereof, unless all applicable governmental permits and authorizations shall have first been procured. All such work shall be done in a good and workmanlike manner and in compliance with all applicable building, zoning and other laws, resolutions, governmental regulations and requirements and in accordance with the requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of this Project Lease.

Section 13.2 Mechanics' Liens. Tenant shall not do or suffer anything to be done whereby the Project, or any part thereof, may be encumbered by any mechanics' or other similar lien.

Section 13.3 Contest of Liens. The Tenant, notwithstanding the above, shall have the right to contest any such mechanics', or other similar lien if within a 30 day period it (i) notifies the Issuer in writing of its intention so to do; (ii) diligently pursues such contest, at all times effectively staying or preventing any official or judicial sale of the Project or any part thereof or interest therein, under execution or otherwise; and (iii) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and thereafter promptly procures a recorded release or satisfaction thereof.

Section 13.4 Utilities. All utilities and utility services used in, on or about the Project shall be contracted for by Tenant in Tenant's own name and Tenant shall, at its sole cost and expense, procure any and all permits, licenses or authorizations necessary in connection therewith. Utility costs shall be included in Maintenance Costs as defined herein.

ARTICLE XIV

Section 14.1 Indemnity. Subject to the provisions of K.S.A. 75-6101 *et seq*. (the Kansas Tort Claims Act) and other applicable law, the Tenant covenants and agrees, at its expense, to pay, and to indemnify and save the Issuer and all agents, members, directors, officers and employees thereof harmless against and from any and all claims by or on behalf of any person, firm, corporation, or governmental authority, arising from the acquisition, construction, equipping, occupation, use, operation, maintenance, possession, conduct or management of, or from any work done in or about the Project, or from the subletting of any part thereof, including any liability for violation of conditions, agreements, restrictions, laws, or regulations affecting the Project or the occupancy or use thereof. Subject to the provisions of K.S.A. 75-6101 *et seq.* and other applicable law, the Tenant also covenants and agrees, at its expense, to pay and to indemnify and save the Issuer and all agents, members, directors, officers and employees thereof harmless against and from, any and all claims arising from (i) any condition of the Project and the adjoining sidewalks and passageways, (ii) any breach or default on the part of such the Tenant in the performance of any covenant or agreement to be performed by such the Tenant pursuant to this Project Lease, (iii) any act or negligence of the Tenant or, any of its agents, contractors, servants, employees or licensees in connection with their use, occupancy or operation of the Project, or (iv) any accident, injury or damage whatsoever caused to any person, firm or corporation, in or about the Project or upon or under the sidewalks and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any claim referred to in this section. In the event that any action or proceeding is brought against the Issuer or any agent, member, director, officer or employee thereof by reason of any such claim, the Tenant, upon notice from the Issuer, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to the Issuer.

Notwithstanding the fact that it is the intention of the parties that the Issuer and all agents, members, directors, officers and employees thereof shall not incur any pecuniary liability whatsoever by reason of the terms of this Project Lease, or the undertakings required of the Issuer hereunder or any agent, member, director, officer or employee thereof, by reason of the issuance of Bonds, by reason of the execution or authorization of any documents or certification in connection with the Bonds including, but not limited to, the Resolution, this Project Lease, or any preliminary or final official statement, by reason of the performance, or nonperformance, of any act required of it by this Project Lease or the Resolution, or by reason of the performance, or nonperformance, of any act requested of it by the Tenant, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing; nevertheless, if the Issuer or any agent, member, employee, officer or director thereof should incur any such pecuniary liability then in such event the Tenant, subject to the provisions of K.S.A. 75-6101 *et seq.* and other applicable law, shall indemnify and hold harmless the Issuer and all agents, members, directors, officers and employees thereof, against all claims, fees, including attorney fees, and expenses by or on behalf of any person, firm, corporation, or governmental authority, arising out of the same, and all costs, fees and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Issuer, the Tenant shall defend and hold harmless the Issuer in any such action or proceeding. This section shall survive the termination of this Project Lease for any claim, proceeding or action arising from any event or omission occurring during the Term and after the termination, due to an Event of Default, for any period the Tenant or assignee occupies the Project.

Section 14.2 Liability. Subject to ***Article IV*** hereof, the provisions of K.S.A. 75-6101 *et seq.* and other applicable law, the Tenant hereby accepts all responsibility relating to the operation, maintenance and repair of the Project during the Project Lease Term and agrees that the Issuer shall not have any liability therefor.

ARTICLE XV

Section 15.1 Access to Project. Issuer, for itself and its duly authorized representatives and agents, reserves the right to enter the Project at all reasonable times during usual business hours throughout the Term for the purpose of (a) examining and inspecting the same, (b) performing any work made necessary by reason of an Event of Default by the Tenant under any of the provisions of this Project Lease, and (c) while an Event of Default is continuing hereunder, for the purpose of exhibiting the Project to prospective purchasers or lessees. Issuer may, during the progress of said work mentioned in (b) above, keep and store on the Project all necessary materials, supplies and equipment and shall not be liable for necessary inconvenience, annoyances, disturbances, loss of business or other damage suffered by reason of the performance of any such work or the storage of such materials, supplies and equipment.

ARTICLE XVI

Section 16.1 Quiet Enjoyment and Possession. So long as no Event of Default has happened and is continuing under this Project Lease, Tenant shall and may peaceably and quietly have, hold and enjoy the Project.

ARTICLE XVII

Section 17.1 Option to Purchase Project. Subject to the provisions of this Article, Tenant shall have the option to purchase the Project at any time during the Term hereof and 120 days thereafter. Tenant shall exercise its option by giving Issuer written notice of Tenant's election to exercise its option specifying the date, time and place of closing, which date (the "Closing Date") shall neither be earlier than 30 days nor later than 180 days after the notice is given.

Section 17.2 Quality of Title and Purchase Price. If notice of election to purchase is given, Issuer shall sell and convey its interests in and to the Project to Tenant on the Closing Date free and clear of all liens and encumbrances except (1) those to which the title was subject on the date of execution of this Project Lease, or to which title became subject with Tenant's written consent, or which resulted from any failure of Tenant to perform any of its covenants or obligations under this Project Lease, (2) taxes and assessments, general and special, if any, and (3) the rights of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the Project, for the price and sum as follows (which Tenant shall pay in cash at the time of delivery of Issuer's deed or other instrument or instruments of transfer to the Project to Tenant as hereinafter provided):

(a) The full amount which is required to provide Issuer with funds sufficient, in accordance with the provisions of the Bond Resolution, to pay at maturity or to redeem and pay in full (i) the principal of all of the Outstanding Bonds, (ii) all interest due thereon to date of maturity or redemption, whichever first occurs, and (iii) all costs, expenses and premiums incident to the redemption and payment of said Bonds in full,

(b) unless the Bonds have been paid at maturity, irrevocable instructions to redeem the Outstanding Bonds at the next Redemption Date, plus

(c) $l00.00.

Nothing in this Article shall release or discharge Tenant from its duty or obligation under this Project Lease to make any payment of Basic Rent or Additional Rent which, in accordance with the terms of this Project Lease, becomes due and payable prior to the Closing Date, or its duty and obligation to fully perform and observe all covenants and conditions herein stated to be performed and observed by Tenant prior to the Closing Date. Funds received by the Issuer to pay or redeem Bonds pursuant to this section shall be deposited in the Principal and Interest Account or deposited in accordance with ***Section 601*** of the Bond Resolution.

Section 17.3 Closing of Purchase. On the Closing Date Issuer shall deliver to Tenant its quit claim deed or other appropriate instrument or instruments of conveyance or assignment, properly executed and conveying the Project to Tenant free and clear of all liens and encumbrances of the Issuer or the Owners, Tenant shall pay the full purchase price for the Project as follows: (a) the amount specified in ***Section l7.2(a)*** shall be deposited in the Principal and Interest Account and Issuer shall use the same to pay or redeem the Bonds and the interest thereon as provided in the Bond Resolution, and (b) the amount specified in ***Section l7.2(c)*** shall be paid to Issuer; provided, however, nothing herein shall require Issuer to deliver its said quit claim deed or other appropriate instrument or instruments of assignment or conveyance to Tenant until after all duties and obligations of Tenant under this Project Lease to the date of such delivery have been fully performed and satisfied. Upon the delivery to Tenant of Issuer's said quit claim deed or other appropriate instrument or instruments of assignment or conveyance and payment of the purchase price by Tenant, all rights of Tenant under this Project Lease shall, *ipso facto*, terminate.

Section 17.4 Effect of Failure to Complete Purchase. If, for any reason, the purchase of the Project by Tenant pursuant to valid notice of election to purchase given as aforesaid is not effected on the Closing Date, this Project Lease shall be and remain in full force and effect according to its terms the same as though no notice of election to purchase had been given, except that if such purchase is not effected on the Closing Date because Issuer does not have or is unable to convey to Tenant such title to the Project as Tenant is required to accept, the Issuer shall use its best efforts to cure any such defect in its title. In the event the Issuer is unable to cure such defect in its title, Tenant shall have the right to cancel this Project Lease forthwith if, but only if, the principal of and interest on the Bonds and all costs incident to the redemption and payment of the Bonds have been paid in full. Tenant shall also have the right to exercise any legal or equitable remedies, in its own name or in the name of the Issuer, to obtain its own name or in the name of the Issuer, to obtain acceptable title to the Project.

Section 17.5 Application of Condemnation Awards if Tenant Purchases Project. The right of Tenant to exercise its option to purchase the Project under the provisions of this Article shall remain unimpaired notwithstanding any condemnation of title to, or the use for a limited period of, all or any part of the Project. If Tenant shall exercise its said option and pay the purchase price as provided in this Article, all of the condemnation awards received by Issuer after the payment of said purchase price, less all attorneys' fees and other expenses and costs incurred by Issuer in connection with such condemnation, shall belong and be paid to Tenant.

ARTICLE XVIII

Section 18.1 Damage and Destruction.

(a) If, during the Term, the Project is damaged or destroyed, in whole or in part, by fire or other casualty, the Tenant shall promptly notify the Issuer in writing as to the nature and extent of such damage or loss and whether it is practicable and desirable to rebuild, repair, restore or replace such damage or loss.

(b) If the Tenant shall determine that such rebuilding, repairing, restoring or replacing is practicable and desirable, the Tenant shall forthwith proceed with and complete with reasonable dispatch such rebuilding, repairing, restoring or replacing. In such case, any Net Proceeds of casualty insurance required by this Project Lease and received with respect to any such damage or loss to the Project shall be deposited in the Project Fund and shall be used and applied for the purpose of paying the cost of such rebuilding, repairing, restoring or replacing such damage or loss. Any amount remaining in the Project Fund after such rebuilding, repairing, restoring or replacing shall be deposited into the Principal and Interest Account and used to pay principal of the Bonds.

(c) If the Tenant shall determine that rebuilding, repairing, restoring or replacing the Project is not practicable and desirable, any Net Proceeds of casualty insurance required by this Project Lease and received with respect to any such damage or loss to the Project shall be paid into the Principal and Interest Account. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection (c).

(d) The Tenant shall not, by reason of its inability to use all or any part of the Project during any period in which the Project is damaged or destroyed, or is being repaired, rebuilt, restored or replaced nor by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, be entitled to any reimbursement or any abatement or diminution of the Basic Rent or Additional Rent payable by the Tenant under this Project Lease nor of any other obligations of the Tenant under this Project Lease except as expressly provided in this Section.

(e) Anything in this Article to the contrary notwithstanding, the Issuer shall have the right at any time and from time to time to withhold payment of all or any part of the Net Proceeds from the Project Fund attributable to damage or destruction of the Project to Tenant or any third party if an Event of Default has occurred and is continuing, or Issuer has given notice to Tenant of an Event of Default which, with the passage of time, will become an Event of Default. In the event Tenant shall cure an Event of Default specified herein, the Issuer may make payments from the Net Proceeds to Tenant in accordance with the provisions of this Article. However, if this Project Lease is terminated or Issuer otherwise re-enters and takes possession of the Project without terminating this Project Lease, the Issuer shall pay all the Net Proceeds held by it into the Principal and Interest Account and all rights of the Tenant in and to such Net Proceeds shall cease.

Section 18.2 Condemnation.

(a) If during the Term title to, or the temporary use of, all or any part of the Project shall be condemned by any authority exercising the power of eminent domain, the Tenant shall, within 90 days after the date of entry of a final order in any eminent domain proceedings granting condemnation, notify the Issuer in writing as to the nature and extent of such condemnation and whether it is practicable and desirable to acquire or construct substitute improvements.

(b) If the Tenant shall determine that such substitution is practicable and desirable, the Tenant shall forthwith proceed with and complete with reasonable dispatch the acquisition or construction of such substitute improvements. In such case, any Net Proceeds received from any award or awards with respect to the Project or any part thereof made in such condemnation or eminent domain proceeds shall be deposited in the Project Fund and shall be used and applied for the purpose of paying the cost of such substitution. Any amount remaining in the Project Fund after such acquisition or construction shall be deposited into the Principal and Interest Account.

(c) If the Tenant shall determine that it is not practicable and desirable to acquire or construct substitute improvements, any Net Proceeds of condemnation awards received by the Tenant shall be paid into the Principal and Interest Account. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection (c).

(d) The Tenant shall not, by reason of its inability to use all or any part of the Project during any such period of restoration or acquisition nor by reason of the payment of the costs of such restoration or acquisition, be entitled to any reimbursement or any abatement or diminution of the Basic Rent or Additional Rent payable by the Tenant under this Project Lease nor of any other obligations hereunder except as expressly provided in this Section.

(e) The Issuer shall cooperate fully with the Tenant in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any part thereof. In no event will the Issuer voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Tenant.

ARTICLE XIX

Section 19.1 Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Issuer may take any one or more of the following remedial actions:

(a) By written notice to the Tenant upon acceleration of maturity of the Bonds as provided in the Bond Resolution, the Issuer may declare the aggregate amount of all unpaid Basic Rent or Additional Rent then or thereafter required to be paid under this Project Lease by the Tenant to be immediately due and payable as liquidated damages from the Tenant, whereupon the same shall become immediately due and payable by the Tenant;

(b) Give Tenant written notice of intention to terminate this Project Lease on a date specified therein, which date shall not be earlier than 30 days after such notice is given and, if all Events of Default have not then been cured on the date so specified, Tenant's rights to possession of the Project shall cease, and this Project Lease shall thereupon be terminated, and Issuer may re-enter and take possession of the Project and proceed to sell its interest in the Project; or

(c) Without terminating the Term hereof, or this Project Lease, conduct inspections or an Environmental Assessment of the Project, and re-enter the Project or take possession thereof pursuant to legal proceedings or any notice provided for by law and this Project Lease. The Issuer may refuse to re-enter or take possession of the Project if it has reasonable cause for such refusal. "Reasonable cause" shall include the presence on the Project of conditions which are in violation of any Environmental Law or the existence or threat of a remedial action against the Tenant under any Environmental Law resulting from conditions on the Project.

Having elected to re-enter or take possession of the Project without terminating the Term or this Project Lease, the Issuer shall use reasonable diligence to relet the Project, or parts thereof, for such term or terms and at such rental and upon such other terms and conditions as are deemed advisable, with the right to make alterations and repairs to the Project, and no such re-entry or taking of possession of the Project shall be construed as an election to terminate this Project Lease, and no such re-entry or taking of possession shall relieve Tenant of its obligation to pay Basic Rent or Additional Rent (at the time or times provided herein), or of any of its other obligations under this Project Lease, all of which shall survive such re-entry or taking of possession. Tenant shall continue to pay the Basic Rent and Additional Rent provided for in this Project Lease until the end of the Term, whether or not the Project shall have been relet, less the net proceeds, if any, of reletting the Project.

Having elected to re-enter or take possession of the Project pursuant to subsection (c) hereunder, Issuer may (subject, however, to any restrictions against termination of this Project Lease in the Bond Resolution), by notice to Tenant given at any time thereafter while Tenant is in default in the payment of Basic Rent or Additional Rent or in the performance of any other obligation under this Project Lease, elect to terminate this Project Lease in accordance with subsection (b) hereunder and thereafter proceed to relet or sell its interest in the Project.

If, in accordance with any of the foregoing provisions of this Article, Issuer shall have the right to elect to re-enter and take possession of the Project, Issuer may enter and expel Tenant and those claiming through or under Tenant and remove the property and effects of both or either by all lawful means without being guilty of any manner of trespass and without prejudice to any remedies for arrears of Basic Rent or Additional Rent or preceding breach of covenant.

Net proceeds of any reletting or sale of the Project shall be deposited in the Principal and Interest Account. "Net proceeds" shall mean the receipts obtained from reletting or sale after deducting all expenses incurred in connection with such reletting or sale, including without limitation, all repossession costs, brokerage commissions, legal fees and expenses, expenses of employees, alteration costs and expenses of preparation of the Project for reletting or sale.

Section 19.2 Survival of Obligations. Tenant covenants and agrees with Issuer and the Owners that until the Bonds and the interest thereon and redemption premium, if any, are paid in full or provision made for the payment thereof in accordance with the Bond Resolution, its obligations under this Project Lease shall survive the cancellation and termination of this Project Lease, for any cause, and that Tenant shall continue to be obligated to pay Basic Rent and Additional Rent and perform all other obligations provided for in this Project Lease, all at the time or times provided in this Project Lease.

Section 19.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Project Lease or now or hereafter existing at law or in equity or by statute, subject to the provisions of the Bond Resolution. No delay or omission to exercise any right or power accruing upon any Event of 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 Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice required herein.

ARTICLE XX

Section 20.1 Performance of Tenant's Obligations by Issuer. If Tenant shall fail to keep or perform any of its obligations as provided in this Project Lease, then Issuer may (but shall not be obligated to do so) upon the continuance of such failure on Tenant's part for ninety (90) days after notice of such failure is given Tenant by Issuer and without waiving or releasing Tenant from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and Tenant shall reimburse Issuer for all sums so paid by Issuer and all necessary or incidental costs and expenses incurred by Issuer in performing such obligations through payment of Additional Rent. If such Additional Rent is not so paid by Tenant within ten (l0) days of demand, Issuer shall have the same rights and remedies provided for in ***Article XIX*** in the case of an Event of Default by Tenant in the payment of Basic Rent.

ARTICLE XXI

Section 21.1 Surrender of Possession. Upon accrual of Issuer's right of re-entry as the result of an Event of Default by the Tenant hereunder or upon the cancellation or termination of this Project Lease by lapse of time or otherwise (other than as a result of Tenant's purchase of the Project), Tenant shall peacefully surrender possession of the Project to Issuer in good condition and repair, ordinary wear and tear excepted; provided, however, Tenant shall have the right, prior to or within 120 days after the termination of this Project Lease, to remove from or about the Project the buildings, improvements, furnishings, equipment, personal property, furniture and fixtures which Tenant owns under the provisions of this Project Lease and are not a part of the Project. All repairs to and restorations of the Project required to be made because of such removal shall be made by and at the sole cost and expense of Tenant. All buildings, improvements, furnishings, equipment, personal property, furniture and fixtures owned by Tenant and which are not so removed from or about the Project prior to or within 120 days after such termination of this Project Lease shall become the separate and absolute property of Issuer.

ARTICLE XXII

Section 22.1 Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Project Lease shall be in writing and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via telefax, with electronic or telephonic confirmation of receipt, or (c) communicated via electronic mail with electronic or telephonic confirmation of receipt to the Notice Representative at the Notice Address. The Issuer and the Tenant may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent. All notices given by: (1) certified or registered mail shall be deemed duly given as of the date they are so mailed; (b) telefax or electronic mail shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the other party shall constitute a sufficient notice.

ARTICLE XXIII

Section 23.1 Net Lease. The parties hereto agree (a) that this Project Lease is intended to be a net lease, (b) that the payments of Basic Rent and Additional Rent are designed to provide Issuer with funds adequate in amount to pay all principal of and interest on the Bonds as the same become due and payable and to pay and discharge all of the other duties and requirements set forth herein, and (c) that to the extent that the payments of Basic Rent and Additional Rent are not adequate to provide Issuer with funds sufficient for the purposes aforesaid, Tenant shall be obligated to pay, and it does hereby covenant and agree to pay, upon demand therefor, as Additional Rent, such further sums of money as may from time to time be required for such purposes.

ARTICLE XXIV

Section 24.1 Rights and Remedies. The rights and remedies reserved by Issuer and Tenant hereunder and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. Issuer and Tenant shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Project Lease, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

Section 24.2 Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

Section 24.3 Issuer Shall Not Unreasonably Withhold Consents and Approvals. Wherever in this Project Lease it is provided that Issuer shall, may or must give its approval or consent, or execute supplemental agreements, exhibits or schedules, Issuer shall not unreasonably, arbitrarily or unnecessarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements, exhibits or schedules.

ARTICLE XXV

Section 25.1 Financial Report. So long as any Bonds are Outstanding and unpaid and subject to the terms of the Bond Resolution, the Tenant shall furnish or cause to be furnished to the Issuer, upon request, as soon as practicable after the end of each fiscal year, duplicate copies of the audited financial statements of the Tenant. Such audited financial statements shall set forth in comparative form the figures for the previous fiscal year and shall be prepared on a basis of accounting other than GAAP which demonstrates compliance with the State's "cash-basis" and "budget" laws (except for any change in accounting principles with which the preparing certified public accountants concur) and the examination of such accountants in connection with such financial statements shall be made in accordance with generally accepted auditing standards, and accordingly include such tests of the accounting records and such other auditing procedures as considered necessary in the circumstances.

ARTICLE XXVI

Section 26.1 Funds Held by Issuer After Payment of Bonds. If, after the principal of and interest on the Bonds and all costs incident to the payment of Bonds have been paid in full, the Issuer holds unexpended funds received in accordance with the terms hereof, such unexpended funds shall, except as otherwise provided in this Project Lease and the Bond Resolution and after payment therefrom to Issuer of any sums of money then due and owing by Tenant under the terms of this Project Lease, be the absolute property of and be paid over forthwith to Tenant.

ARTICLE XXVII

Section 27.1 Amendments. This Project Lease may be amended, changed or modified in the following manner:

(a) With respect to an amendment, change or modification which reduces the Basic Rent or Additional Rent, or any amendment which reduces the percentage of Owners whose consent is required for any such amendment, change or modification, by an agreement in writing executed by Issuer and Tenant and consented to in writing by the Owners of l00% of the aggregate principal amount of the Bonds then Outstanding; and

(b) With respect to any other amendment, change or modification which will materially adversely affect the security or rights of the Owners, by an agreement in writing executed by Issuer and Tenant and consented to in writing by the Owners of at least 66-2/3% of the aggregate principal amount of the Bonds then Outstanding;

(c) With respect to all other amendments, changes, or modifications, by an agreement in writing executed by Issuer and Tenant.

At least 30 days prior to the execution of any agreement pursuant to (c) above, Issuer and Tenant shall furnish the Original Purchasers of the Bonds with a copy of the amendment, change or modification proposed to be made.

Section 27.2 Granting of Easements. If no Event of Default under this Project Lease shall have happened and be continuing, Tenant may, at any time or times, (a) grant easements, licenses and other rights or privileges in the nature of easements with respect to any property included in the Project, free from any rights of Issuer or the Owners, or (b) release existing easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and upon such terms and conditions as Tenant shall determine, and Issuer agrees, to the extent that it may legally do so, that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by Issuer of: (i) a copy of the instrument of grant or release or of the agreement or other arrangement, (ii) a written application signed by the Authorized Tenant Representative requesting such instrument, and (iii) a certificate executed by Tenant stating (A) that such grant or release is not detrimental to the proper conduct of the business of Tenant, and (B) that such grant or release will not impair the effective use or interfere with the efficient and economical operation of the Project and will not materially adversely affect the security of the Owners. If the instrument of grant shall so provide, any such easement or right and the rights of such other parties thereunder shall be superior to the rights of Issuer and the Owners and shall not be affected by any termination of this Project Lease or default on the part of Tenant hereunder. If no Event of Default shall have happened and be continuing, any payments or other consideration received by Tenant for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of Tenant, but, in the event of the termination of this Project Lease because of Default of Tenant, all rights then existing of Tenant with respect to or under such grant shall inure to the benefit of and be exercisable by Issuer.

Section 27.3 Security Interests. Issuer and Tenant agree to execute and deliver all instruments (including financing statements and statements of continuation thereof) necessary for perfection of and continuance of the security interest of Issuer in and to the Project. The Issuer shall file or cause to be filed all such instruments required to be so filed and shall continue or cause to be continued the liens of such instruments for so long as the Bonds shall be Outstanding.

Section 27.4 Construction and Enforcement. This Project Lease shall be construed and enforced in accordance with the laws of the State. The provisions of this Project Lease shall be applied and interpreted in accordance with the rules of interpretation set forth in the Bond Resolution. Wherever in this Project Lease it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

Section 27.5 Invalidity of Provisions of Project Lease. If, for any reason, any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

Section 27.6 Covenants Binding on Successors and Assigns. The covenants, agreements and conditions herein contained shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 27.7 Execution of Counterparts. This Project Lease may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 27.8 Electronic Transactions. To the extent permitted by law, the transaction described herein may be conducted and related documents may be stored by electronic means, and 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.

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IN WITNESS WHEREOF, the parties hereto have caused this Project Lease to be signed and delivered by duly authorized officials as of the day and year first above written.

CITY OF EMPORIA, KANSAS

(SEAL)

ATTEST:

____
Mayor

____
Clerk

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

This instrument was acknowledged before me on _____________, 2025, by Erren Harter, Mayor, and Kerry Sull, Clerk, of the City of Emporia, Kansas, a city of the first class duly organized and existing under the constitution and laws of the State of Kansas.

(Seal)

____
Notary Public

My Commission Expires: __________________

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

(SEAL)

____
President

ATTEST:

____
Secretary

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

This instrument was acknowledged before me on _____________, 2025, by Erren Harter, President and Kerry Sull, Secretary, of the City of Emporia, Kansas Public Building Commission, a municipal corporation organized under the laws of the State of Kansas.

(Seal)

____
Notary Public

My Commission Expires: ___________________

APPENDIX A

Form of Certificate for Payment of Project Costs

CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
Project Fund
(Fire Station Facility Project)
(Payment Order No. ________)

To: City of Emporia, Kansas Public Building Commission

Authorization is hereby given by the undersigned, the Authorized Tenant Representative, acting on behalf of the City of Emporia, Kansas (the "Tenant") to disburse funds held in the above mentioned Project Fund for the purposes and in the amounts set forth in the Payment Schedules attached hereto and incorporated herein by reference (the "Payment Schedules").

I hereby certify that the amounts requested in the attached Payment Schedules have either been advanced by the Tenant or are justly due to contractors, subcontractors, suppliers, vendors, materialmen, engineers, architects or other persons named in the Payment Schedules who have performed necessary and appropriate work in connection with any installation of furnishings, equipment or personal property, or have furnished necessary and appropriate materials in the construction or acquisition of land, buildings and improvements constituting a part of the Project. I further certify that the fair value of such work or materials, furnishings and equipment, is not exceeded by the amount requested, and such cost is one which may be capitalized for federal income tax purposes.

I further certify that, except for the amounts set forth in the Payment Schedules, there are no outstanding indebtednesses which are now due and payable for labor, wages, materials, supplies or services in connection with the construction of said buildings and improvements or the purchase and/or installation of furnishings, equipment and personal property which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's or materialmen's statutory or other similar lien upon the Project or any part thereof.

I further certify that no part of the amounts set forth in the Payment Schedules have been the basis for any previous withdrawal of any moneys from the said Project Fund.

I further certify that each of the representations and covenants on the part of the Tenant contained in the Project Lease dated as of March 6, 2025 by and between the City of Emporia, Kansas Public Building Commission, as Issuer, and the Tenant were, on the date of said Project Lease, and on the date hereof, true and correct in all respects and are being complied with in every respect.

I further certify that the amounts set forth in the Payment Schedules constitute Project Costs, as said term is defined in the Project Lease, and that all insurance policies which are required to be in force as a condition precedent to disbursement of funds from the Project Fund pursuant to the provisions of Section 6.1 of the Project Lease are in full force and effect.

EXECUTED this ____ day of ____________________, 20___.

____
Authorized Tenant Representative

EXHIBIT A - Payment Order No. _____

PAYMENT SCHEDULE
FOR BUILDINGS AND IMPROVEMENTS

I hereby request payment of the amounts specified below to the payees whose names and addresses are stated below, and I certify that the description of the purchase or nature of each payment is reasonable, accurate and complete:

PAYMENT SCHEDULE

Payee Name	Payee Address	Purpose of Nature of Payment	Amount

______
Initials

EXHIBIT B - Payment Order No. _____

PAYMENT SCHEDULE
FOR FURNISHINGS AND EQUIPMENT

I hereby request payment of the amounts specified below to the payees whose names and addresses are stated below, and I certify that the description of the purchase or nature of each payment is reasonable, accurate and complete:

PAYMENT SCHEDULE

Payee's Name	Description of Equipment	Amount
	(include name and address of manufacturer, descriptive name, technical description, capacity, serial number or model number as appropriate)	

____
Initials

APPENDIX B

FORM OF CERTIFICATE OF COMPLETION

The undersigned, being the Authorized Tenant Representative for the City of Emporia, Kansas (the "Tenant"), as tenant under a certain Project Lease dated as of March 6, 2025 between City of Emporia, Kansas Public Building Commission (the "Issuer") and the Tenant, and as beneficiary of the Issuer's Revenue Bonds, Series 2025A issued pursuant to a certain Resolution adopted February 19, 2025 (the "Resolution"), hereby certifies:

1. The Project (as defined in the Resolution) and all improvements constituting a part thereof have been acquired and completed in accordance with the plans and specifications prepared at the Tenant's direction.

2. The Project and improvements constituting a part thereof have been completed in a good and workmanlike manner.

3. There are no mechanic's, materialmen's liens or other statutory liens on file encumbering title to the Project; all bills for labor and materials furnished for the Project and improvements constituting a part thereof which could form the basis of a mechanic's, materialmen's or other statutory lien against the Project have been paid in full, and within the past four months no such labor or materials have been furnished which have not been paid for.

4. All improvements constituting part of the Project are located or installed on the Project.

5. All material provisions of applicable building codes have been complied with and, if applicable, a certificate of occupancy has been issued with respect to the Project.

6. All moneys remaining in the Project Fund being held by the Issuer should be transferred to the Principal and Interest Account being held by the Issuer under the Resolution, to be applied as provided therein.

IN WITNESS WHEREOF, the undersigned Authorized Tenant Representative has signed this Certificate, and states, under penalty of perjury, that the statements of fact made in this Certificate are true and correct.

____
By: Authorized Tenant Representative

STATE OF KANSAS)
) SS:
COUNTY OF LYON)

Subscribed and sworn to or affirmed before me, a notary public, this ___ day of ______________, ________.

____
Notary Public

My Appointment Expires:

____

BOND PURCHASE AGREEMENT

BETWEEN

CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION

AND

WEBSTER BANK
NEW YORK, NEW YORK

$12,210,000

REVENUE BONDS
(FIRE STATION PROJECT)

SERIES 2025A

DATED AS OF MARCH 6, 2025

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS
(FIRE STATION PROJECT)
SERIES 2025A

February 11, 2025

President and
Public Building Commission
City of Emporia, Kansas Public Building Commission

BOND PURCHASE AGREEMENT

On the basis of the representations, warranties and covenants and upon the terms and conditions contained in this Bond Purchase Agreement, Webster Bank, New York, New York (the "Purchaser"), hereby offers to purchase all (but not less than all) of the above-described bonds (the "Bonds") to be issued by the City of Emporia, Kansas Public Building Commission (the "Issuer"), under and pursuant to a Resolution to be adopted by the governing body of the Issuer (the "Governing Body") on February 19, 2025, (the "Bond Resolution"). All capitalized terms not specifically defined herein shall have the same meaning as defined in the Bond Resolution, unless some other meaning is plainly indicated.

This offer is made subject to acceptance of this Bond Purchase Agreement by or on behalf of the Governing Body on or before 10:00 p.m., applicable Central time, on February 13, 2025 (the "Sale Date").

SECTION 1. PURCHASE, SALE AND DELIVERY OF THE BONDS

(a) On the basis of the representations, warranties and covenants contained herein and in the other agreements and documents referred to herein, and subject to the terms and conditions herein set forth, the Purchaser agrees to purchase from the Issuer and the Issuer agrees to sell to the Purchaser the Bonds not later than 12:00 Noon, applicable Central time on March 6, 2025, or such other place, time or date as shall be mutually agreed upon by the Issuer and the Purchaser, at the purchase price set forth on ***Exhibit A*** attached hereto, without accrued interest (the "Purchase Price"). The date of such delivery and payment is herein called the "Closing Date," the hour and date of such delivery and payment is herein called the "Closing Time" and the transactions to be accomplished for delivery of the Bonds on the Closing Date shall be herein called the "Closing." The Bonds shall be issued under and secured as provided in the Bond Resolution and the Bonds shall have the maturities and interest rates as set forth therein and on ***Exhibit A*** attached hereto, which also contains a summary of the redemption provisions of the Bonds. The Bonds shall contain such other provisions as are described in the Bond Resolution.

(b) The Issuer acknowledges and agrees that: (1) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Purchaser; (2) in connection with such transaction, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of the Issuer; (3) the Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to the offering of the Bonds or the process leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has advised or is currently advising the Issuer on other matters) or any other obligation to the Issuer except with respect to the obligations expressly set forth in this Bond Purchase Agreement; and (4) the Issuer has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

(c) Payment of the Purchase Price for the Bonds shall be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds, payable to the order of a financial institution to be designated by the Issuer for the account of the Issuer on or before the Closing Time on the Closing Date. Upon such payment, the Bonds shall be delivered and released upon the instructions of the Purchaser.

(d) The delivery of the Bonds shall be made in definitive form, as fully registered bonds (in such denominations as the Purchaser shall specify in writing at least 48 hours prior to the Closing Time) duly executed and authenticated; provided, however, that the Bonds may be delivered in temporary form. The Bonds shall be available for examination and packaging by the Purchaser at least 24 hours prior to the Closing Time.

SECTION 2. ESTABLISHMENT OF ISSUE PRICE

The Purchaser agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at the Closing Time an "issue price" or similar certificate to accurately reflect, as applicable, the sales price of the Bonds. The Purchaser is not acting as an Underwriter with respect to the Bonds. The Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Bonds (or any portion of the Bonds or any interest in the Bonds). The Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds, and the Purchaser has not agreed with the Issuer pursuant to a written agreement to sell the Bonds to persons other than the Purchaser or a related party to the Purchaser. The term "Related Party" is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly. The term "Underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds 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 paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

SECTION 3. NO OFFICIAL STATEMENT

No official statement or other offering document has been prepared in connection with the sale of the Bonds.

SECTION 4. REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PURCHASER

By the execution hereof the Purchaser hereby represents, warrants and agrees with the Issuer that as of the date hereof and at the Closing Time:

(a) Purchaser is a banking corporation organized and existing under the laws of the United States of America or one of the states thereof with its principal corporate offices located in New York, New York, and, pursuant to all necessary corporate action, is authorized to purchase the Bonds and to execute and perform this Bond Purchase Agreement.

(b) Purchaser is knowledgeable and experienced in financial and business matters and is capable of evaluating investment merit and risks associated with its purchase of the Bonds. The Purchaser has been furnished and has reviewed the provisions of the Bond Resolution relating to the authorization of and security for payment of the Bonds. Prior to the execution hereof Purchaser also obtained and examined such financial records and information necessary in order to enable itself to fully evaluate the terms and provisions of the Bonds and of the Bond Resolution authorizing their issuance and providing for the payment thereof and the financial and investment merits and risks associated with the purchase of the Bonds. On the basis of such information materials and Purchaser's investigation, Purchaser has made the decision to purchase the Bonds and has not relied upon any representations of the Issuer or any of its officers or employees with respect to the Bonds.

(c) Purchaser is purchasing the Bonds as an investment for its own account and not with a view to the sale, redistribution or other disposition thereof in the ordinary course of business.

SECTION 5. ISSUER'S REPRESENTATIONS AND WARRANTIES

By the Issuer's acceptance hereof the Issuer hereby represents and warrants to, and agrees with, the Purchaser that as of the date hereof and at the Closing Time:

(a) The Issuer is a municipal corporation duly organized under the laws of the State of Kansas (the "State").

(b) The Issuer has complied with all provisions of the Constitution and laws of the State and has full power and authority to consummate all transactions contemplated by the Bond Resolution and this Bond Purchase Agreement, and all other agreements relating thereto.

(c) The Issuer has duly authorized by all necessary action to be taken by the Issuer: (1) the adoption and performance of the Bond Resolution; (2) the execution, delivery and performance of this Bond Purchase Agreement; (3) the execution and performance of the Base Lease and Project Lease between the Issuer and the City of Emporia, Kansas; (4) the execution and performance of any and all such other agreements and documents as may be required to be executed, delivered and performed by the Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement; and (5) the carrying out, giving effect to and consummation of the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement. Executed counterparts of the Bond Resolution and all such other agreements and documents specified herein will be made available to the Purchaser by the Issuer at the Closing Time.

(d) The Bond Resolution, the Base Lease, the Project Lease, and this Bond Purchase Agreement, when executed and delivered by the Issuer, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies.

(e) The Bonds have been duly authorized by the Issuer, and when issued, delivered and paid for as provided for herein and in the Bond Resolution, will have been duly executed, authenticated, issued and delivered and will constitute valid and binding special obligations of the Issuer enforceable in accordance with their terms and entitled to the benefits and security of the Bond Resolution (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies). The Bonds will not pledge the full faith and credit of the State or any political subdivision thereof, including the Issuer, nor shall they be secured by a lien against any of their respective properties, except as provided for in the Bond Resolution. The Bonds shall be limited obligations of the Issuer payable solely out of the Pledged Property (except to the extent paid out of moneys attributable to Bond proceeds or the income from the temporary investment thereof). The Bonds shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision, limitation or restriction.

(f) The execution and delivery of the Bond Resolution, this Bond Purchase Agreement, the Base Lease, the Project Lease, and the Bonds, and compliance with the provisions thereof, will not conflict with or constitute on the part of the Issuer a violation or breach of, or a default under, any existing law, regulation, court or administrative decree or order, or any agreement, resolution, mortgage, lease or other instrument to which it is subject or by which it is or may be bound.

(g) The Issuer is not, or with the giving of notice or lapse of time or both would not be, in violation of or in default under its organizational documents or any indenture, mortgage, deed of trust, loan agreement, bonds or other agreement or instrument to which the Issuer is a party or by which it is or may be bound, except for violations and defaults which individually and in the aggregate are not material to the Issuer and will not be material to the beneficial owners of the Bonds. As of the Closing Time, no event will have occurred and be continuing which with the lapse of time or the giving of notice, or both, would constitute an event of default under the Bond Resolution, the Base Lease, the Project Lease, or the Bonds.

(h) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer (or, to its knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Bond Resolution or the validity of the Bonds, the Bond Resolution, the Base Lease, the Project Lease, this Bond Purchase Agreement or any agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Bond Resolution.

SECTION 6. COVENANTS AND AGREEMENTS OF THE ISSUER

The Issuer covenants and agrees with the Purchaser for the time period specified, and if no period is specified, for so long as any of the Bonds remain Outstanding, as follows:

(a) The proceeds of the Bonds will be used as provided in the Bond Resolution in accordance with the laws of the State.

(b) The proceeds of the Bonds shall not be used in a manner which would jeopardize the exclusion of interest on the Bonds from gross income for federal income tax purposes.

SECTION 7. CONDITIONS TO THE PURCHASER'S OBLIGATIONS

The Purchaser's obligations hereunder shall be subject to the due performance by the Issuer of the Issuer's obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the Issuer's representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) The Bond Resolution, the Base Lease, the Project Lease, and the Bonds shall have been duly authorized, executed and delivered in the form heretofore approved by the Purchaser with only such changes therein as shall be mutually agreed upon by the Issuer and the Purchaser.

(b) At the Closing Time, the Purchaser shall receive:

(1) An opinion dated as of the Closing Date, of Gilmore & Bell, P.C. ("Bond Counsel"), substantially in the form attached hereto as ***Exhibit B***; and an opinion of legal counsel to the Issuer substantially in the form attached hereto as ***Exhibit C***.

(2) A certificate of the Issuer, satisfactory in form and substance to the Purchaser, dated as of the Closing Date, to the effect that: (A) there is no action, suit, proceeding or, to the knowledge of the Issuer, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer, its officers or its property or, to the best of the knowledge of the Issuer, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the Issuer, the transactions contemplated hereby or by the Bond Resolution, the validity or enforceability of the Bonds, or the Bond Purchase Agreement, which are not disclosed herein; (B) the Issuer has duly authorized, by all necessary action, the execution, delivery and due performance by the Issuer of this Bond Purchase Agreement; and (C) the representations and warranties of the Issuer set forth in this Bond Purchase Agreement were accurate and complete as of the date hereof and are accurate and complete as of the Closing Time.

(3) An executed Tax Compliance Agreement, satisfactory in form and substance to the Purchaser, dated as of the Closing Date, with an attached completed and executed IRS Form 8038-G.

(4) Such additional certificates, legal and other documents, listed on a closing agenda to be approved by Bond Counsel and counsel to the Purchaser, as the Purchaser may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Bond Resolution, or as Bond Counsel shall require in order to render its opinion, all such certificates and other documents to be satisfactory in form and substance to the Purchaser.

Subsequent to Closing, the Purchaser shall receive a complete Transcript of the Proceedings relating to the issuance of the Bonds in electronic format, which shall specifically include each of the foregoing documents.

SECTION 8. CONDITIONS TO THE ISSUER'S OBLIGATIONS

The obligations of the Issuer hereunder are subject to the Purchaser's performance of its obligations hereunder.

SECTION 9. THE PURCHASER'S RIGHT TO CANCEL

The Purchaser shall have the right to cancel the obligation hereunder to purchase the Bonds (such cancellation shall not constitute a default for purposes of ***Section 1*** hereof) by notifying the Issuer in writing or by facsimile of its election to make such cancellation prior to the Closing Time, if at any time after the execution of this Bond Purchase Agreement and prior to the Closing Time, the market price or marketability of the Bonds, or the ability of the Purchaser to enforce contracts for the sale of the Bonds, shall be materially adversely affected by any of the following events:

(a) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation which, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the Issuer or by any similar body or upon interest received on obligations of the general character of the Bonds, or the Bonds.

(b) A tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or be recommended to the Congress of the United States for passage by the President of the United States, or be enacted by the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States or the Tax Court of the United States shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the IRS shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Issuer or by any similar body or upon interest received on obligations of the general character of the Bonds, or the Bonds.

(c) Any legislation, ordinance, rule or regulation shall be introduced in or be enacted by the Legislature of the State or by any other governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State shall be rendered, or litigation challenging the law under which the Bonds are to be issued shall be filed in any court in the State.

(d) A stop order, ruling, regulation or official statement by, or on behalf of, the SEC or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby, is in violation or would be in violation of any provision of the Securities Act of 1933, as amended (the "1933 Act"), the Securities Exchange Act of 1934, as amended (the "1934 Act") or the Trust Indenture Act of 1939, as amended.

(e) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act.

(f) A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Purchaser.

(h) Any general banking moratorium shall have been established by federal, New York or State authorities.

(i) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state.

(j) Any proceeding shall be pending or threatened by the SEC against the Issuer.

(k) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred.

(l) A default by or a moratorium initiated by the United States in respect to payment of any direct obligation of, or obligation the principal of and interest on which is fully and unconditionally guaranteed as to full and timely payment by, the United States of America.

SECTION 10. PAYMENT OF EXPENSES

(a) Whether or not the Bonds are sold by the Issuer to the Purchaser (unless such sale be prevented at the Closing Time by the Purchaser's default), the Purchaser, unless otherwise contracted for, shall be under no obligation to pay any expenses incident to the performance of the obligations of the Issuer hereunder; nor shall the Issuer, unless otherwise contracted for, be under any obligation to pay any expenses incident to the performance of the obligations of the Purchaser hereunder (unless such sale be prevented at the Closing Time by the Issuer's default).

(b) If the Bonds are sold by the Issuer to the Purchaser, except as hereinafter set forth, all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds shall be paid by the Issuer out of the proceeds of the Bonds or other Issuer funds. Such expenses and costs shall include, but not be limited to: (1) the fees and disbursements of Bond Counsel; (2) the fees and disbursements of the Issuer's legal counsel; (3) costs associated with obtaining municipal bond ratings relating to the Bonds, if any; (4) the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, this Bond Purchase Agreement and all other agreements and documents contemplated hereby; (5) fees of the Bond Registrar and Paying Agent designated by the Issuer pursuant to the Bond Resolution; and (6) all costs and expenses of the Issuer relating to the issuance of the Bonds. The Purchaser shall be responsible for payment of the costs of qualifying the Bonds for sale in the various states chosen by the Purchaser, all advertising expenses in connection with the offering of the Bonds, the fees and disbursements of the Purchaser's legal counsel and all other expenses incurred by the Purchaser in connection with the offering, sale and distribution of the Bonds.

SECTION 11. NOTICE

Any notice or other communication to be given under this Bond Purchase Agreement may be given in the manner set forth in the Bond Resolution, as follows:

(a) If to the Issuer at: City of Emporia, Kansas Public Building Commission, 111 East 6th Avenue, P.O. Box 928, Emporia, Kansas 66801, Attention: President.

(b) If to the Purchaser at: Webster Bank, 300 Lexington Avenue, 5th Floor, New York, New York 10017, Attention: Manager, Public Finance Department.

SECTION 12. MISCELLANEOUS

(a) This Bond Purchase Agreement shall be binding upon the Purchaser, the Issuer, and their respective successors. This Bond Purchase Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements of the Issuer contained in this Bond Purchase Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control the Purchaser (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act). Nothing in this Bond Purchase Agreement is intended or shall be construed to give any person, other than the persons referred to in this Paragraph, any legal or equitable right, remedy or claim under or in respect of this Bond Purchase Agreement or any provision contained herein. All of the representations, warranties and agreements of the Issuer contained herein shall remain in full force and effect, regardless of: (1) any investigation made by or on behalf of the Purchaser, (2) delivery of and payment for the Bonds; or (3) any termination of this Bond Purchase Agreement.

(b) For purposes of this Bond Purchase Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

(c) This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

(d) This Bond Purchase Agreement may be executed in one or more counterparts, and if executed in more than one counterpart, the executed counterparts shall together constitute a single instrument.

(e) This Bond Purchase Agreement may not be assigned by either party without the express written consent of the other party.

(f) This Bond Purchase Agreement and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

SECTION 13. EFFECTIVE DATE

This Bond Purchase Agreement shall become effective upon acceptance hereof by the Issuer.

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Upon your acceptance of the offer, this Bond Purchase Agreement will be binding upon the Issuer and the Purchaser. Please acknowledge your agreement with the foregoing by executing the enclosed copy of this Bond Purchase Agreement prior to the date and time specified on page 1 hereof and returning it to the undersigned.

WEBSTER BANK
NEW YORK, NEW YORK

Date: February 11, 2025

By: ______________________________
Joseph W. Arndt, Managing Director

Accepted and agreed to as of
the date first above written.

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

Date: February 11, 2025

By: ______________________________
President

ATTEST: (Seal)

By: ______________________________
Secretary

604915.20002\BPA

(Signature Page to Bond Purchase Agreement)

EXHIBIT A

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION, KANSAS
REVENUE BONDS (FIRE STATION PROJECT) BONDS
SERIES 2025A

CALCULATION OF PURCHASE PRICE

Principal Amount	$12,210,000.00
Total Purchase Price	***$12,210,000.00***

MATURITY SCHEDULE

Stated Maturity September 1	Principal Amount	Annual Rate of Interest	Initial Offering Price	Stated Maturity September 1	Principal Amount	Annual Rate of Interest	Initial Offering Price
2027	$ 30,000	4.550%	100%	2036	$ 880,000	4.550%	100%
2028	230,000	4.550%	100%	2037	800,000	4.550%	100%
2029	315,000	4.550%	100%	2038	885,000	4.550%	100%
2030	335,000	4.550%	100%	2039	925,000	4.550%	100%
2031	350,000	4.550%	100%	2040	970,000	4.550%	100%
2032	365,000	4.550%	100%	2041	1,010,000	4.550%	100%
2033	580,000	4.550%	100%	2042	1,055,000	4.550%	100%
2034	605,000	4.550%	100%	2043	1,095,000	4.550%	100%
2035	630,000	4.550%	100%	2044	1,150,000	4.550%	100%

REDEMPTION OF BONDS

Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Series 2025A Bonds maturing on September 1, in the years 2034 and thereafter will be subject to redemption and payment prior to their Stated Maturity on September 1, 2033, and thereafter as a whole or in part (selection of maturities and the amount of Series 2025A Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date; provided, however, that partial redemptions: (i) may occur no more than once per calendar year; (ii) must have a minimum principal redemption of $1,000,000; and (iii) must occur in the reverse order of maturity (longest dated payments paid first).

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EXHIBIT B

FORM OF BOND COUNSEL OPINION

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

[March 6, 2025]

Governing Body City of Emporia, Kansas Public Building Commission	Webster Bank New York, New York

Governing Body
City of Emporia, Kansas

Re: $12,210,000 Revenue Bonds (Fire Station Project), Series 2025A, of the City of Emporia, Kansas Public Building Commission, Dated March 6, 2025

We have served as Bond Counsel in connection with the issuance by the City of Emporia, Kansas Public Building Commission (the "Issuer") of the above-captioned bonds (the "Bonds"). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the resolution adopted by the governing body of the Issuer authorizing the issuance and prescribing the details of the Bonds (the "Bond Resolution").

Reference is made to an opinion of even date herewith of counsel to the City of Emporia, Kansas (the "City") with respect to, among other matters: (a) the power of the City to enter into the Base Lease and Project Lease; (b) the authorization, execution and delivery of the Base Lease and Project Lease by the City, and (c) the binding effect and enforceability thereof against the City.

Regarding questions of fact material to the opinions below, we have relied on the representations of the Issuer, on the certified proceedings and other certifications of representatives of the Issuer and the certifications of others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion that:

1. The Issuer is a duly authorized municipal corporation with power to adopt the Bond Resolution and perform the agreements on its part contained therein, to enter into the Base Lease and Project Lease to perform its obligations contained therein and to issue the Bonds.

2. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding special obligations of the Issuer.

3. The Bonds are payable solely from the Pledged Property on a parity with any Additional Bonds to be issued, as provided in the Bond Resolution. The Bonds do not constitute general obligations of the Issuer nor do they constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision, limitation or restriction, nor shall they in any way obligate the Issuer, the State of

Kansas or any political subdivision thereof (other than the City) to levy any form of taxation or make any appropriation for their payment. The Issuer has no taxing power. The City may enter into the Project Lease without regard to K.S.A. 10-1101 *et seq*. and K.S.A. 79-2925.

4. The Bond Resolution has been duly adopted by the Issuer and the Bond Resolution, Base Lease and Project Lease constitute valid and legally binding obligations of the Issuer enforceable against the Issuer in accordance with their terms.

5. The interest on the Bonds is: (a) excludable from gross income for federal income tax purposes; and (b) not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have **not** been designated as "qualified tax-exempt obligations" for purposes of Code § 265(b)(3). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. The interest on the Bonds is exempt from income taxation by the State of Kansas.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding the accuracy, adequacy or completeness of any offering material relating to the Bonds, or the tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion letter.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

GILMORE & BELL, P.C.

DLE:jkm

EXHIBIT C

FORM OF CITY ATTORNEY OPINION

[March 6, 2025]

Governing Body
City of Emporia, Kansas Public Building Commission

Webster Bank
New York, New York

Governing Body
City of Emporia, Kansas

Gilmore & Bell, P.C.
Wichita, Kansas

Re: $12,210,000 Revenue Bonds (Fire Station Project), Series 2025A, of the City of Emporia, Kansas Public Building Commission, Dated March 6, 2025

I am City Attorney for the City of Emporia, Kansas (the "City"). In such capacity, I have examined the following:

(a) Resolution No. [____] of the City (the "Resolution"), adopted on February 19, 2025, by the City Commission (the "Governing Body").

(b) A Base Lease dated as of March 6, 2025 (the "Base Lease") between the City, as lessor, and the City of Emporia, Kansas Public Building Commission (the "PBC"), as lessee.

(c) A Project Lease dated as of March 6, 2025 (the "Project Lease") between the PBC, as lessor, and the City, as lessee.

(d) A record of the proceedings of the Governing Body held preliminary to and in the authorization by the City of the execution and delivery of the Base Lease, the Project Lease and other matters relating thereto.

(e) Such other documents and certificates as I have deemed relevant or necessary for the purpose of rendering this opinion.

Based on the foregoing, I am of the opinion, as follows:

1. The City is a legally constituted city of the first class organized and existing under the Constitution and laws of the State of Kansas. The City has authority, pursuant to K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45, all as amended (the "Act") to enter into the Project Lease without regard to K.S.A. 10-1101 *et seq*. and to carry out its obligations thereunder.

2. The Resolution has been duly adopted, is in full force and effect and has not been modified or repealed. The City has duly authorized and approved the execution and delivery of the Base Lease and the Project Lease (collectively the "Leases"). The Leases have been duly executed and delivered by the City, and each is a valid, legally binding obligation of the City, enforceable against the City according to its terms (except as the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally or by general equity principles regardless of whether such enforceability is considered in a proceeding, in equity or at law).

3. To the best of my knowledge, neither the adoption of the Resolution, nor the execution and delivery of the Leases nor the authentication and delivery of the PBC's Revenue Bonds (Fire Station Facility Project), Series 2025A, nor the fulfillment of or compliance with the provisions thereof, nor the consummation of the transactions contemplated thereby, conflicts with or results in a violation of, breach of or default under any agreement or instrument to which the City is a party or by which the City is bound, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the City or any of its activities or properties.

4. There is no litigation or administrative or regulatory proceeding pending, or to my knowledge threatened, against the City, or any person, affecting the authority of the City or its officials to execute and deliver the Leases, or to otherwise comply with the obligations of the City contained in the Leases, or against the levy of a tax necessary in order to make payments by the City under the Project Lease.

5. This opinion is being rendered in accordance with Kansas law and is solely for the benefit of the addressees hereof and I believe the addressees are justified in relying upon it, but may not be relied upon by, nor may copies be delivered to any other person without my prior written consent.

6. This opinion is given as of the date hereof and I assume no obligation to advise you of changes that may hereafter be brought to my attention.

Very truly yours,

Christina Montgomery, Esq.
City Attorney

Gilmore & Bell, P.C.
02/12/2025

TAX COMPLIANCE AGREEMENT

Dated as of March 6, 2025

Between

CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION

and

CITY OF EMPORIA, KANSAS

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION FACILITY PROJECT)
SERIES 2025A

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TAX COMPLIANCE AGREEMENT

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LIST OF EXHIBITS TO TAX COMPLIANCE AGREEMENT

* * *

TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT (the "Tax Agreement") is entered into as of March 6, 2025, between the **CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION**, a municipal corporation duly organized and existing under the laws of the State of Kansas (the "Issuer") and **CITY OF EMPORIA, KANSAS**, a city of the first class duly organized and existing under the laws of the State of Kansas (the "City").

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the issuance by the Issuer of its $12,210,000 Revenue Bonds (Fire Station Facility Project), Series 2025A (the "Bonds"), under the Bond Resolution, as herein defined, for the purpose of financing a portion of the costs of the Project and entering into a lease of the Project to the City under a Project Lease dated March 6, 2025 (the "Project Lease"), between the Issuer and City, as described in this Tax Agreement, the Bond Resolution and the Project 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 Bond proceeds and of certain other money relating to the Bonds and set forth the conditions under which interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The Issuer and the City are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes and to provide guidance for complying with the arbitrage rebate provisions of Code § 148(f).

4. The Issuer has adopted the Tax Compliance Procedure (as defined below) and the City has adopted the City Tax Compliance Procedure (as defined below) for the purpose of setting out general procedures for the Issuer and 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 Bonds.

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

ARTICLE I

DEFINITIONS

Section 1.01 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 ***Section 101*** of the Bond Resolution, 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:

"Act" means K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45, all as amended and supplemented from time to time.

"Adjusted Gross Proceeds" means the Gross Proceeds of the Bonds 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 designed to measure compliance with the requirements of this Tax Agreement after the Issue Date as further described in ***Section 4.02*** and substantially in the form attached as ***Exhibit E***.

"Available Construction Proceeds" means the sale proceeds of the Bonds, increased by: (a) Investment earnings on the sale proceeds; (b) earnings on amounts in a reasonably required reserve or replacement fund allocable to the Bonds but not funded from the Bonds; and (c) earnings on such earnings, reduced by sale proceeds (1) in any reasonably required reserve fund or (2) used to pay issuance costs of the Bonds. But 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 Project is substantially completed.

"Base Lease" means the Base Lease dated as of March 6, 2025, between the City, as lessor, and the Issuer, as lessee.

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

"**Bond"** or **"Bonds"** means the Bonds described in the recitals, authenticated and delivered under the Bond Resolution.

"Bond Compliance Officer" means the Secretary or other person named in the Tax Compliance Procedure.

"Bond Counsel" means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the Issuer and the City.

"Bond Resolution" means Resolution No. [____], originally adopted by the Issuer, as amended and supplemented by Supplemental Bond Resolutions in accordance with the provisions of the Bond Resolution.

"Bond Year" means each one-year period (or shorter period for the first Bond Year) ending September 1 or other one-year period selected by the Issuer.

"City" means City of Emporia, Kansas, a municipal corporation duly organized and existing under the laws of the State.

"City Tax Compliance Procedure" means the City's Tax-Exempt Obligation Post-Issuance Compliance Policy, adopted December 18, 2013.

"Code" means the Internal Revenue Code of 1986, as amended.

"Computation Date" means each date on which arbitrage rebate for the Bonds is computed. The Issuer 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 5 years after the Issue Date;

(b) Each subsequent rebate installment payment must be made for a Computation Date not later than 5 years after the previous Computation Date for which an installment payment was made; and

(c) The date the last Bond is discharged is the final Computation Date.

The Issuer and the City select March 6, 2030, as the first Computation Date but reserve the right to select a different date consistent with the Regulations.

"Financed Project" means the portion of the Project financed or refinanced with the proceeds of the Bonds as described in the Bond Resolution and on ***Exhibit D***.

"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 4.02(b)*** of this Tax Agreement.

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

(a) Project Fund.
(b) Principal and Interest Account.
(c) Costs of Issuance Account.
(d) Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Bonds).

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

"Investment" means any security, obligation, annuity contract or other investment-type property which 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 such term is defined in Code § 57(a)(5)(C), but does include the investment element of most interest rate caps.

"IRS" means the United States Internal Revenue Service.

"Issue Date" means March 6, 2025.

"Issuer" means the City of Emporia, Kansas Public Building Commission, a municipal corporation duly organized and existing under the laws of the State, and its successors and assigns, or any body, agency or instrumentality of City of Emporia, Kansas or the State succeeding to or charged with the powers, duties and functions of the Issuer.

"Issuer Tax Compliance Procedure" means the Issuer's Tax and Securities Compliance Procedures, dated February 19, 2025.

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

"Minor Portion" means the lesser of $100,000 or 5% of the sale proceeds of the Bonds.

"Net Proceeds" means, when used in reference to the Bonds, the sale proceeds of the Bonds (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

"Non-Qualified Use" means use of Bond proceeds or the Financed Project in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Bond proceeds or the Financed Project 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 Project, will constitute use under Regulations § 1.141-3.

"Non-Qualified User" means any person or entity other than a Qualified User.

"Post-Issuance Tax Requirements" means those requirements related to the use of proceeds of the Bonds, the use of the Financed Project and the investment of Gross Proceeds after the Issue Date.

"Preliminary Expenditures" means: (a) costs incurred for architectural, engineering, surveying, soil testing, costs of issuance, and similar costs prior to commencement of acquisition, construction, or rehabilitation of the Financed Project, other than land acquisition, site preparation, and similar costs incident to commencement of construction of the Financed Project up to an amount not in excess of 20 percent of the issue price of the Bonds; and (b) costs incurred in an amount not in excess of the lesser of $100,000 or 5% of the sale proceeds of the Bonds.

"Project" means all of the property being acquired, developed, constructed, renovated, and equipped by the Issuer using Bond proceeds and other money, as described on ***Exhibit D***.

"Project Lease" means the Project Lease, dated as of March 6, 2025, between the Issuer, as lessor, and the City, as lessee, as from time to time amended and supplemented in accordance with the provisions thereof.

"Proposed Regulations" means the proposed arbitrage regulations REG 106143-07 (published at 72 Fed. Reg. 54606 (Sept. 26, 2007)).

"Purchaser" means Webster Bank, New York, New York, the original purchaser of the Bonds.

"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 Project on a short-term in the ordinary course of the Issuer's governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Project for a period up to 200 days in length pursuant to an arrangement whereby (1) the use of the Financed Project 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 Project 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 Project 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 Project 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 Project 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 Project 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 Project 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 Issuer 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 Net Proceeds of the Bonds 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 Certificate.

“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 Bonds.

“State” means the State of Kansas.

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

“Tax Compliance Procedure” means collectively the Issuer’s Tax Compliance Procedures and the City’s Tax Compliance Procedures.

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

“Transcript” means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

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

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.01 Mutual Representations and Covenants of the Issuer and the City. The Issuer and City represent and covenant as follows:

(a) ***Organization and Authority***.

(1) *Issuer.* The Issuer: (i) is a municipal corporation duly organized and existing under the laws of the State, including, but not limited to, the Act, (ii) has lawful power and authority to issue the Bonds for the purposes set forth in the Bond Resolution, to enter into, execute and deliver the Bond Resolution, the Base Lease, the Project Lease and this Tax Agreement and to carry out its obligations under this Tax Agreement and under such documents, and (iii) by all necessary action has been duly authorized to execute and deliver the Bond Resolution, the Base Lease, the Project Lease and this Tax Agreement, acting by and through its duly authorized board members and officers.

(2) *City*. The City: (i) is a municipal corporation duly organized and existing under the laws of the State, (ii) has lawful power and authority to enter into, execute and deliver the Base Lease, the Project Lease and this Tax Agreement and to carry out its obligations under this Tax Agreement and under such documents, and (iii) by all necessary action has been duly authorized to execute and deliver the Base Lease, the Project Lease and this Tax Agreement, acting by and through its duly authorized board members and officers.

(b) ***Issuance of Bonds on Behalf of the City***. The Issuer is issuing the Bonds on behalf of the City, a municipal corporation of the State of Kansas. In accordance therewith:

(1) The Issuer is a municipal corporation authorized by the Act and formed by, and at the direction of, the City for the purpose of financing certain projects and holding property in trust for the City;

(2) The Issuer was formed by the City Commission formally approving the creation of the Issuer by ordinance;

(3) A majority of the members of the Issuer are appointed by the City;

(4) The Issuer is authorized under State law to issue bonds in furtherance of its corporate purposes, which include the power to finance and lease the Financed Project to the City; and

(5) The Issuer is the stated, legal owner of a leasehold interest in the Financed Project pursuant to the Base Lease, but the City is the fee simple owner and is treated as the owner for federal tax purposes. Upon dissolution of the Issuer, legal title to the Financed Project will vest in and become property of the City.

(c) ***Tax-Exempt Status of Bonds–General Covenant***. In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the Issuer and the City (to the extent within each of its power or direction) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other source, in a manner that would cause the Bonds to be "arbitrage bonds," 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 Bond proceeds or any other funds of the Issuer or City, directly or indirectly, in any manner, or take or permit to be taken any other action or actions, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(d) ***Governmental Obligations–Use of Proceeds***. Throughout the Measurement Period: (1) the Financed Project is expected to be owned or leased by the Issuer, the City or another Qualified User; (2) neither the Issuer nor the City expect any portion of the Financed Project will be used in a Non-Qualified Use; and (3) neither the Issuer nor the City will permit any Non-Qualified Use of the Financed Project without first consulting with Bond Counsel. The City will monitor the usage of all portions of the Financed Project during the Measurement Period. If the Non-Qualified Use of the Financed Project exceeds 10% of the total use over the Measurement Period, then the City will notify the Issuer and request that the Issuer take a "remedial action" in accordance with Regulations § 1.141-12, as specified in advice from Bond Counsel, as necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes. The Issuer and the City understand that a remedial action could include redemption or defeasance of all or a portion of the Bonds.

(e) ***Governmental Obligations–Private Security or Payment***. As of the Issue Date, the Issuer and City each expect that none of the principal and interest on the Bonds will be (under the terms of the Bonds or any underlying arrangement) directly or indirectly:

(1) Secured by (i) any interest in property used or to be used for a private business use, or (ii) any interest in payments in respect of such property; or

(2) Derived from payments (whether or not such payments are made to the Issuer or the City) in respect of property, or borrowed money, used or to be used for a private business use.

For purposes of the forgoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. Neither the Issuer nor the City will permit any private security or payment with respect to the Bonds without first consulting with Bond Counsel.

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

(g) ***Management Agreements.*** As of the Issue Date, neither the Issuer nor the City has any Management Agreements with Non-Qualified Users. During the Measurement Period, neither the Issuer nor the City will enter into or renew any Management Agreement with any Non-Qualified User without first consulting with Bond Counsel.

(h) ***Leases***. As of the Issue Date, neither the Issuer nor the City has entered into any leases (or, in the case of the City, any subleases) or similar arrangements (other than the Project Lease) of any portion of the Financed Project other than Qualified Use Agreements. During the Measurement Period, neither the Issuer nor the City will enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first consulting with Bond Counsel.

(i) ***Limit on Maturity of Bonds***. A list of the assets included in the Financed 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 Bonds, as computed by Bond Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Project.

(j) ***Expenditure of Bond Proceeds***.

(1) *Reimbursement of Expenditures; Official Intent*. On October 2, 2024, the governing body of the City, and on February 5, 2025, the governing body of the Issuer, adopted resolutions declaring the intent to finance the Financed Project with tax-exempt bonds or other obligations and to reimburse the Issuer or the City for expenditures made for the Financed Project prior to the issuance of those bonds (copies of the resolutions are contained in Tab 16 – the City resolution – and Tab 6 – Issuer resolution – of the Transcript). No portion of the net proceeds of the Bonds will be used to reimburse an expenditure paid by the Issuer or the City more than 60 days prior to the date such resolutions were adopted, except for Preliminary Expenditures. No reimbursement allocation will be made for an expenditure made more than 3 years before the date of the reimbursement allocation. In addition, no reimbursement allocation will be made more than 18 months following the later of (A) the date of the expenditure or (B) the date the Financed Improvements was placed in service.

(2) *Final Allocation of Bond Proceeds to Expenditures*. The Issuer and the City understand that, under Regulations § 1.148-6(d), the Issuer is required to account for the allocation of Bond proceeds to Financed Project expenditures (including expenditures made before and after the Issue Date of the Bonds) within 18 months after the later of (A) the date the expenditure is made, or (B) the date the Financed Project is placed in service, and in any event not later than the date that is 60 days after the fifth anniversary of the Issue Date or the date the Bonds are retired, if earlier (a "Final Allocation"). The City will maintain accurate records of all expenditures made for the Financed Project, including the amount, the date paid, a description of the purpose, and the source of funds (whether Bond proceeds or other money), initially allocated to each Financed Project expenditure. Not later than the time limit set forth above, the City will prepare a Final Allocation, showing the allocation of Bond proceeds and other money to all

Financed Project costs and identifying the Financed Project, and will maintain the Final Allocation in its books and records in accordance with ***Section 4.2***. The City will make the Final Allocation available to the Issuer upon the Issuer's request. The Issuer and City reserve the right to make modifications to the expected allocation of Bond proceeds and other money for purposes of compliance with the limitations on Non-Qualified Use following completion of the Financed Project in accordance with, and within the time limits prescribed in, the Regulations. In the absence of such subsequent allocation, the Bond proceeds will be deemed allocated as shown on ***Exhibit D***.

(k) ***Registered Bonds***. All of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(l) ***Bonds Not Federally Guaranteed***. Neither the Issuer nor the City will take any action or permit any action to be taken which would cause the Bonds to be "federally guaranteed" within the meaning of Code § 149(b).

(m) ***IRS Form 8038-G***. Bond Counsel prepared an IRS Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the Issuer and City contained in this Tax Agreement or otherwise provided by the Issuer or City. The Issuer and City do not know of any inaccuracies in the Form 8038-G included as ***Exhibit A***. Bond Counsel signed the return as a paid preparer following completion and delivered copies to the Issuer for execution and for the Issuer's records. The Issuer agrees to timely execute and return to Bond Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the IRS Form 8038-G as filed with the IRS with proof of filing will be included in ***Exhibit A*** of Tax Agreement. The Issuer expects to allocate $0 of the Net Proceeds of the Bonds to reimburse expenditures made prior to the Issue Date and that amount should be reflected on Line 45a of Form 8038-G.

(n) ***Hedge Bonds***. At least 85% of the Net Proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and not more than 50% of the Bond proceeds will be invested in Investments having a substantially guaranteed Yield for four years or more.

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

(p) ***Interest Rate Swap***. As of the Issue Date, neither the Issuer nor the City has entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds. Neither the Issuer nor the City will enter into any such arrangement in the future without first consulting with Bond Counsel.

(q) ***Guaranteed Investment Contract***. As of the Issue Date, neither the Issuer nor the City expects to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The Issuer and City will be responsible for complying with ***Section 4.4(d)*** if a Guaranteed Investment Contract is used for the investment of Gross Proceeds at a later date.

(r) ***Bank Qualified Tax-Exempt Obligation.*** The Bonds are **not** "qualified tax exempt obligations" under Code § 265(b)(3).

Section 2.02 Continuing Application of Representations and Covenants. All representations, covenants and certifications contained in this Tax Agreement or in any certificate or other instrument delivered by the Issuer and the City under this Tax Agreement, will survive the execution and delivery of such documents and the issuance of the Bonds, 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 Bonds.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.01 General. The purpose of this Article is to certify, under Regulations § 1.148-2(b), the Issuer's expectations as to the sources, uses and investment of Bond proceeds and other money, in order to support the Issuer's conclusion that the Bonds are not arbitrage bonds. The persons executing this Tax Agreement on behalf of the Issuer and the City are officers of the Issuer and City responsible for issuing the Bonds.

Section 3.02 Reasonable Expectations. The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the Issuer's understanding of the documents and certificates that comprise the Transcript, including the Bond Resolution, the Base Lease, the Project Lease, this Tax Agreement, covenants, representations and certifications of the City contained in this Tax Agreement and in the closing certificate of the City, and representations, warranties and certifications contained in the certificate of the Purchaser. To the Issuer's knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the Issuer set forth in this Tax Agreement are reasonable. The Issuer 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 3.03 Purpose of Financing. The Issuer is issuing and delivering the Bonds simultaneously with the execution of this Tax Agreement, under the laws of the State, pursuant to the Bond Resolution adopted by the governing body of the Issuer. The Bonds are being issued for the purpose of paying (a) the costs of the Financed Project and (b) Costs of Issuance.

Section 3.04 Funds and Accounts. The following funds and accounts have been established under the Bond Resolution:

(a) Project Fund.
(b) Principal and Interest Account.
(c) Costs of Issuance Account.
(d) Rebate Fund.

Section 3.05 Amount and Use of Bond Proceeds and Other Funds.

(a) ***Amount of Bond Proceeds***. The total proceeds to be received by the Issuer from the sale of the Bonds are as evidenced in ***Exhibit B*** and ***Schedule 1*** attached to this Tax Agreement.

(b) ***Use of Bond Proceeds and Other Funds***. The Bond proceeds and other funds of the City are expected to be allocated to expenditures as follows:

(i) Bond proceeds in the amount of $12,100,000 will be deposited in the Project Fund and used to pay a portion of the costs of the Project.

(ii) Bond proceeds in the amount of $110,000 will be deposited into the Costs of Issuance Account and used to pay Costs of Issuance of the Bonds.

(iii) Available funds of the City in the amount of $[____________] will be used to pay a portion of the costs of the Project.

Section 3.06 No Advance Refunding. No proceeds of the Bonds will be used more than 90 days following the Issue Date to pay principal or interest on any other debt obligation.

Section 3.07 No Current Refunding. No proceeds of the Bonds will be used to pay principal or interest on any other debt obligation.

Section 3.08 Completion of Financed Project. The City has incurred, or will incur within 6 months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the Net Proceeds of the Bonds on the Financed Project. The completion of the Financed Project and the allocation of the Net Proceeds of the Bonds to expenditures will proceed with due diligence. At least 85% of the Net Proceeds of the Bonds will be allocated to expenditures on the Financed Project within 3 years after the Issue Date.

Section 3.09 Sinking Funds. The Issuer is leasing the Project to the City under the Project Lease. The City is required under the Project Lease to make periodic payments to the Issuer in amounts sufficient to pay the principal of and interest on the Bonds. Except for the Principal and Interest Account, neither the Issuer nor the City has established or expects to establish any sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds. The Principal and Interest Account is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the Issuer and the City expect that the Principal and Interest Account will qualify as a Bona Fide Debt Service Fund.

Section 3.10 Reserve, Replacement and Pledged Funds.

(a) ***No Reserve Fund***. No reserve fund has been established for the Bonds.

(b) ***No Replacement or Pledged Funds***. None of the Bond proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Project and that have been or will be used to acquire higher yielding Investments. Except for the Principal and Interest Account, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Issuer or the City encounters financial difficulty.

Section 3.11 Purpose Investment Yield. The proceeds of the Bonds 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 on Bonds.

(a) ***Issue Price; Private Placement***. Based on the Purchaser's certifications in ***Exhibit C***, for purpose of calculating the Yield on the Bonds the Issuer hereby elects to establish the issue price of the Bonds pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called "private placement rule"). Therefore, the aggregate issue price of the Bonds for such purpose is $12,210,000, without accrued interest.

(b) ***Bond Yield***. Based on the aggregate issue prices of the Bonds set forth in (a) hereof, the Yield on the Bonds is 4.545139%, as computed by Bond Counsel and shown on ***Schedule 1*** attached to this Certificate. The Issuer has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

Section 3.13 Miscellaneous Arbitrage Matters.

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

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

Section 3.14 Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the Issuer does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an "arbitrage bond" within the meaning of Code § 148 and the Regulations.

ARTICLE IV

TAX COMPLIANCE POLICIES AND PROCEDURES

Section 4.01 General.

(a) ***Purpose of Article***. The purpose of this ***Article IV*** is to set forth the policies and procedures governing compliance with the federal income tax requirements for the Bonds that apply after the Bonds are issued. The Issuer and City recognize that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The Issuer and City further acknowledge that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

(b) ***Written Policies and Procedures of the Issuer***. The Issuer and the City intend 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 Bonds and to supplement any other formal policies and procedures related to the Post-Issuance Tax Requirements that the Issuer has established or establishes in the future. 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) ***City Responsible for Post-Issuance Tax Requirements***. The Issuer and City acknowledge that the investment and expenditure of proceeds of the Bonds are primarily within the control of the City, and that substantially all of the Net Proceeds of the Bonds will be used to finance property that will be owned and controlled by the City. The City agrees to undertake responsibility for compliance with the Post-Issuance Tax Requirements. The Issuer will sign Form 8038-T in connection with the payment of arbitrage rebate, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (VCAP) or remedial action procedure pursuant to Regulations §§ 1.141-12 and 1.145-2.

(d) ***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 payments, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations §§ 1.141-12 and 1.145-2. In each case, all costs and expenses incurred by the City shall be treated as a reasonable cost of administering the Bonds and the City shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Bond Resolution or State law.

Section 4.02 Record Keeping; Use of Bond Proceeds and Use of Financed Project.

(a) ***Record Keeping***. The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a writing by Bond 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 3 years following the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds. 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 Issuer and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the Issuer's premises.

(b) ***Accounting and Allocation of Bond Proceeds to Expenditures***. The Bond Compliance Officer will account for the investment and expenditure of Bond proceeds in the level of detail required by the Tax Compliance Procedure. The Bond Compliance Officer will supplement the expected allocation of Bond proceeds to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure.

(c) ***Annual Compliance Checklist***. Attached as ***Exhibit E*** is a sample Annual Compliance Checklist for the Bonds. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Financed Project at least annually in accordance with the Tax Compliance Procedure. In the event 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 from Bond Counsel or the Tax Compliance Procedure to correct any deficiency.

(d) ***Advice from Bond Counsel***. The Bond Compliance Officer is responsible for obtaining and delivering to the Issuer any advice received from Bond Counsel required under the provisions of this Tax Agreement or the Annual Compliance Checklist.

Section 4.03 Restrictions on Investment Yield. Except as described below, Gross Proceeds must not be invested at a Yield greater than the Yield on the Bonds:

(a) ***Project Fund and Costs of Issuance Account***. Bond proceeds deposited in the Project Fund and the Costs of Issuance Account and Investment earnings on such proceeds may be invested without Yield restriction for three years following the Issue Date. If any unspent proceeds remain in the Project Fund or Costs of Issuance Account after three years, such amounts may continue to be invested without Yield restriction so long as the Issuer pays to the IRS all Yield reduction payments in accordance with Treas. Reg. § 1.148-5(c). These payments are required whether or not the Bonds are exempt from the arbitrage rebate requirements of Code § 148.

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

(c) ***Rebate Fund***. Money other than sale proceeds or Investment proceeds of the Bonds 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 4.04 Procedures for Establishing Fair Market Value of Investments

(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 Issuer is applying to the Bonds Regulations § 1.148-5(d)(6)(iii)(A) as amended by the Proposed Regulations (relating to electronic bidding of 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 Issuer 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 Issuer 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 Issuer 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 Issuer'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") before providing a bid.

(G) At least 3 "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 3 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 of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least one of the 3 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 Issuer retains the following records with the bond documents until 3 years after the last outstanding Bond 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 Issuer, 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 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 3 bids on the Investment must be received from persons with no financial interest in the Bonds (*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 4.05 Certain Gross Proceeds Exempt from the Rebate Requirement.

(a) ***General***. A portion of the Gross Proceeds of the Bonds 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 Bonds and will not otherwise affect the application of the Investment limitations described in ***Section 4.03***. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in ***Section 4.06*** applies even if a portion of the Gross Proceeds of the Bonds is exempt from the rebate requirement. To the extent all or a portion of the Bonds is exempt from rebate the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in ***Section 4.06***. The Issuer may defer the final rebate Computation Date and the payment of rebate for the Bonds 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 Issuer expects that at least 75% of the Available Construction Proceeds will be used for construction or rehabilitation expenditures for property owned by the Issuer.

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

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

(3) The Issuer expects to earn approximately $5,898.73 in Investment earnings on Bond proceeds in the Project Fund.

(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 Debt Service Account qualifies as a Bona Fide Debt Service Fund, Investment earnings therein cannot be taken into account in computing arbitrage rebate: (1) with respect to such portion that meets the 6-month, 18-month or 2-year spending exception; or (2) for a given Bond Year, if the gross earnings on the Debt Service Account for such Bond Year are less than $100,000. If the average annual debt service on the Bonds does not exceed $2,500,000, the $100,000 earnings test may be treated as satisfied in every Bond Year.

(e) ***Documenting Application of Spending Exception***. At any time prior to the first Computation Date, the Issuer may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the Issuer must continue to comply with ***Section 4.06***.

(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 principal of any Bonds 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 Bonds are spent within 6 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 6-month period, so long as this amount is spent within 1 year of the Issue Date.

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

Time Period After the Issue Date	**Minimum Percentage of Adjusted Gross Proceeds Spent**
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:

Time Period After the Issue Date	**Minimum Percentage of Available Construction Proceeds Spent**
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 Issuer uses due diligence to complete the Financed Improvement and the failure does not exceed the lesser of 3% of the aggregate issue price the Bonds 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 Bonds 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 3 years after the Issue Date in the case of the 2-year spending exception.

Section 4.06 Computation and Payment of Arbitrage Rebate.

(a) ***Rebate Fund***. The Issuer will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund under this Tax Certificate. 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 Issuer will provide the Rebate Analyst Investment reports relating to each fund held by it that contains Gross Proceeds of the Bonds together with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the Issuer annually as of the end of each Bond 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 Bonds, (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 following each Computation Date and deliver a written report to the Issuer together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was 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 arbitrage rebate due, the Issuer will, within 55 days after such Computation Date, pay 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 Issuer will transfer such surplus in the Rebate Fund to the Debt Service Account. After the final Computation Date or at any other time if the Rebate Analyst has advised the Issuer, any money left in the Rebate Fund will be paid to the Issuer and may be used for any purpose not prohibited by law.

(c) ***Rebate Payments***. Within 60 days after each Computation Date, the Issuer will pay to the United States the rebate 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 Issuer desires that a different firm act as the Rebate Analyst, then the Issuer 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 Certificate, will name 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.

(e) ***Filing Requirements***. The Issuer 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 from Bond Counsel.

(f) ***Survival after Defeasance***. Notwithstanding anything in the Bond Resolution to the contrary, the obligation to pay arbitrage rebate to the United States will survive the payment or defeasance of the Bonds.

Section 4.07 Tax Audits. The Issuer and the City acknowledge that the IRS has a routine tax audit program in place and that the cost of professional representation and compliance with requests for records and other information that are a part of such an audit can be substantial, even if no violation of tax laws are found. The Issuer and the City also recognize that under current administrative procedures the IRS must direct audit inquiries to the Issuer, even though the City has the primary responsibility for maintaining the exclusion of interest on the Bonds from gross income for federal income tax purposes. Upon receipt of notice of the commencement of any audit of the Bonds, the City or the Issuer will notify the other promptly. Throughout the term of the audit and any subsequent proceedings, the Issuer and the City will provide copies to one another of any correspondence received from or transmitted to the IRS by the other. The Issuer may hire its own legal counsel to represent its interests in connection with the audit or in any further proceeding that results from the audit. At the request of the Issuer, the City will hire separate legal counsel to represent the City's interests in the audit. The City, upon written request of the Issuer, will assume responsibility for responding to information and document requests made by the auditor that are within the knowledge or possession of the City. Promptly on demand by the Issuer in writing, the City will pay costs incurred by the Issuer in connection with the audit or any legal or administrative proceeding resulting from the audit (including the Issuer's reasonable attorney's fees and expenses). So long as the City shall not be in default under the terms of the Project Lease and the Bond Resolution, neither the Issuer nor the City shall have the right to represent or otherwise bind the other party in connection with any settlement related to the tax-exempt status of the Bonds. Nothing contained in this section is intended to limit the rights of the Issuer to recovery under the Project Lease or any other agreement or certificate executed in connection with the issuance of the Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01 Term of Tax Agreement. This Tax Agreement will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that the provisions of ***Article IV*** of this Tax Agreement regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions of ***Section 4.02*** relating to record keeping shall continue in force for the period described therein for records to be retained.

Section 5.02 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, but only if such amendment is in writing and is accompanied by advice from Bond Counsel to the effect that, under then-existing law, assuming compliance with this Tax Agreement as so amended, the Bond Resolution and the Project Lease, such amendment will not cause interest on any Bond to be included in gross income for federal income tax purposes. No such amendment will become effective until the Issuer and the City receive advice from Bond Counsel.

Section 5.03 Advice from Bond Counsel. The Issuer and the City may deviate from the provisions of this Tax Agreement if furnished with advice from Bond Counsel to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Issuer (to the extent within its power or direction) and the City further agree to comply with any further or different instructions provided in advice from Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

Section 5.04 Reliance. In delivering this Tax Agreement the Issuer is making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. The Issuer is not 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 balance of the certifications, representations and agreements contained in this Tax Agreement, except those made by the Purchaser in ***Exhibit C***, are those of the City, and the Issuer is relying on the City with respect to them. The Issuer is not aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of the City or the Purchaser and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable.

Section 5.05 Severability. If any provision in this Tax Agreement or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.06 Benefit of Agreement. This Tax Agreement is binding upon the Issuer and the City and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owners of the Bonds. Nothing in this Tax Agreement or in the Bond Resolution or the Bonds, express or implied, gives to any person, other than the Issuer, its successors and assigns, and the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement.

Section 5.07 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 pursuant to the terms of the Bond Resolution or any other document which references this Tax Agreement and gives remedies for a misrepresentation or breach thereof.

Section 5.08 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 5.09 Electronic Transactions. The transactions described in this Tax Agreement may be conducted, and related documents may be stored, by electronic means.

Section 5.10 Governing Law. This Tax Agreement will be governed by and construed in accordance with the laws of the State.

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THE PARTIES TO THIS TAX COMPLIANCE AGREEMENT have caused this Tax Compliance Agreement to be duly executed by their duly authorized officials and officers as of the day and year first above written.

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

____
President

____
Secretary

CITY OF EMPORIA, KANSAS

____
Mayor

____
Director of Finance

EXHIBIT A

IRS FORM 8038-G

(EVIDENCE OF FILING OF FORM 8038-G)

EXHIBIT B

RECEIPT FOR PURCHASE PRICE

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION FACILITY PROJECT)
SERIES 2025A

The undersigned Director of Finance of the City of Emporia, Kansas, on behalf of the City of Emporia, Kansas Public Building Commission, this day received from Webster Bank, New York, New York, the original purchaser of the above-described bonds (the "Bonds"), the full purchase price of the Bonds, said purchase price and net amount received by the Issuer being calculated as follows:

Principal Amount	$12,210,000.00
Total Purchase Price	***$12,210,000.00***

DATED: March 6, 2025.

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

By: ______________________________
City Director of Finance

EXHIBIT C

RECEIPT AND REPRESENTATION

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION FACILITY PROJECT)
SERIES 2025A

This Receipt and Representation (the "Certificate") is being delivered by Webster Bank, New York, New York (the "Purchaser") in connection with the issuance of the above-described bonds (the "Bonds"), being issued on the date of this Receipt by the City of Emporia, Kansas Public Building Commission (the "Issuer"). Based on its records and information available to the undersigned which the undersigned believes to be correct, the Purchaser represents as follows:

1. **Authorized Representative**. The undersigned is the duly authorized representative of the Purchaser.

2. **Receipt for Bonds**. The Purchaser acknowledges receipt on the Issue Date of the Bonds consisting of fully registered bonds in Authorized Denominations in a form acceptable to the Purchaser.

3. **Issue Price**.

(a) ***Purchase Price***. On the date of this Certificate, the Purchaser is purchasing the Bonds for the amount of $12,210,000. The Purchaser is not acting as an Underwriter with respect to the Bonds. The Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Bonds (or any portion of the Bonds or any interest in the Bonds). The Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds, and the Purchaser has not agreed with the Issuer pursuant to a written agreement to sell the Bonds to persons other than the Purchaser or a related party to the Purchaser.

(b) ***Defined Terms***.

(i) The term "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(ii) The term "Related Party" is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly.

(iii) The term "Underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds 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 paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public.

4. **Compliance with Bond Purchase Agreement**. The Purchaser acknowledges that it has timely received in satisfactory form and manner all proceedings, certificates, opinions, letters and other documents required to be submitted to it pursuant to the Bond Purchase Agreement on the date of the delivery of and payment for the Bonds (except to the extent the Purchaser has waived or consented to modification of certain provisions thereof), and that the Issuer has in all respects complied with and satisfied all of its obligations to us which are required under the Bond Purchase Agreement to be complied with and satisfied on or before the date hereof.

5. **Reliance**. The Issuer may rely on the foregoing representations in executing and delivering its Tax Compliance Agreement with respect to its certification as to issue price of the Bonds under the Internal Revenue Code of 1986, as amended (the "Code"), and Gilmore & Bell, P.C., Bond Counsel may rely on the foregoing representations in determining the issue price of the Bonds under the Code and in rendering its opinion relating to the exclusion from federal gross income of the interest on the Bonds under the Code.

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Dated: March 6, 2025.

WEBSTER BANK
NEW YORK, NEW YORK

By: ______________________________
Title: _____________________________

604915.20002\TCA

(Signature Page to Purchaser's Receipt)

EXHIBIT D

DESCRIPTION OF PROPERTY COMPRISING THE FINANCED PROJECT

Description	**Estimated Date Placed in Service**	**Estimated Useful Life**	**Estimated Total Cost**
Fire Station Facility Project	[__/____]		
Building Construction		40 years	
Construction Contingency		40 years	
Furnishing & Equipment		10 years	
Total			
Estimated total cost paid from Bonds	$[________]		
Estimated total cost paid from other sources	$[________]		
Amount reimbursed from Bonds	$[________]		

[List of Expenditures to be Reimbursed from Bond Proceeds]

Date Expenditure Paid	**Amount Paid**	**Vendor Paid**	**Purpose**

604915.20002\TCA V.2

EXHIBIT E

FORM OF ANNUAL COMPLIANCE CHECKLIST

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION FACILITY PROJECT)
SERIES 2025A

The Bond Compliance Officer is the person that the City has identified in the Tax Compliance Procedure who is primarily responsible for working with other City officials, departments and administrators and Issuer officials and for consulting with Bond Counsel, other legal counsel and outside experts to the extent necessary to carry out the Post-Issuance Tax Requirements for the Bonds. On the Issue Date, the City identified certain assets financed in whole or in part by the Bonds (the "Financed Project"), as evidenced on *Exhibit D* to the Tax Compliance Agreement. Please complete this checklist within 90 days after the conclusion of the City's Fiscal Year. Should you have questions or need assistance in completing the checklist, please contact Bond Counsel at the address below. A completed copy of this annual checklist should be placed in the Tax-Exempt Bond File and retained in the City's permanent records for at least 3 years after the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds.

Bond Compliance Officer Name: [_____________]
Bond Compliance Officer Signature: [_____________]
Date of Report: [_____________]
Annual Period Covered by Report: [_____________]

****If the answers to any of the following questions identify any compliance deficiencies, the Bond Compliance Officer should immediately contact Bond Counsel and take actions required in the Tax Compliance Procedure.****

Item	Question	Response
1 Ownership	Were all of the portions of the Financed Project owned by the Issuer or the City during the entire Annual Period?	☐ Yes ☐ No
	If answer above was "No," was advice from Bond Counsel obtained prior to the transfer? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

2 Leases & Other Rights to Possession	During the Annual Period, was any part of the Financed Project leased at any time pursuant to a lease or similar agreement for more than 50 days (other than the Project Lease of the Project between the Issuer and the City)?	☐ Yes ☐ No

604915.20002\TCA V.2

Item	Question	Response
	If answer above was "Yes," was advice of Bond Counsel obtained prior to entering into the lease or other arrangement? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

3 **Management or Service Agreements**	During the Annual Period, has the management of all or any part of the operations of the Financed Project (e.g., cafeteria, gift shop, etc.) been assumed by or transferred to another entity?	☐ Yes ☐ No
	If answer above was "Yes," was advice of Bond Counsel obtained prior to entering into the management agreement? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

4 **Other Use**	Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Project?	☐ Yes ☐ No
	If answer above was "Yes," was advice of Bond 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 Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

5 **Proceeds & Investments**	Have any Gross Proceeds of the Bonds been invested in a Guaranteed Investment Contract?	☐ Yes ☐ No
	Has the Issuer or the City entered into an Interest Rate Swap Agreement with respect to the Bonds?	☐ Yes ☐ No
	Has any sinking or reserve fund for the payment of the Bonds been established (other than funds and accounts created in the Bond Resolution)?	☐ Yes ☐ No
	Have any of the Bonds been redeemed or refunded in advance of their scheduled maturities?	☐ Yes ☐ No
	If answer to any of the above questions was "Yes," notify Bond Counsel with such information and place a copy of documentation in the Tax-Exempt Bond File.	

6 **Arbitrage & Rebate**	Have all rebate and yield reduction calculations mandated in the Tax Compliance Agreement been prepared for the current year?	☐ Yes ☐ No
	If No, contact Rebate Analyst and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

Bond Counsel: Gilmore & Bell, P.C.
100 N. Main, Suite 800
Wichita, Kansas 67202
Phone: (316) 267-2091
Fax: (316) 262-6523
Attn: Dominic Eck
Email: deck@gilmorebell.com

SCHEDULE 1

DEBT SERVICE SCHEDULE AND PROOF OF YIELD

Gilmore & Bell, P.C.
02/12/2025

TRANSCRIPT OF PROCEEDINGS

AUTHORIZING THE ISSUANCE

OF

$12,210,000

CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION

REVENUE BONDS
(FIRE STATION PROJECT)
SERIES 2025A

DATED MARCH 6, 2025

Legal Opinion

Gilmore & Bell, P.C.
Wichita, Kansas

604915.20002\CLOSINGDOCS V.2

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS
(FIRE STATION PROJECT)
SERIES 2025A
DATED MARCH 6, 2025

CLOSING LIST

The transcript of proceedings will be prepared in electronic format unless otherwise noted, for the above referenced issue (the "Bonds"), and distributed as follows:

1. City of Emporia, Kansas Public Building Commission (the "PBC" or "Issuer") [*Original + electronic*]
2. City of Emporia, Kansas (the "Tenant" or "City")
3. Christina Montgomery, Esq., Emporia, Kansas ("City Attorney")
4. Attorney General of the State of Kansas [*Original*]
5. State Treasurer, Topeka, Kansas (the "Paying Agent")
6. Webster Bank, New York, New York (the "Original Purchaser")
7. Raymond James & Associates, Inc., Leawood, Kansas (the "Municipal Advisor")
8. Gilmore & Bell, P.C., Wichita, Kansas ("Bond Counsel")

Document
Number

BASIC DOCUMEMTS

1. Excerpt of Minutes of a PBC meeting evidencing adoption of Resolution No. [_____] and Resolution No. [_____] authorizing the issuance and prescribing the form and details of the Series 2025A Bonds
2. Base Lease
3. Project Lease
4. Tax Compliance Agreement
   Exhibit A – IRS Form 8038-G with Attachment and evidence of filing
   Exhibit B – Receipt for Purchase Price
   Exhibit C – Receipt and Representation
   Exhibit D – Description of Property Comprising the Financed Project
   Exhibit E – Form of Annual Compliance Checklist
   Exhibit F – Form of Final Written Allocation

Schedule 1 – Debt Service Schedule and Proof of Yield on the Bonds

PROCEEDINGS OF THE
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION

5. Excerpt of minutes of a PBC meeting on [January __, 2025], reflecting the adoption of the Bylaws of the PBC
   Attachment A – Bylaws of the PBC

6. Excerpt of minutes of a PBC evidencing adoption of Resolution No. 3760 and Resolution No. 3760 authorizing the Project and authorizing the offering for sale of the Series 2025A Bonds

7. Affidavit of Publication of Resolution No. 3760

8. Transcript Certificate
   Exhibit A – Statement of Costs

9. Uniform Facsimile of Signature Certificates

10. Authorization of State Treasurer to use facsimile signature and seal

11. Specimen Bond and Printer's Certificates

12. Agreement Between Issuer and Agent

13. Issuer's Closing Certificate

PROCEEDINGS OF THE CITY OF EMPORIA, KANSAS

14. Excerpt of minutes of a meeting of the governing body of the City evidencing adoption of Charter Ordinance No. 45 and Charter Ordinance No. 45 of the City

15. Affidavit of Publication of Charter Ordinance No. 45

16. Excerpt of minutes of a meeting of the governing body of the City evidencing adoption of Resolution No. [___] and Resolution No. [___] of the City declaring an intent to authorize reimbursement of project expenditures

17. Excerpt of minutes of a meeting of the governing body of the City evidencing adoption of Ordinance No. [____] and Ordinance No. [____] of the City creating the PBC

18. Affidavit of Publication of Ordinance No. [____]

19. Excerpt of minutes of a meeting of the governing body of the City evidencing adoption of Resolution No. 3759 and Resolution No. 3759 of the City requesting the issuance of the Series 2025A Bonds by the PBC

20. Excerpt of minutes of a meeting of the governing body of the City evidencing adoption of Resolution No. [____] and Resolution No. [____] of the City authorizing the execution of the Base Lease, Project Lease, and related documents

21. City's Closing Certificate

LEGAL OPINIONS

22. Approving legal opinion of Gilmore & Bell, P.C.

23. Opinion of the City Attorney

24. Approval letter of Attorney General

MISCELLANEOUS DOCUMENTS

25. Event Notice related to the issuance of the Series 2025A Bonds and proof of filing

26. Notice of Leases (Recorded)

27. Insurance Certificate

28. Closing Letter

* * * * *

Gilmore & Bell, P.C.
02/12/2025

TRANSCRIPT CERTIFICATE

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION PROJECT)
SERIES 2025A
DATED MARCH 6, 2025

The undersigned President and Secretary of the City of Emporia, Kansas Public Building Commission (the "Issuer"), do hereby make this certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the above described bonds (the "Bonds"); and do hereby certify as of February 19, 2025, as follows:

1. Meaning of Words and Terms. Capitalized words and terms used herein, unless otherwise defined herein or the context requires otherwise, shall have the same meanings ascribed to such words and terms in Resolution No. [____] authorizing the Bonds (the "Bond Resolution").

2. Organization. The Issuer is a legally constituted municipal corporation organized and existing under the laws of the State of Kansas.

3. Transcript of Proceedings. The transcript of proceedings (the "Transcript") relating to the authorization and issuance of the Bonds is to the best of our knowledge, information and belief full and complete; none of such proceedings have been modified, amended or repealed, except as might be shown in the Transcript, and the facts stated in the Transcript still exist. In each and every instance where copies appear in the Transcript, such copies are true and correct duplicates of the original instruments now on file with the Secretary.

4. Newspaper. The ***Emporia Gazette*** was the official newspaper of the Issuer at all times during these proceedings.

5. Meetings. All of the meetings of the governing body of the Issuer at which action was taken as shown in the Transcript were either regular meetings or duly adjourned regular meetings or special meetings duly called and held in accordance with law and the rules of the Issuer.

6. Incumbency of Officers. The following named persons were and are the duly qualified and acting officers of the Issuer at and during all the times when action was taken as indicated in the Transcript as follows:

Name	Title	Term of Office
Erren Harter	President	02/25 to 01/26
	Member	02/25 to 01/28
Suan Brinkman	Member	02/25 to 01/26
Becky Smith	Member	02/25 to 01/28
Jamie Sauder	Member	02/25 to 01/26
Tyler Curtis	Member	02/25 to __/__
Kerry Sull	Secretary	02/25 to DATE

7. **Execution of Bonds**. The Bonds have been executed with facsimile signatures; and the facsimile signatures appearing on the face of the Bonds are facsimiles of the true and genuine signatures of the President and Secretary of the Issuer; which facsimiles are ratified as a proper execution of said Bonds. A facsimile of the seal of the Issuer is affixed to or imprinted on each of the Bonds and on the reverse side of each of the Bonds at the place where the Secretary has executed by facsimile signature the Certificate of Registration; and each Bond bears a Certificate of Registration evidencing the fact that it has been registered in the office of the Secretary. A true impression of the seal is set forth adjacent to the signature of the Secretary below. The specimen bond included in the Transcript is in the form adopted by the governing body of the Issuer for the Bonds.

8. **Authorization and Purpose of the Bonds**. The Bonds are being issued pursuant to the Bond Resolution for the purpose of paying a portion of the costs to construct, furnish, and equip a building located on certain land (the "Site") owned by the City of Emporia, Kansas (the "City") for use by the City as a fire station facility (collectively, the Project"). The Site will be leased by the City to the Issuer pursuant to a Base Lease, dated as of March 6, 2025 (the "Base Lease"), and the Project will be leased by the Issuer to the City pursuant to a Project Lease, dated as of March 6, 2025 (the "Lease") which will provide sufficient rentals to provide for the payment of the debt service requirements on the Bonds. The Project has been duly authorized by the Issuer pursuant to K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45 of the City, all as amended (the "Act"). Estimates of the cost of the Project have been presented to and approved by the governing body of the Issuer, and said estimates of cost are on file in the office of the Secretary, and the total principal amount of the Bonds does not exceed the cost of the Project for which the Bonds are issued. A Statement of Cost is attached hereto as ***Exhibit A*** and made a part hereof by reference as though fully set out herein.

The interest rates on the Bonds on the date of the sale of the Bonds were within the maximum legal limit for interest rates under K.S.A. 10-1009, as amended.

9. **Bonded Indebtedness**. The currently outstanding applicable indebtedness of the Issuer, including the Bonds, does not exceed any applicable constitutional or statutory limitations. The Bonds constitute the only outstanding revenue bonds of the Issuer.

10. **Non-litigation.** There is no controversy, suit or other proceedings of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way: (a) the legal organization of the Issuer; (b) the right or title of any of its officers to their respective offices; (c) the legality of any official act shown to have been done in the Transcript; (d) the constitutionality or validity of the indebtedness represented by the Bonds shown to be authorized in the Transcript; or (e) the validity of the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof.

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WITNESS our true and genuine manual signatures and the seal of the Issuer.

President

(SEAL)

Secretary

EXHIBIT A

STATEMENT OF COST

Re: Revenue Bonds (Fire Station Project), Series 2025A, Dated March 6, 2025, of the City of Emporia, Kansas Public Building Commission

Sources of Funds:	
Principal Amount of the Bonds	$12,210,000.00
Total	***$12,210,000.00***
Uses of Funds:	
Deposit to Project Fund	$12,100,000.00
Deposit to Costs of Issuance Account	110,000.00
Total	***$12,210,000.00***

CERTIFICATE OF MANUAL SIGNATURE
OF THE PRESIDENT OF THE
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION

IN THE OFFICE OF THE SECRETARY OF STATE OF THE STATE OF KANSAS

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

I, the undersigned, **Erren Harter**, being duly sworn on oath certify that I am the duly qualified **President** of the City of Emporia, Kansas Public Building Commission, and that the signature appearing below is my signature and I file herewith this certificate pursuant to K.S.A. 75-4001 to 75-4007, inclusive.

____
Erren Harter

Subscribed and sworn to before me as of February 19, 2025.

____
Notary Public in and for said County and State

(SEAL)

My commission expires: ___________________.

604915.20002\CLOSINGDOCS V.2

CERTIFICATE OF MANUAL SIGNATURE
OF THE SECRETARY OF THE
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION

IN THE OFFICE OF THE SECRETARY OF STATE OF THE STATE OF KANSAS

STATE OF KANSAS)
) SS.
COUNTY OF LYON)

I, the undersigned, **Kerry Sull**, being duly sworn on oath certify that I am the duly qualified **Secretary** of the City of Emporia, Kansas Public Building Commission, and that the signature appearing below is my signature and I file herewith this certificate pursuant to K.S.A. 75-4001 to 75-4007, inclusive.

____
Kerry Sull

Subscribed and sworn to before me as of February 19, 2025.

____
Notary Public in and for said County and State

(SEAL)

My commission expires: ___________________.

604915.20002\CLOSINGDOCS V.2

AGREEMENT BETWEEN ISSUER AND AGENT

**$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION PROJECT)
SERIES 2025A
DATED MARCH 6, 2025**

THIS AGREEMENT, dated as of March 6, 2025, between the City of Emporia, Kansas Public Building Commission, a municipality (the "Issuer"), and the State Treasurer of Kansas, as Agent (the "Agent").

WHEREAS, for its lawful purposes, the Issuer has duly authorized the issue of the above-captioned bonds (the "Securities"), and the Issuer wishes the Agent to act as its Paying Agent, Bond Registrar, and Transfer Agent for the Securities:

Now, therefore, it is hereby agreed as follows:

I. APPOINTMENT

Issuer hereby appoints or has heretofore appointed the State Treasurer of Kansas to act as Paying Agent, Bond Registrar and Transfer Agent for the Securities. The State Treasurer of Kansas hereby accepts its appointment as the Paying Agent, Bond Registrar and Transfer Agent.

II. BASIC DUTIES

A. Issuer or its duly authorized representative agrees to furnish Agent the name(s) and address(es) of the initial registered owner(s) of the Securities together with such registered owners' tax identification (social security) number(s), the maturity date(s), denomination(s) and interest rate(s) for each Security.

B. Agent shall manually authenticate the originally issued Securities upon the written order of one or more authorized officers of Issuer. Thereafter, Agent shall manually authenticate all Securities resulting from transfer or exchange of Securities.

C. Agent shall maintain an office in the City of Topeka, Kansas, where Securities may be presented for registration, transfer and exchange; and shall also maintain an office in the City of Topeka, Kansas, where Securities may be presented for payment. Agent shall keep a register of the Securities and their transfer and exchange.

D. Agent may rely upon any document believed by it to be genuine and to have been signed or presented by the proper person. Agent need not investigate any fact or matter stated in the document. Agent undertakes to perform such duties and only such duties set forth in K.S.A. 10-620 *et seq*., except as specifically provided in this Agreement.

E. Agent shall notify the owners of the Securities upon default in payment of principal or interest on the Securities and the Agent shall have no duties or responsibilities thereafter.

III. COMPENSATION

Issuer covenants and agrees to pay to Agent, as reasonable compensation for the services provided as Agent, an initial setup fee of $300, a registration fee of $30, plus a fee of $13,881.25, based on a percentage of the aggregate principal amount of the Securities as follows:

1/8 of 1% (.125%) of the first $10,000,000
1/16 of 1% (.0625%) of the next $15,000,000
1/32 of 1% (.03125%) of the next $25,000,000
1/64 of 1% (.015625%) of the next $50,000,000
1/128 of 1% (.0078125%) over $100,000,000.

This amount will be due at the time of registration unless such fee is to be paid from the proceeds of the .bond issue in which case Issuer agrees to pay such fee within two (2) business days of the closing of the bond issue. In addition to the aforementioned fee, Issuer covenants and agrees to pay to Agent the fee as stated and required by K.S.A. 10-505 for performing the duties of paying the principal of the Securities.

IV. STANDARD OF PERFORMANCE

Issuer shall provide, or shall cause to be provided to Agent, a designation of whether its Securities are to be issued in certificated or uncertificated form, or both.

A. *STATEMENTS OF OWNERSHIP*

Agent agrees to provide Statements of Ownership to the owner of uncertificated Securities. Such Statements shall be in accordance with the standards set forth by the Attorney General. All Statements shall be issued in the denominations of $1,000 or $5,000 or integral multiples thereof except for one additional Security in another denomination, which additional Security shall mature in the initial maturity year of the series of the Securities. Interest is computed on the basis of $1,000 or $5,000 units and in all transactions involving the payment of interest, fractions of a cent equaling or exceeding five mills shall be regarded as one cent; fractions of a cent less than five mills shall be disregarded. Agent shall at all times maintain an adequate supply of Statements of Ownership for any anticipated transfers or exchanges of the Statements.

B. *CERTIFICATED SECURITIES*

All certificated Securities issued by Issuer under this Agreement shall be in accordance with the standards set forth by the Attorney General and unless otherwise authorized by Agent, the principal thereof shall be payable only upon surrender of the Security to Agent. All certificates shall be issued in the denomination of $1,000 or $5,000 or integral multiples thereof except one authorized Security in another denomination which additional Security shall mature in the initial maturity year of the series of Securities. Interest is computed on the basis of $1,000 or $5,000 units and in all transactions involving the payment of interest, fractions of a cent equaling or exceeding five mills shall be regarded as one cent; fractions of a cent less than five mills shall be disregarded. Issuer shall at Issuer's cost provide Agent with an adequate supply of certificates for any anticipated transfers or exchanges of the certificates. Issuer shall be responsible for the payment of the printing or other expenses for such certificates. Issuer shall be responsible for obtaining appropriate "CUSIP" number(s) and shall notify Agent of each number(s) prior to the issuance of the applicable Securities.

C. ***INTEREST CALCULATIONS***

Agent shall calculate interest on the basis of $1,000 and $5,000 units, or in the case of one odd denomination, calculate the unit separately. Each intermediate unit calculation is first determined, then rounded to the sixth decimal position; i.e. whenever the seventh decimal place is equal to or greater than five the sixth decimal place is increased by one. The final per unit calculation is subsequently rounded to two decimal positions. (See Attachment "A" for sample calculation.)

D. ***SURRENDER***

Securities surrendered for payment, cancellation or partial redemption shall be cancelled by Agent and returned to Issuer in accordance with K.S.A. 10-111.

E. ***TRANSFERS AND EXCHANGES***

1. When Securities are presented to Agent for transfer or exchange, Agent shall so transfer or exchange such Securities if the requirements of Section 8-401(1) of the Uniform Commercial Code are met.

2. In accordance with the authorizing Resolution or Ordinance of the Issuer (the "Bond Resolution"), payments of interest shall be made to the owner of record of each Security as of the close of business on the fifteenth day of the month preceding each interest payment date. The Agent shall make such payments to the record owner of each Security as set forth on the registration books maintained by Agent as of such date.

3. Agent shall not be required to transfer or exchange any Security during a period beginning on the day following the fifteenth day of the month preceding any interest payment date for such Securities and ending at the close of business on the interest payment date, or to transfer or exchange any Security selected or called for redemption in whole or in part subsequent to the date notice of such redemption is given in accordance with the Bond Resolution authorizing the Securities.

F. ***REGISTRATION DATES AND FUNDS FOR PAYMENTS***

Date of Registration shall be affixed on the initial Securities. Subsequent transfers or exchanges shall bear a Date of Registration as of the date that all the required documentation is received at the Agent's official place of business. Issuer will provide funds to make any interest or principal payments in accordance with K.S.A. 10-130 and amendments thereto. Agent is hereby authorized to effect any semiannual payment of interest or any principal by charging the Issuer's Fiscal Agency account with Agent.

G. ***REPLACEMENT OF SECURITIES***

If the owner of a Security claims that a Security has been lost, destroyed or wrongfully taken, Issuer shall issue and Agent shall authenticate a replacement Security if the requirements of Section 8-405 of the Uniform Commercial Code are met. Only Agent shall perform this function. An indemnity bond and affidavit of loss shall be provided to Agent and Issuer at the expense of the owner of the Security. Such indemnity bond and affidavit of loss must be sufficient in the judgment of Issuer and Agent to protect Issuer and Agent from any loss which any of them may suffer if the Security is replaced. Issuer may charge the Security owner for its expenses in the replacement of a Security.

H. ***REDEMPTIONS***

Optional Redemption. If any Securities are to be redeemed pursuant to an optional redemption in accordance with their terms, Issuer agrees to give Agent at least fifteen (15) days written notice thereof prior to the notice to be given the Security owners. If there is no provision for notice to the Security owners, Issuer agrees to give at least thirty (30) days written notice to Agent.

Notice of Redemption. Agent shall then notify, by ordinary mail, the owner of such Securities to be so redeemed. Agent shall select the Securities to be so redeemed. Agent shall not be required to exchange or register a transfer of any Security for a period of fifteen (15) days preceding the date notice is to be provided to the Security owners for the purpose of selecting Securities on a partial redemption. Further, in the event notice is given to Agent for a complete redemption of the Issue according to the terms of the Bond Resolution, Agent shall not be required to transfer or exchange any Security beginning on the day following the 15th day preceding the date set for redemption.

I. ***MISCELLANEOUS***

Agent hereby acknowledges receipt of numbered Securities of Issuer for registration and exchange (in a number equal to one Security for each maturity), and shall safeguard any "blank" Securities held for purpose of exchange or transfer.

J. ***REPORTS***

Agent shall provide Issuer an annual report of the activity with respect to the issuance of Securities upon written request of Issuer.

K. ***CONSTRUCTION***

This Agreement shall be construed in accordance with the laws of the State of Kansas and also the Bond Resolution authorizing the issuance of the Securities.

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CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

(SEAL)

By: ______________________________
President

ATTEST:

By: ______________________________
Secretary

OFFICE OF THE TREASURER
OF THE STATE OF KANSAS

(SEAL)

By: ______________________________
Title: ____________________________

604915.20002\CLOSINGDOCS

(Signature Page to Agreement Between Issuer & Agent)

ATTACHMENT "A"

SAMPLE

	$5,000.00000	Bond Unit
x	.06875	Interest Rate
=	343.750000	Rounded to six decimal places
/	360	Days per year
=	.954861	Rounded to six decimal places
x	180	Day in interest period
=	171.874980	(Rounded to second decimal = $171.87)

Unit interest is then multiplied by the number of units in the maturity.

**SAFEKEEPING AGREEMENT
BY AND BETWEEN
WEBSTER BANK
AND
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
AND
THE OFFICE OF THE KANSAS STATE TREASURER**

**$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION PROJECT)
SERIES 2025A
DATED MARCH 6, 2025**

In order to induce Webster Bank, New York, New York (the "Purchaser") to accept delivery of the above captioned bonds (the "Bond") for safekeeping prior to the delivery of the Bond on March 6, 2025 (the "Closing Date"), the City of Emporia, Kansas Public Building Commission (the "Issuer"), and the Treasurer of the State of Kansas (the "Agent") hereby agree to place the entire principal amount of the Bond, in the custody, control and possession of the Purchaser at least one day prior to the Closing Date.

By executing this agreement in the appropriate place Purchaser acknowledges upon receipt from the Agent of possession, custody and control of the Bond, and agrees to safekeep and hold in escrow the Bond until it shall have received notification from one of the following authorized representatives of the Issuer to release or return the Bond: Kerry Sull, Secretary, or Gilmore & Bell, P.C., Bond Counsel. Notification may be made by telephone or by receipt of an executed notice, delivered or telecopied to Purchaser; provided, however, that if the notification is made by telephone, written notice must be sent within 24 hours of the original notification. In the event a demand for the return of the Bond is received, Purchaser shall return the Bond as soon as practicable, but in any event, no later than the following business day.

Purchaser agrees to hold the Issuer and the Agent, as their interests may appear, and any of their officers or employees, harmless from any liability, loss, damage or reasonable expense in connection with the loss, theft, destruction or other disappearance of the Bond while they are in the possession, custody or control of Purchaser, prior to concluding the Closing with respect to the Bond.

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CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

Dated: February 19, 2025

By: ______________________________
Secretary

OFFICE OF THE TREASURER OF THE STATE OF KANSAS, As Agent

Dated: ________________

By: ______________________________
Title: ____________________________

WEBSTER BANK

Dated: ________________

By: ______________________________
Title: ____________________________

604915.20002\CLOSINGDOCS

(Signature Page to Safekeeping Agreement)

ISSUER'S CLOSING CERTIFICATE

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION PROJECT)
SERIES 2025A
DATED MARCH 6, 2025

The undersigned President and Secretary of the City of Emporia, Kansas Public Building Commission (the "Issuer"), make this Certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the above described bonds (the "Bonds"); and certify as of March 6, 2025 (the "Issue Date"), as follows:

1. Meaning of Words and Terms. Capitalized words and terms used in this Certificate, unless otherwise defined in this Certificate or the context requires otherwise, have the same meanings ascribed to such words and terms in the Bond Resolution (defined below) authorizing the Bonds.

2. Transcript of Proceedings. The transcript of proceedings relating to the authorization and issuance of the Bonds (the "Transcript"), furnished to the Purchaser of the Bonds, is to the best of our knowledge, information and belief full and complete; none of such proceedings have been modified, amended or repealed, except as might be shown in the Transcript; and the facts stated in the Transcript still exist. In each instance where copies appear in the Transcript, such copies are true and correct duplicates of the original instruments now on file with the Secretary. All certifications made by the Issuer in the Transcript Certificate dated February 19, 2025 are true and correct as of this date and are incorporated in this Certificate by reference.

3. Authorization and Purpose of the Bonds. The Issuer is issuing and delivering the Bonds simultaneously with the delivery of this Certificate, pursuant to and in full compliance with the Constitution and statutes of the State, including particularly K.S.A. 12-1757 *et seq*., as amended by Charter Ordinance No. 45 of the City, as amended, and Resolution No. [_____] of the Issuer duly adopted on February 19, 2025 (the "Bond Resolution"). The Bonds are being issued pursuant to the Bond Resolution for the purpose of paying a portion of the costs to construct, furnish and equip a building located on certain land (the "Site") owned by the City of Emporia, Kansas (the "City") for use by the City as a fire station facility (collectively the "Project"). The Site will be leased by the City to the Issuer pursuant to a Base Lease, dated as of March 6, 2025 (the "Base Lease"), and the Project will be leased by the Issuer to the City pursuant to a Project Lease, dated as of March 6, 2025 (the "Lease") which will provide sufficient rentals to provide for the payment of the debt service requirements on the Bonds.

4. Security for the Bonds. The Bonds are valid and legally binding special obligations of the Issuer, payable solely from the Pledged Property (as defined in the Bond Resolution), on a parity with any Additional Bonds to be issued, as provided in the Bond Resolution. The Bonds do not constitute a general obligation of the Issuer, nor do they constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision, limitation or restriction, nor shall they in any way obligate the Issuer, the State of Kansas or any political subdivision thereof (other than the City) to levy any form of taxation or make any appropriation for the payment thereon.

5. Sale of Bonds. The Bonds have been sold at rates not in excess of the limitations set forth in K.S.A. 10-1009.

6. **Non-Litigation**. There is no controversy, action, suit, proceeding, or to the best of our knowledge, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to the best or our knowledge, threatened against or affecting the Issuer, its officers or its property, or, to the best of our knowledge, any basis therefor questioning, disputing or affecting in any way: (a) the legal organization of the Issuer; (b) the right or title of any of its officers to their respective offices; (c) the legality of any official act shown to have been done in the Transcript; (d) the constitutionality or validity of the indebtedness represented by the Bonds shown to be authorized in the Transcript; or (e) the validity of the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof; or (f) the federal or state tax-exempt status of the interest on the Bonds; wherein any unfavorable decision, ruling or finding would adversely affect the Issuer, the transactions contemplated by the Bond Purchase Agreement, or by the Bond Resolution, or the validity or enforceability of the Bonds or the Bond Purchase Agreement, which are not disclosed in the Bond Purchase Agreement.

7. **Representations and Warranties Required by the Bond Purchase Agreement.** The Issuer has duly performed all of its obligations required to be performed at or prior to the date of this Closing Certificate by the Bond Purchase Agreement and each of the Issuer's representations and warranties contained in the Bond Purchase Agreement are true as of the Issue Date.

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WITNESS our signatures and the seal of the Issuer.

____
President

(SEAL)

____
Secretary

CITY'S CLOSING CERTIFICATE

$12,210,000
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION
REVENUE BONDS (FIRE STATION PROJECT)
SERIES 2025A
DATED MARCH 6, 2025

The undersigned Mayor and Clerk of the City of Emporia, Kansas (the "City"), do hereby make this certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the above described bonds (collectively the "Bonds"); and do hereby certify as of March 6, 2025 (the "Issue Date"), as follows:

1. **Meaning of Words and Terms.** Capitalized words and terms used herein, unless otherwise defined herein or the context requires otherwise, shall have the same meanings ascribed to such words and terms in Resolution No. [____] of the City of Emporia, Kansas Public Building Commission (the "PBC" or the "Issuer") authorizing the Bonds (the "Bond Resolution").

2. **Organization**. The City is a legally constituted city of the first class organized and existing under the laws of the State of Kansas.

3. **Transcript of Proceedings**. The transcript of proceedings (the "Transcript") relating to the authorization and issuance of the Bonds is to the best of our knowledge, information and belief full and complete. With respect to matters relating to the City, none of the City proceedings have been modified, amended or repealed, except as might be shown in the Transcript, and the facts stated in the Transcript still exist. In each and every instance where copies of City documents appear in the Transcript, such copies are true and correct duplicates of the original instruments now on file with the Clerk.

4. **Newspaper**. The ***Emporia Gazette*** was the official newspaper of the City at all times during these proceedings.

5. **Meetings**. All of the meetings of the governing body of the City at which action was taken as shown in the Transcript were either regular meetings or duly adjourned regular meetings or special meetings duly called and held in accordance with law and the rules of the City.

6. **Incumbency of Officers**. The following named persons were and are the duly qualified and acting officers of the City at and during all the times when action was taken as indicated in the Transcript as follows:

Name	Title	Term of Office
Erren Harter	Mayor	01/25 to 01/26
	Commissioner	04/22 to 01/28
Suan Brinkman	Commissioner	01/20 to 01/26
Becky Smith	Commissioner	01/18 to 01/28
Jamie Sauder	Commissioner	01/22 to 01/26
Tyler Curtis	Commissioner	[__/__] to [__/__]
Kerry Sull	Clerk	01/12 to DATE
Janet Harrouff	Director of Finance	09/14 to DATE

7. Authorization of Documents. Resolution No. [____] adopted on February 19, 2025, by the City Commission of the City of Emporia, Kansas (the "City Resolution") authorized the execution of the Base Lease, the Project Lease and various other documents necessary to be executed by the City in connection with the issuance of the Bonds. The City Resolution is in full force and effect as of the date hereof. The Base Lease and the Project Lease have been validly authorized and executed by appropriate officials of the City and constitute valid and legally binding obligations of the City in accordance with their terms.

8. Non-litigation. There is no controversy, suit or other proceedings of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act shown to have been done in the transcript of proceedings evidencing the authorization, issuance, constitutionality or validity of the Bonds or any of the proceedings had in relation thereto by the City, or in the levy or collection of a tax by the City to make rental payments under the Project Lease.

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WITNESS our hands and the seal of the City.

Signature	Official Title
______________________________	Mayor
______________________________	Clerk

(SEAL)

NOTICE OF LEASES

Public notice is hereby given that the City of Emporia, Kansas, a city of the first class duly organized and existing under the laws of the State of Kansas (the "City"), has leased certain property described as:

Lot 74 ,the South 35 feet of Lot 76, the North 15 feet of Lot 76, Lot 78, and Lot 80, all on Market Street in the City Emporia Lyon County, Kansas, according to the recorded plat thereof;

(the "Site"), to the City of Emporia, Kansas Public Building Commission, a municipal corporation duly organized and existing under the laws of the State of Kansas (the "PBC"), under a Base Lease dated March 6, 2025 (the "Base Lease"). The Base Lease expires March 6, 2050.

Public notice is further given that the PBC has leased the Site with the improvements to be constructed thereon (the "Project") to the City by a Project Lease dated as of March 6, 2025 (the "Project Lease"). The Project Lease expires December 1, 2044, provides for an extension of the term, and for early termination in the event of the happening of certain contingencies, provides an option to purchase the Project for prices and on terms set forth therein, and contains various other covenants, terms and conditions.

Copies of the Base Lease and Project Lease are on file in the office of the Clerk of the City.

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Executed by authority of the governing body of the PBC as of March 6, 2025.

CITY OF EMPORIA, KANSAS
PUBLIC BUILDING COMMISSION

(SEAL)

____
President

Attest:

____
Secretary

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF LYON)

This instrument was acknowledged before me on _____________, 2025, by Erren Harter, as President and by Kerry Sull, as Secretary, of the City of Emporia, Kansas Public Building Commission, a municipal corporation.

(SEAL)

____
Notary Public

My Appointment Expires: __________________

DISTRIBUTION LIST

ISSUER	BOND COUNSEL
CITY OF EMPORIA, KANSAS PUBLIC BUILDING COMMISSION City of Emporia, Kansas 111 East 6th Avenue P.O. Box 928 Emporia, Kansas 66801 Telephone: (620) 343-4250 **Trey Cocking, City Manager** E-mail: tcocking@emporiaks.gov **Mark R. Detter, Deputy City Manager** E-mail: mdetter@emporiaks.gov **Tayler Wash, Assistant City Manager** E-mail: twash@emporiaks.gov **Janet Harrouff, Finance Director** E-mail: jharrouff@emporiaks.gov **Kerry Sull, City Clerk** E-mail: ksull@emporiaks.gov **Christina Montgomery, City Attorney** E-mail: cmontgomery@emporiaks.gov	GILMORE & BELL, P.C. 100 N. Main, Suite 800 Wichita, Kansas 67202 Telephone: (316) 267-2091 **Garth Herrmann, Esq.** E-mail: gherrmann@gilmorebell.com **Dominic Eck, Esq.** E-mail: deck@gilmorebell.com **Johnna K. Middleton, Legal Practice Assistant** E-mail: jmiddleton@gilmorebell.com 2405 Grand Boulevard, Suite 1100 Kansas City, Missouri 64108-2521 Telephone: (816) 221-1000 Fax: (816) 221-1018 **Ryan Boatright, Esq.** E-mail: rboatright@gilmorebell.com
MUNICIPAL ADVISOR	**PAYING AGENT**
RAYMOND JAMES & ASSOCIATES, INC. 11551 Ash Street, Suite 250 Leawood, Kansas 66211 Telephone: (800) 398-6101 **Greg Vahrenberg, Managing Director** Telephone: (816) 391-4120 E-mail: greg.vahrenberg@raymondjames.com **Kelli Manson, Vice President** Telephone: (913) 832-0919 E-mail: kelli.manson@raymondjames.com **Marc Krasner, Director** E-mail: marc.krasner@raymondjames.com	Treasurer of the State of Kansas Landon State Office Building 900 Southwest Jackson, Suite 201 Topeka, Kansas 66612-1235 Telephone: (785) 296-3171 Fax: (785) 296-6976 **Shauna Wake, Director of Fiscal Services** Telephone: (785) 296-4160 E-mail: bond.newissues@treasurer.ks.gov
PURCHASER	**PURCHASER COUNSEL**
WEBSTER BANK Public Sector Finance 300 Lexington Avenue, 5th Floor New York, New York 10017 **Joe Arndt, Managing Director** Telephone: (706) 461-0274 E-mail: jarndt@websterbank.com **Kevin King** Telephone: (706) 461-0274 E-mail: kking@websterbank.com	KUTAK ROCK 3424 Peachtree Road, NE, Suite 900 Atlanta, Georgia 30326 **Kate Bailey, Partner** Telephone: (404) 222-4630 E-mail: kate.bailey@kutakrock.com **Eric Sender, Partner** Telephone: (404) 222-4633 E-mail: eric.sender@kutakrock.com **Taylor M Meeks, Associate** Telephone: (816) 960-0090 E-mail: taylor.meeks@kutakrock.com

Final Financing Analysis & Financial Overview of the City

Raymond James Public Finance

February 11, 2025

Dr. Allan Markley, Director
T 913.374.3349 // M 816.729.6059
allan.markley@raymondjames.com

Dr. Mike Reik, Director
T 913.374.3348 // M 816.550.5116
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greg.vahrenberg@raymondjames.com

RAYMOND JAMES

FINAL FINANCING ANALYSIS

Final financing analysis

SOURCES AND USES OF FUNDS

City of Emporia KS Public Building Commission
Revenue Bonds, Series 2025A
(Fire Station #1 Project)
Final Numbers

Dated Date	03/06/2025
Delivery Date	03/06/2025

Sources:	
Bond Proceeds:	
Par Amount	12,210,000.00
	12,210,000.00
Uses:	
Project Fund Deposits:	
Project Fund - Fire Station	12,100,000.00
Cost of Issuance:	
Bond Counsel Fee	58,000.00
Municipal Advisor Fee	42,500.00
Lender's Counsel	5,000.00
Miscellaneous	4,500.00
	110,000.00
	12,210,000.00

RAYMOND JAMES

Final financing analysis

BOND DEBT SERVICE

City of Emporia KS Public Building Commission
Revenue Bonds, Series 2025A
(Fire Station #1 Project)
Final Numbers

Dated Date 03/06/2025
Delivery Date 03/06/2025

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
09/01/2025					12,210,000	12,210,000
09/01/2026			825,616.46	825,616.46	12,210,000	12,210,000
09/01/2027	30,000	4.550%	555,555.00	585,555.00	12,180,000	12,180,000
09/01/2028	230,000	4.550%	554,190.00	784,190.00	11,950,000	11,950,000
09/01/2029	315,000	4.550%	543,725.00	858,725.00	11,635,000	11,635,000
09/01/2030	335,000	4.550%	529,392.50	864,392.50	11,300,000	11,300,000
09/01/2031	350,000	4.550%	514,150.00	864,150.00	10,950,000	10,950,000
09/01/2032	365,000	4.550%	498,225.00	863,225.00	10,585,000	10,585,000
09/01/2033	580,000	4.550%	481,617.50	1,061,617.50	10,005,000	10,005,000
09/01/2034	605,000	4.550%	455,227.50	1,060,227.50	9,400,000	9,400,000
09/01/2035	630,000	4.550%	427,700.00	1,057,700.00	8,770,000	8,770,000
09/01/2036	880,000	4.550%	399,035.00	1,279,035.00	7,890,000	7,890,000
09/01/2037	800,000	4.550%	358,995.00	1,158,995.00	7,090,000	7,090,000
09/01/2038	885,000	4.550%	322,595.00	1,207,595.00	6,205,000	6,205,000
09/01/2039	925,000	4.550%	282,327.50	1,207,327.50	5,280,000	5,280,000
09/01/2040	970,000	4.550%	240,240.00	1,210,240.00	4,310,000	4,310,000
09/01/2041	1,010,000	4.550%	196,105.00	1,206,105.00	3,300,000	3,300,000
09/01/2042	1,055,000	4.550%	150,150.00	1,205,150.00	2,245,000	2,245,000
09/01/2043	1,095,000	4.550%	102,147.50	1,197,147.50	1,150,000	1,150,000
09/01/2044	1,150,000	4.550%	52,325.00	1,202,325.00		
	12,210,000		7,489,318.96	19,699,318.96		

RAYMOND JAMES

Final financing analysis

BOND PRICING

City of Emporia KS Public Building Commission
Revenue Bonds, Series 2025A
(Fire Station #1 Project)
Final Numbers

Bond Component	Maturity Date	Amount	Rate	Yield	Price
2044 Term Bonds:					
	09/01/2027	30,000	4.550%	4.550%	100.000
	09/01/2028	230,000	4.550%	4.550%	100.000
	09/01/2029	315,000	4.550%	4.550%	100.000
	09/01/2030	335,000	4.550%	4.550%	100.000
	09/01/2031	350,000	4.550%	4.550%	100.000
	09/01/2032	365,000	4.550%	4.550%	100.000
	09/01/2033	580,000	4.550%	4.550%	100.000
	09/01/2034	605,000	4.550%	4.550%	100.000
	09/01/2035	630,000	4.550%	4.550%	100.000
	09/01/2036	880,000	4.550%	4.550%	100.000
	09/01/2037	800,000	4.550%	4.550%	100.000
	09/01/2038	885,000	4.550%	4.550%	100.000
	09/01/2039	925,000	4.550%	4.550%	100.000
	09/01/2040	970,000	4.550%	4.550%	100.000
	09/01/2041	1,010,000	4.550%	4.550%	100.000
	09/01/2042	1,055,000	4.550%	4.550%	100.000
	09/01/2043	1,095,000	4.550%	4.550%	100.000
	09/01/2044	1,150,000	4.550%	4.550%	100.000
		12,210,000			

Dated Date	03/06/2025	
Delivery Date	03/06/2025	
First Coupon	03/01/2026	
Par Amount	12,210,000.00	
Original Issue Discount		
Production	12,210,000.00	100.000000%
Underwriter's Discount		
Purchase Price	12,210,000.00	100.000000%
Accrued Interest		
Net Proceeds	12,210,000.00	

Final financing analysis

BOND SUMMARY STATISTICS

City of Emporia KS Public Building Commission
Revenue Bonds, Series 2025A
(Fire Station #1 Project)
Final Numbers

Dated Date	03/06/2025
Delivery Date	03/06/2025
Last Maturity	09/01/2044
Arbitrage Yield	4.545139%
True Interest Cost (TIC)	4.545139%
Net Interest Cost (NIC)	4.550000%
All-In TIC	4.637958%
Average Coupon	4.550000%
Average Life (years)	13.481
Duration of Issue (years)	9.987
Par Amount	12,210,000.00
Bond Proceeds	12,210,000.00
Total Interest	7,489,318.96
Net Interest	7,489,318.96
Total Debt Service	19,699,318.96
Maximum Annual Debt Service	1,279,035.00
Average Annual Debt Service	1,010,941.53
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
2044 Term Bonds	12,210,000.00	100.000	4.550%	13.481
	12,210,000.00			13.481

	TIC	All-In TIC	Arbitrage Yield
Par Value	12,210,000.00	12,210,000.00	12,210,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-110,000.00	
- Other Amounts			
Target Value	12,210,000.00	12,100,000.00	12,210,000.00
Target Date	03/06/2025	03/06/2025	03/06/2025
Yield	4.545139%	4.637958%	4.545139%

DEBT PROFILE

Debt profile – summary of outstanding debt

Outstanding:

$24,515,000 general obligation bonds

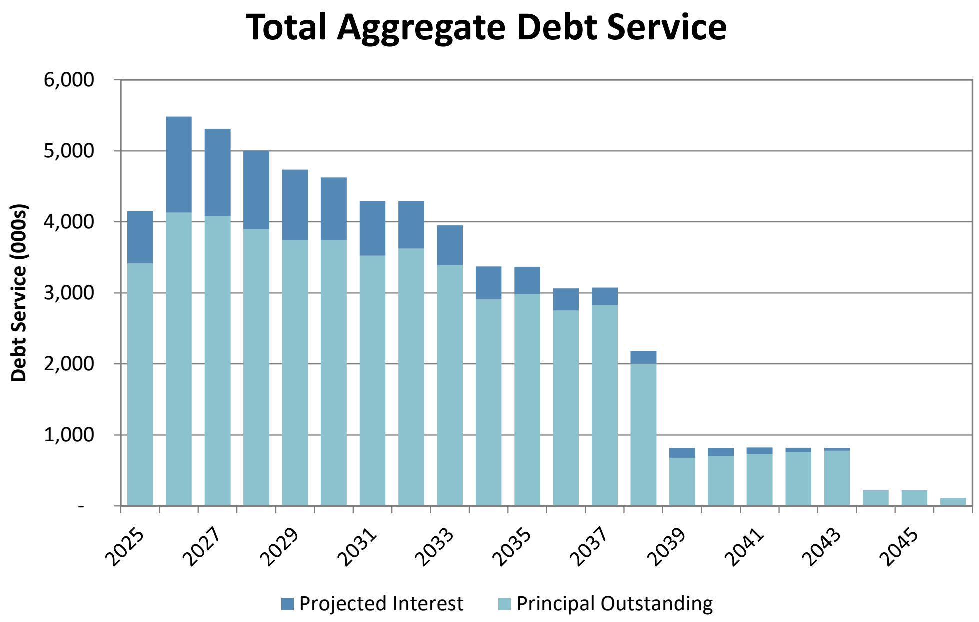
$26,656,000 state revolving fund loans

$12,210,00 public building commission revenue bonds

City of Emporia, Kansas Summary of Outstanding Debt As of March 6, 2025					
Issue	Issuance Amount ($000)	Amount Outstanding ($000)	Final Maturity	Callable Debt ($000)	Call Date
General Obligation Bonds					
2015	8,105	1,975	9/1/2030	1,975	9/1/2024
2016	4,840	585	9/1/2029	320	9/1/2025
2018	7,190	3,965	9/1/2033	3,450	9/1/2025
2020	6,940	3,280	9/1/2035	2,325	9/1/2027
2022	6,905	5,625	9/1/2037	1,660	9/1/2031
2023	9,505	9,085	9/1/2043	5,425	9/1/2032
Sub-Total	**43,485**	**24,515**		**15,155**	
State Revolving Fund Loans					
SRF (Sewer)	32,285	23,100	9/1/2038	23,100	Anytime
SRF (Water)	4,000	3,556	2/1/2046	3,556	Anytime
Sub-Total	**36,285**	**26,656**		**26,656**	
Public Building Commission Bonds					
2025A	12,210	12,210	9/1/2044	10,005	9/1/2033
Sub-Total	**12,210**	**12,210**		**10,005**	
Total	**$91,980**	**$63,381**		**$51,816**	

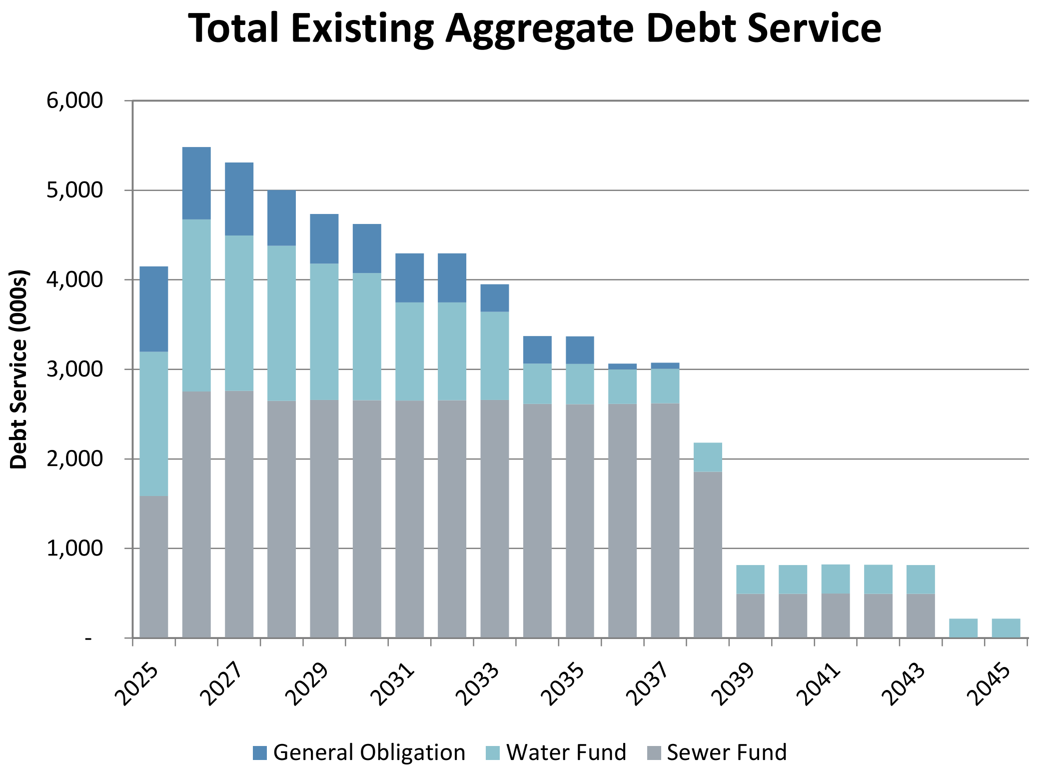
Debt profile – summary of outstanding debt

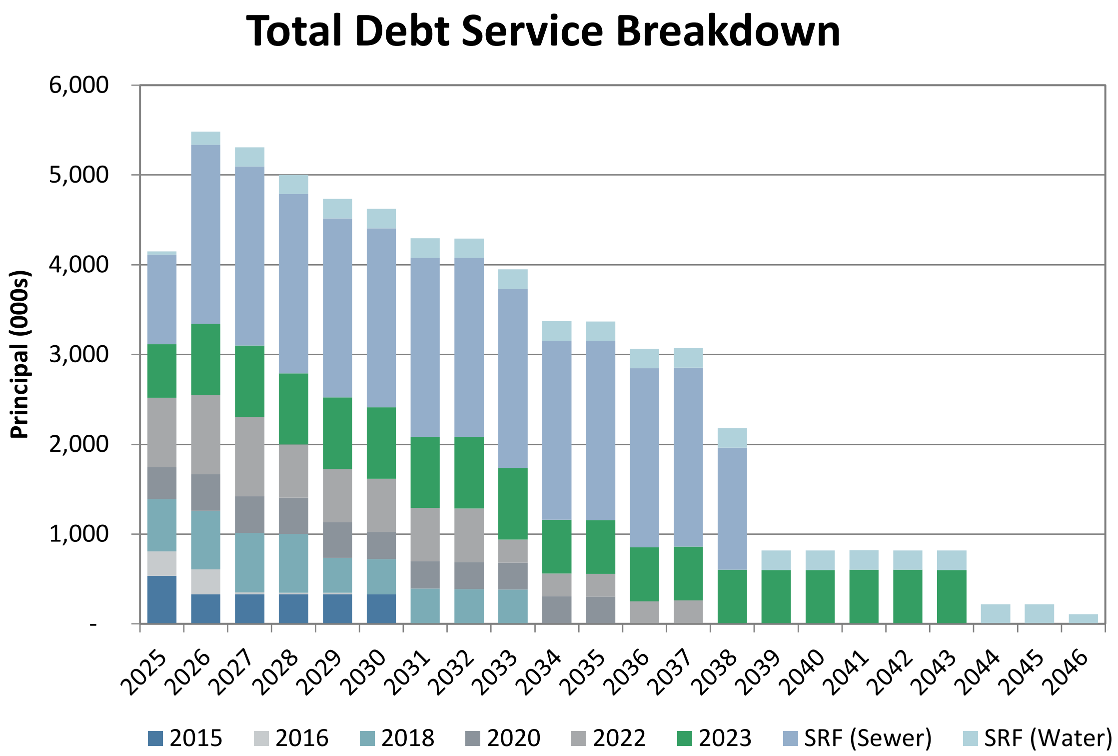
City of Emporia, Kansas Summary of Outstanding Debt				
Fiscal Year (12/31)	**Principal Outstanding**	**Projected Interest**	**Projected Debt Service**	**Principal Balance**
2025	$3,413,195	$736,226	$4,149,421	$47,757,718
2026	4,131,622	1,351,128	5,482,750	43,626,096
2027	4,082,064	1,228,107	5,310,172	39,544,032
2028	3,896,226	1,106,921	5,003,147	35,647,807
2029	3,741,056	993,866	4,734,922	31,906,751
2030	3,741,566	882,680	4,624,247	28,165,185
2031	3,522,772	771,975	4,294,747	24,642,413
2032	3,624,685	668,986	4,293,672	21,017,728
2033	3,387,320	562,451	3,949,772	17,630,407
2034	2,905,692	465,980	3,371,672	14,724,716
2035	2,979,813	389,558	3,369,372	11,744,902
2036	2,749,700	315,022	3,064,722	8,995,203
2037	2,825,367	247,555	3,072,922	6,169,836
2038	2,002,537	177,893	2,180,430	4,167,299
2039	677,528	138,659	816,187	3,489,770
2040	701,316	115,270	816,587	2,788,454
2041	730,181	91,006	821,187	2,058,273
2042	754,124	64,994	819,118	1,304,149
2043	778,147	38,078	816,224	526,002
2044	207,250	9,536	216,787	318,752
2045	211,437	5,350	216,787	107,315
2046	107,315	1,079	108,393	0
Total	**$51,170,913**	**$10,362,320**	**$61,533,233**	



RAYMOND JAMES

Debt profile – summary of outstanding debt





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Debt profile – summary of outstanding debt

Issue Name	General Obligation Refunding and Improvement Bonds			General Obligation Refunding and Improvement Bonds			General Obligation Bonds			General Obligation Refunding and Improvement Bonds			General Obligation Bonds		
Series	2015			2016			2018			2020			2022		
Dated	7/30/2015			11/22/2016			6/26/2018			10/20/2020			10/11/2022		
Payment Date	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
09/01/25	500,000	34,519	534,519	265,000	8,775	273,775	515,000	65,175	580,175	310,000	49,200	359,200	660,000	112,500	772,500
03/01/26	0	27,019	27,019	0	4,800	4,800	0	54,875	54,875	0	44,550	44,550	0	99,300	99,300
09/01/26	275,000	27,019	302,019	270,000	4,800	274,800	540,000	54,875	594,875	320,000	44,550	364,550	685,000	99,300	784,300
03/01/27	0	22,550	22,550	0	750	750	0	46,775	46,775	0	39,750	39,750	0	85,600	85,600
09/01/27	285,000	22,550	307,550	20,000	750	20,750	570,000	46,775	616,775	325,000	39,750	364,750	715,000	85,600	800,600
03/01/28	0	17,563	17,563	0	450	450	0	38,225	38,225	0	34,875	34,875	0	71,300	71,300
09/01/28	295,000	17,563	312,563	15,000	450	15,450	580,000	38,225	618,225	335,000	34,875	369,875	450,000	71,300	521,300
03/01/29	0	12,400	12,400	0	225	225	0	29,525	29,525	0	29,850	29,850	0	62,300	62,300
09/01/29	305,000	12,400	317,400	15,000	225	15,225	330,000	29,525	359,525	340,000	29,850	369,850	465,000	62,300	527,300
03/01/30	0	6,300	6,300				0	24,163	24,163	0	24,750	24,750	0	53,000	53,000
09/01/30	315,000	6,300	321,300				345,000	24,163	369,163	255,000	24,750	279,750	485,000	53,000	538,000
03/01/31							0	18,988	18,988	0	20,925	20,925	0	43,300	43,300
09/01/31							355,000	18,988	373,988	265,000	20,925	285,925	505,000	43,300	548,300
03/01/32							0	12,775	12,775	0	16,950	16,950	0	33,200	33,200
09/01/32							360,000	12,775	372,775	270,000	16,950	286,950	530,000	33,200	563,200
03/01/33							0	6,475	6,475	0	12,900	12,900	0	22,600	22,600
09/01/33							370,000	6,475	376,475	275,000	12,900	287,900	210,000	22,600	232,600
03/01/34										0	8,775	8,775	0	18,400	18,400
09/01/34										290,000	8,775	298,775	215,000	18,400	233,400
03/01/35										0	4,425	4,425	0	14,100	14,100
09/01/35										295,000	4,425	299,425	225,000	14,100	239,100
03/01/36													0	9,600	9,600
09/01/36													230,000	9,600	239,600
03/01/37													0	5,000	5,000
09/01/37													250,000	5,000	255,000
03/01/38															
09/01/38															
03/01/39															
09/01/39															
03/01/40															
09/01/40															
03/01/41															
09/01/41															
03/01/42															
09/01/42															
03/01/43															
09/01/43															
Total	$1,975,000	$206,181	$2,181,181	$585,000	$21,225	$606,225	$3,965,000	$528,775	$4,493,775	$3,280,000	$524,700	$3,804,700	$5,625,000	$1,147,900	$6,772,900

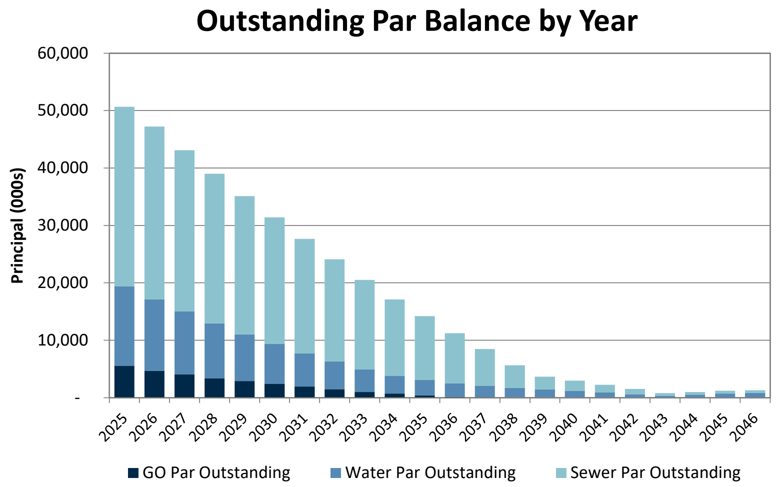
Debt profile – summary of outstanding debt

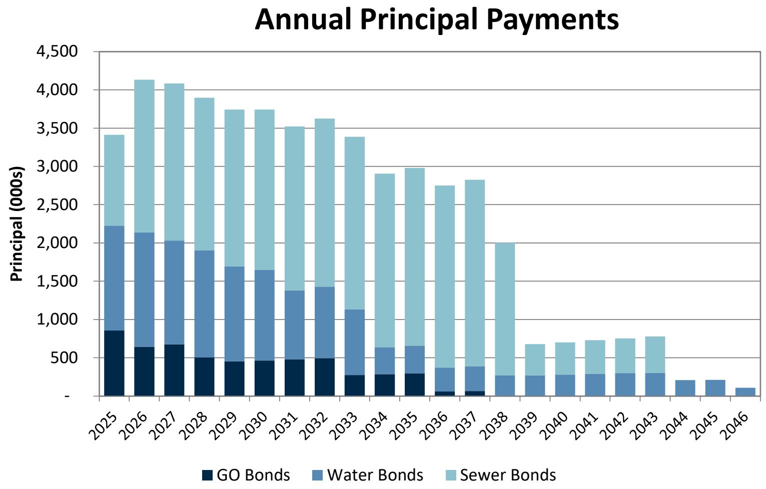
General Obligation Bonds 2023 11/29/2023			Kansas Water Pollution Control Revolving Loan Fund (*Estimated Payments) 12/23/2016			Kansas Public Water Supply Loan Fund (*Estimated Payments, 2/1 and 8/1) 9/3/2019			Aggregate Debt Service Payments				
Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Fiscal Year Payment	Fiscal Year
390,000	206,250	596,250	773,195	224,072	997,267	0	35,735	35,735	3,413,195	736,226	4,149,421	4,149,421	2025
0	196,500	196,500	780,695	216,572	997,267	0	35,735	35,735	780,695	679,351	1,460,046	0	
400,000	196,500	596,500	788,268	208,999	997,267	72,659	35,735	108,393	3,350,927	671,778	4,022,705	5,482,750	2026
0	186,500	186,500	795,914	201,353	997,267	73,389	35,004	108,393	869,303	618,283	1,487,586	0	
420,000	186,500	606,500	803,635	193,633	997,267	74,127	34,267	108,393	3,212,761	609,825	3,822,586	5,310,172	2027
0	176,000	176,000	811,430	185,838	997,267	74,871	33,522	108,393	886,301	557,772	1,444,073	0	
440,000	176,000	616,000	819,301	177,967	997,267	75,624	32,769	108,393	3,009,925	549,149	3,559,073	5,003,147	2028
0	165,000	165,000	827,248	170,020	997,267	76,384	32,009	108,393	903,632	501,329	1,404,961	0	
470,000	165,000	635,000	835,272	161,995	997,267	77,152	31,242	108,393	2,837,424	492,537	3,329,961	4,734,922	2029
0	153,250	153,250	843,374	153,893	997,267	77,927	30,466	108,393	921,301	445,822	1,367,123	0	
490,000	153,250	643,250	851,555	145,712	997,267	78,710	29,683	108,393	2,820,265	436,858	3,257,123	4,624,247	2030
0	141,000	141,000	859,815	137,452	997,267	79,501	28,892	108,393	939,316	390,557	1,329,873	0	
510,000	141,000	651,000	868,155	129,112	997,267	80,300	28,093	108,393	2,583,455	381,418	2,964,873	4,294,747	2031
0	128,250	128,250	876,576	120,691	997,267	81,107	27,286	108,393	957,684	339,152	1,296,836	0	
540,000	128,250	668,250	885,079	112,188	997,267	81,922	26,471	108,393	2,667,002	329,834	2,996,836	4,293,672	2032
0	114,750	114,750	893,664	103,603	997,267	82,746	25,648	108,393	976,410	285,976	1,262,386	0	
570,000	114,750	684,750	902,333	94,934	997,267	83,577	24,816	108,393	2,410,910	276,476	2,687,386	3,949,772	2033
0	100,500	100,500	911,086	86,182	997,267	84,417	23,976	108,393	995,503	237,833	1,233,336	0	
400,000	100,500	500,500	919,923	77,344	997,267	85,266	23,128	108,393	1,910,189	228,147	2,138,336	3,371,672	2034
0	90,500	90,500	928,846	68,421	997,267	86,123	22,271	108,393	1,014,969	199,717	1,214,686	0	
420,000	90,500	510,500	937,856	59,411	997,267	86,988	21,405	108,393	1,964,844	189,842	2,154,686	3,369,372	2035
0	82,100	82,100	946,953	50,314	997,267	87,862	20,531	108,393	1,034,816	162,545	1,197,361	0	
440,000	82,100	522,100	956,139	41,129	997,267	88,745	19,648	108,393	1,714,884	152,477	1,867,361	3,064,722	2036
0	73,300	73,300	965,413	31,854	997,267	89,637	18,756	108,393	1,055,051	128,910	1,183,961	0	
455,000	73,300	528,300	974,778	22,489	997,267	90,538	17,855	108,393	1,770,316	118,645	1,888,961	3,072,922	2037
0	64,200	64,200	984,233	13,034	997,267	91,448	16,945	108,393	1,075,681	94,180	1,169,861	0	
475,000	64,200	539,200	359,489	3,487	362,976	92,367	16,026	108,393	926,856	83,713	1,010,570	2,180,430	2038
0	54,700	54,700				93,295	15,098	108,393	93,295	69,798	163,093	0	
490,000	54,700	544,700				94,233	14,160	108,393	584,233	68,860	653,093	816,187	2039
0	44,900	44,900				95,180	13,213	108,393	95,180	58,113	153,293	0	
510,000	44,900	554,900				96,136	12,257	108,393	606,136	57,157	663,293	816,587	2040
0	34,700	34,700				97,103	11,291	108,393	97,103	45,991	143,093	0	
535,000	34,700	569,700				98,079	10,315	108,393	633,079	45,015	678,093	821,187	2041
0	23,666	23,666				99,064	9,329	108,393	99,064	32,995	132,059	0	
555,000	23,666	578,666				100,060	8,334	108,393	655,060	31,999	687,059	819,118	2042
0	12,219	12,219				101,065	7,328	108,393	101,065	19,547	120,612	0	
575,000	12,219	587,219				102,081	6,312	108,393	677,081	18,531	695,612	816,224	2043
$9,085,000	$3,890,319	$12,975,319	$23,100,228	$3,191,701	$26,291,929	$3,555,686	$851,519	$4,407,204	$51,170,914	$10,362,320	$61,533,233	$61,533,233	

RAYMOND JAMES

Debt profile – summary of outstanding debt breakdown

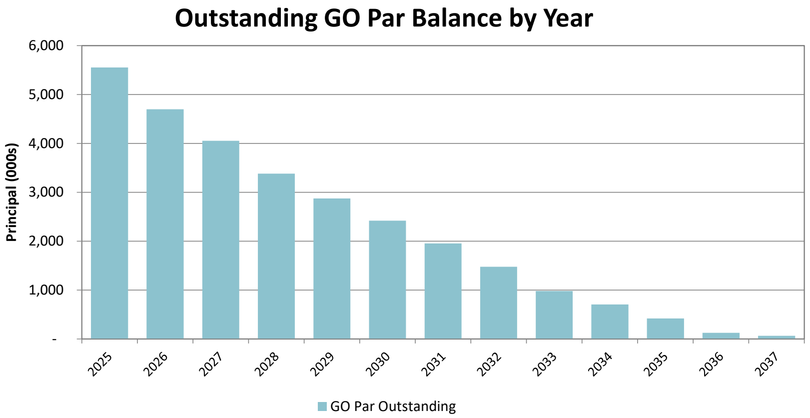
City of Emporia, Kansas Summary of Outstanding Debt - Breakdown				
Fiscal Year (12/31)	GO Par Amt	Water Par Amt	Sewer Par Amt	Principal Balance
2025	$855,000	$1,370,000	$1,188,195	$47,757,718
2026	645,000	1,492,659	1,993,963	43,626,096
2027	675,000	1,357,515	2,049,549	39,544,032
2028	505,000	1,400,495	1,990,730	35,647,807
2029	455,000	1,238,536	2,047,520	31,906,751
2030	465,000	1,181,637	2,094,929	28,165,185
2031	480,000	899,801	2,142,970	24,642,413
2032	495,000	933,030	2,196,656	21,017,728
2033	275,000	856,323	2,255,997	17,630,407
2034	285,000	354,683	2,266,009	14,724,716
2035	295,000	363,111	2,321,703	11,744,902
2036	60,000	311,608	2,378,092	8,995,203
2037	65,000	320,175	2,440,191	6,169,836
2038	0	268,815	1,733,722	4,167,299
2039	0	272,528	405,000	3,489,770
2040	0	281,316	420,000	2,788,454
2041	0	290,181	440,000	2,058,273
2042	0	299,124	455,000	1,304,149
2043	0	303,147	475,000	526,002
2044	0	207,250	0	318,752
2045	0	211,437	0	107,315
2046	0	107,315	0	0
Total	**$5,555,000**	**$14,320,686**	**$31,295,227**	

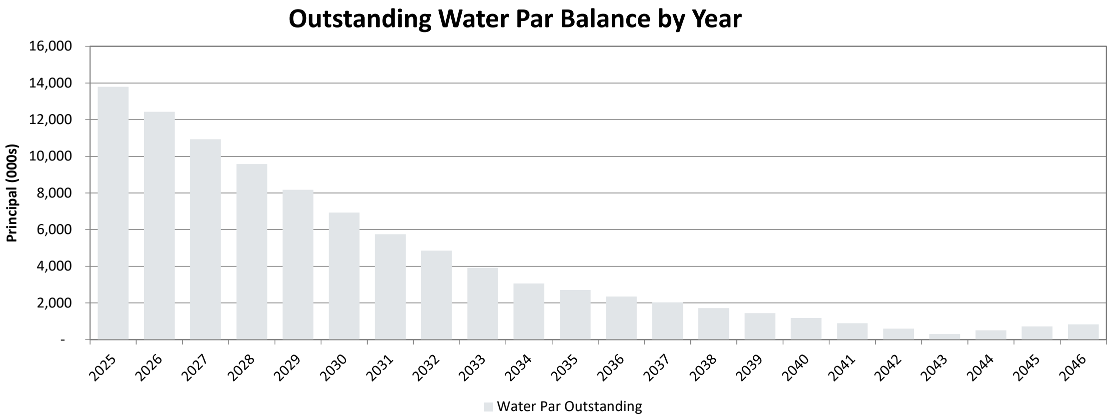


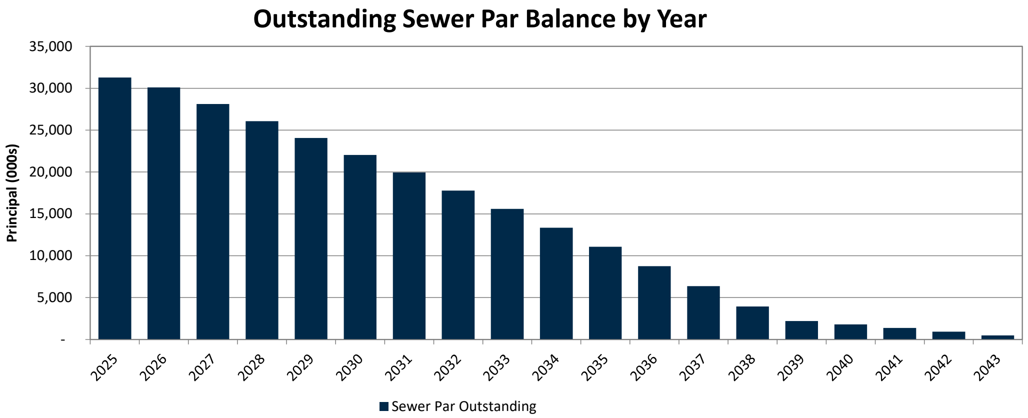


RAYMOND JAMES

Debt profile – summary of outstanding debt breakdown



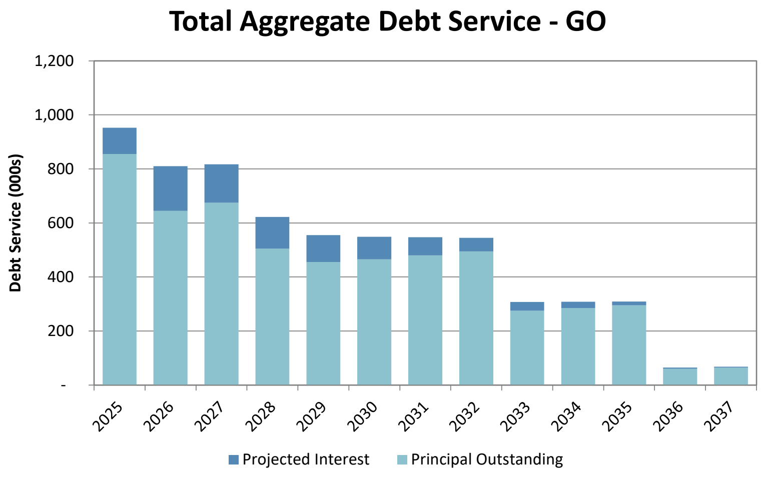


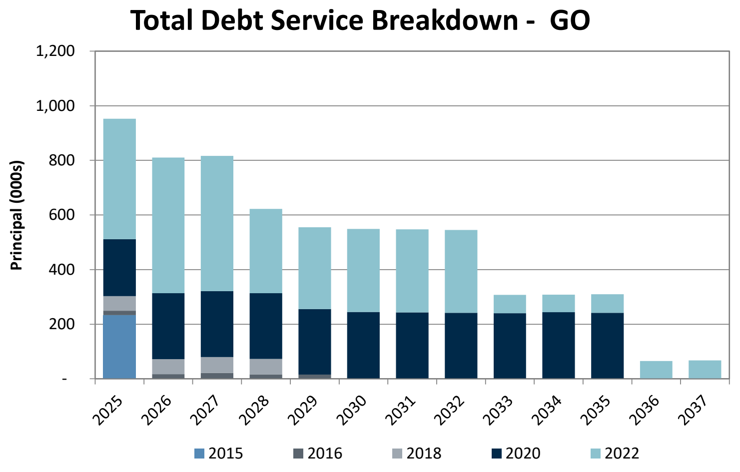


RAYMOND JAMES

Debt profile – summary of outstanding GO debt

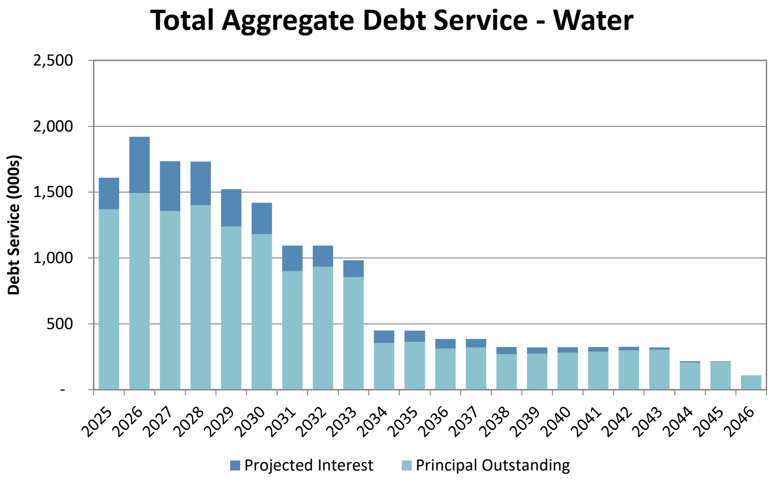
City of Emporia, Kansas Summary of Outstanding Debt - GO Bonds				
Fiscal Year (12/31)	**Principal Outstanding**	**Projected Interest**	**Projected Debt Service**	**Principal Balance**
2025	$855,000	$97,550	$952,550	$4,700,000
2026	645,000	165,100	810,100	4,055,000
2027	675,000	141,750	816,750	3,380,000
2028	505,000	117,350	622,350	2,875,000
2029	455,000	99,750	554,750	2,420,000
2030	465,000	83,650	548,650	1,955,000
2031	480,000	67,100	547,100	1,475,000
2032	495,000	50,000	545,000	980,000
2033	275,000	32,350	307,350	705,000
2034	285,000	23,550	308,550	420,000
2035	295,000	14,450	309,450	125,000
2036	60,000	5,000	65,000	65,000
2037	65,000	2,600	67,600	0
Total	**$5,555,000**	**$900,200**	**$6,455,200**	

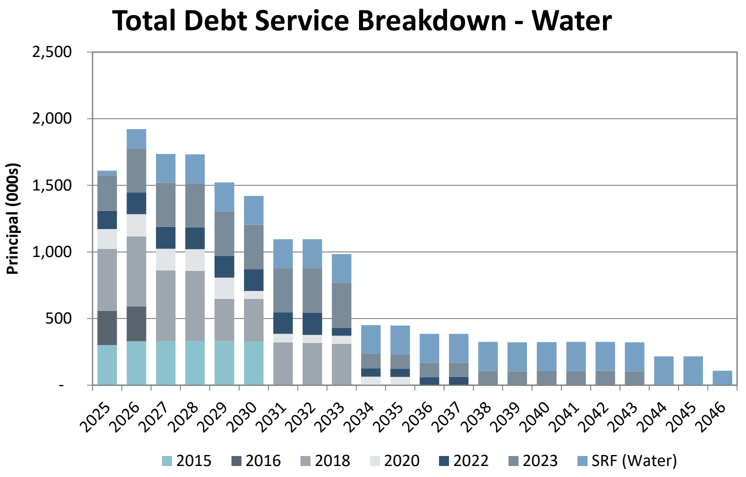




Debt profile – summary of outstanding water debt

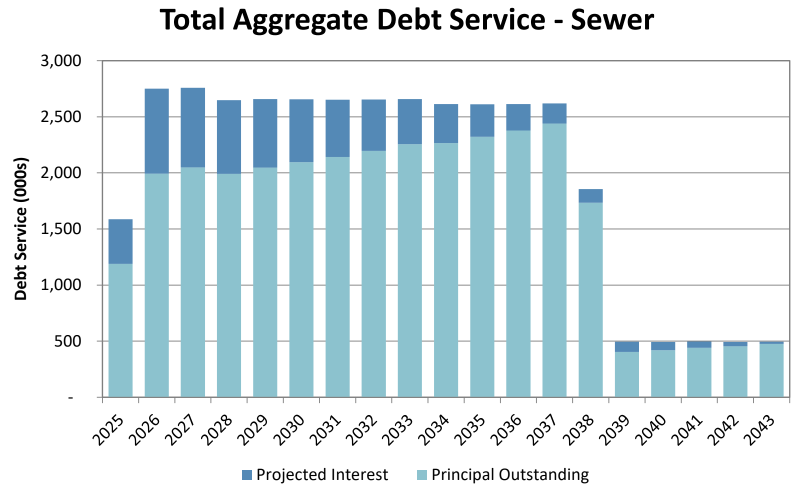
City of Emporia, Kansas Summary of Outstanding Debt - Water Bonds				
Fiscal Year (12/31)	**Principal Outstanding**	**Projected Interest**	**Projected Debt Service**	**Principal Balance**
2025	$1,370,000	$239,250	$1,609,250	$12,950,686
2026	1,492,659	428,301	1,920,959	11,458,027
2027	1,357,515	377,665	1,735,181	10,100,512
2028	1,400,495	331,560	1,732,056	8,700,016
2029	1,238,536	283,895	1,522,431	7,461,481
2030	1,181,637	238,518	1,420,156	6,279,844
2031	899,801	195,204	1,095,006	5,380,042
2032	933,030	161,826	1,094,856	4,447,013
2033	856,323	127,058	983,381	3,590,690
2034	354,683	95,298	449,981	3,236,007
2035	363,111	84,370	447,481	2,872,896
2036	311,608	73,873	385,481	2,561,289
2037	320,175	64,905	385,081	2,241,114
2038	268,815	55,666	324,481	1,972,299
2039	272,528	48,552	321,081	1,699,770
2040	281,316	41,364	322,681	1,418,454
2041	290,181	33,899	324,081	1,128,273
2042	299,124	26,038	325,162	829,149
2043	303,147	17,890	321,037	526,002
2044	207,250	9,536	216,787	318,752
2045	211,437	5,350	216,787	107,315
2046	107,315	1,079	108,393	0
Total	**$14,320,686**	**$2,941,097**	**$17,261,783**	

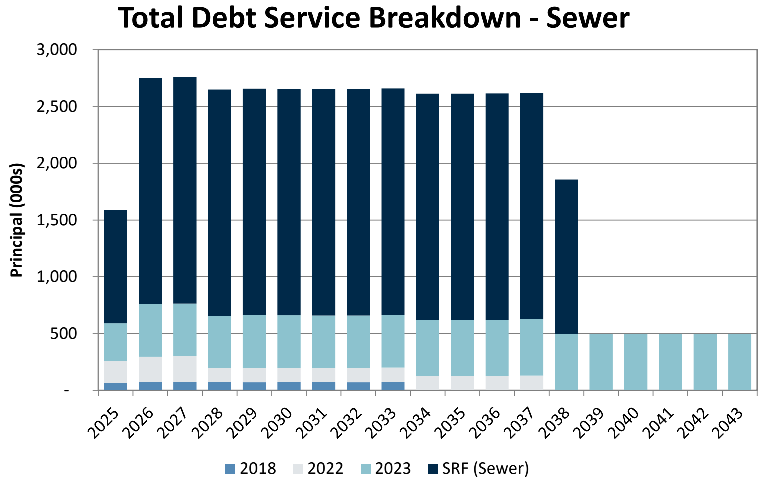




Debt profile – summary of outstanding sewer debt

City of Emporia, Kansas Summary of Outstanding Debt - Sewer Bonds				
Fiscal Year (12/31)	Principal Outstanding	Projected Interest	Projected Debt Service	Principal Balance
2025	$1,188,195	$399,426	$1,587,621	$30,107,032
2026	1,993,963	757,728	2,751,691	28,113,069
2027	2,049,549	708,692	2,758,241	26,063,521
2028	1,990,730	658,011	2,648,741	24,072,790
2029	2,047,520	610,221	2,657,741	22,025,270
2030	2,094,929	560,512	2,655,441	19,930,341
2031	2,142,970	509,671	2,652,641	17,787,371
2032	2,196,656	457,160	2,653,816	15,590,715
2033	2,255,997	403,044	2,659,041	13,334,718
2034	2,266,009	347,132	2,613,141	11,068,709
2035	2,321,703	290,738	2,612,441	8,747,006
2036	2,378,092	236,149	2,614,241	6,368,914
2037	2,440,191	180,050	2,620,241	3,928,722
2038	1,733,722	122,227	1,855,950	2,195,000
2039	405,000	90,106	495,106	1,790,000
2040	420,000	73,906	493,906	1,370,000
2041	440,000	57,106	497,106	930,000
2042	455,000	38,956	493,956	475,000
2043	475,000	20,188	495,188	0
Total	**$31,295,227**	**$6,521,023**	**$37,816,251**	





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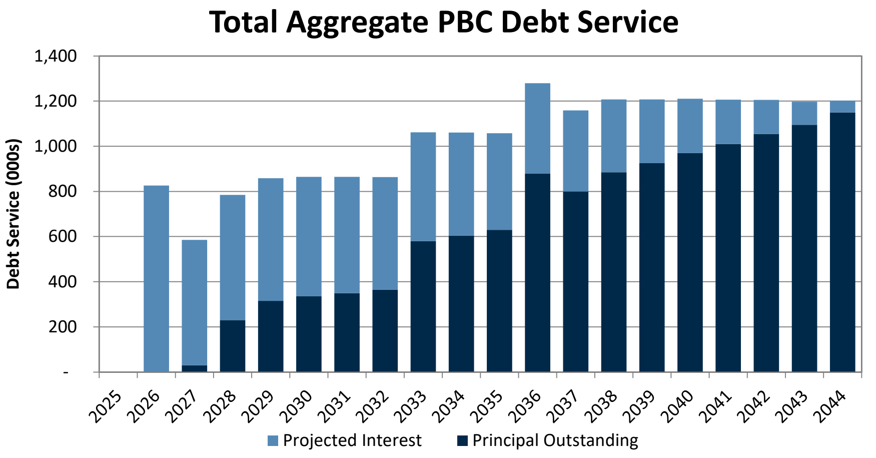
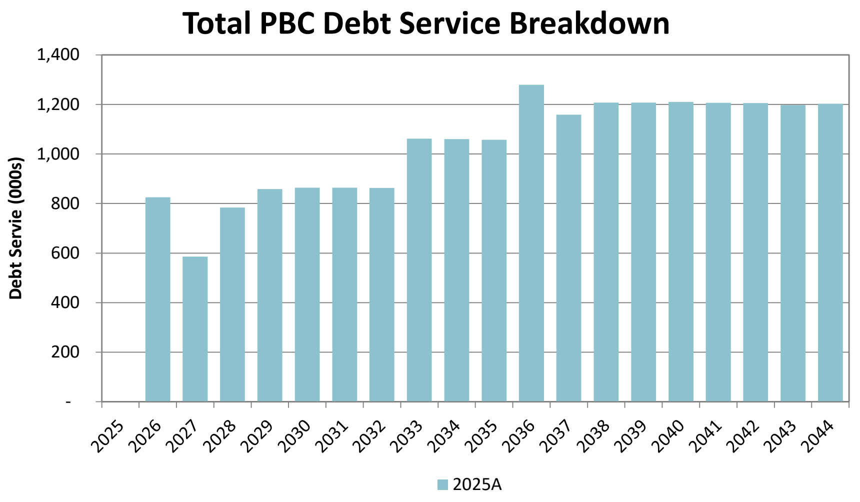
Debt profile – summary of outstanding pbc revenue bonds

City of Emporia, Kansas Summary of Outstanding Debt Public Building Commission Bonds As of March 6, 2025				
Fiscal Year (12/31)	Principal Outstanding	Projected Interest	Projected Debt Service	Principal Balance
2025	$0	$0	$0	$12,210,000
2026	0	825,616	825,616	12,210,000
2027	30,000	555,555	585,555	12,180,000
2028	230,000	554,190	784,190	11,950,000
2029	315,000	543,725	858,725	11,635,000
2030	335,000	529,393	864,393	11,300,000
2031	350,000	514,150	864,150	10,950,000
2032	365,000	498,225	863,225	10,585,000
2033	580,000	481,618	1,061,618	10,005,000
2034	605,000	455,228	1,060,228	9,400,000
2035	630,000	427,700	1,057,700	8,770,000
2036	880,000	399,035	1,279,035	7,890,000
2037	800,000	358,995	1,158,995	7,090,000
2038	885,000	322,595	1,207,595	6,205,000
2039	925,000	282,328	1,207,328	5,280,000
2040	970,000	240,240	1,210,240	4,310,000
2041	1,010,000	196,105	1,206,105	3,300,000
2042	1,055,000	150,150	1,205,150	2,245,000
2043	1,095,000	102,148	1,197,148	1,150,000
2044	1,150,000	52,325	1,202,325	0
Total	$12,210,000	$7,489,319	$19,699,319	





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Debt profile – summary of outstanding pbc revenue bonds

Issue Name / Series / Dated	Public Building Commission Revenue Bonds 2025A 3/13/2025			Aggregate Debt Service Payments				
Payment Date	Principal	Interest	Total	Principal	Interest	Total	Fiscal Year Payment	Fiscal Year (12/31)
09/01/25	0	0	0	0	0	0	0	2025
03/01/26	0	547,839	547,839	0	547,839	547,839	0	
09/01/26	0	277,778	277,778	0	277,778	277,778	825,616	2026
03/01/27	0	277,778	277,778	0	277,778	277,778	0	
09/01/27	30,000	277,778	307,778	30,000	277,778	307,778	585,555	2027
03/01/28	0	277,095	277,095	0	277,095	277,095	0	
09/01/28	230,000	277,095	507,095	230,000	277,095	507,095	784,190	2028
03/01/29	0	271,863	271,863	0	271,863	271,863	0	
09/01/29	315,000	271,863	586,863	315,000	271,863	586,863	858,725	2029
03/01/30	0	264,696	264,696	0	264,696	264,696	0	
09/01/30	335,000	264,696	599,696	335,000	264,696	599,696	864,393	2030
03/01/31	0	257,075	257,075	0	257,075	257,075	0	
09/01/31	350,000	257,075	607,075	350,000	257,075	607,075	864,150	2031
03/01/32	0	249,113	249,113	0	249,113	249,113	0	
09/01/32	365,000	249,113	614,113	365,000	249,113	614,113	863,225	2032
03/01/33	0	240,809	240,809	0	240,809	240,809	0	
09/01/33	580,000	240,809	820,809	580,000	240,809	820,809	1,061,618	2033
03/01/34	0	227,614	227,614	0	227,614	227,614	0	
09/01/34	605,000	227,614	832,614	605,000	227,614	832,614	1,060,228	2034
03/01/35	0	213,850	213,850	0	213,850	213,850	0	
09/01/35	630,000	213,850	843,850	630,000	213,850	843,850	1,057,700	2035
03/01/36	0	199,518	199,518	0	199,518	199,518	0	
09/01/36	880,000	199,518	1,079,518	880,000	199,518	1,079,518	1,279,035	2036
03/01/37	0	179,498	179,498	0	179,498	179,498	0	
09/01/37	800,000	179,498	979,498	800,000	179,498	979,498	1,158,995	2037
03/01/38	0	161,298	161,298	0	161,298	161,298	0	
09/01/38	885,000	161,298	1,046,298	885,000	161,298	1,046,298	1,207,595	2038
03/01/39	0	141,164	141,164	0	141,164	141,164	0	
09/01/39	925,000	141,164	1,066,164	925,000	141,164	1,066,164	1,207,328	2039
03/01/40	0	120,120	120,120	0	120,120	120,120	0	
09/01/40	970,000	120,120	1,090,120	970,000	120,120	1,090,120	1,210,240	2040
03/01/41	0	98,053	98,053	0	98,053	98,053	0	
09/01/41	1,010,000	98,053	1,108,053	1,010,000	98,053	1,108,053	1,206,105	2041
03/01/42	0	75,075	75,075	0	75,075	75,075	0	
09/01/42	1,055,000	75,075	1,130,075	1,055,000	75,075	1,130,075	1,205,150	2042
03/01/43	0	51,074	51,074	0	51,074	51,074	0	
09/01/43	1,095,000	51,074	1,146,074	1,095,000	51,074	1,146,074	1,197,148	2043
03/01/44	0	26,163	26,163	0	26,163	26,163	0	
09/01/44	1,150,000	26,163	1,176,163	1,150,000	26,163	1,176,163	1,202,325	2044
Total	$12,210,000	$7,489,319	$19,699,319	$12,210,000	$7,489,319	$19,699,319	$19,699,319	

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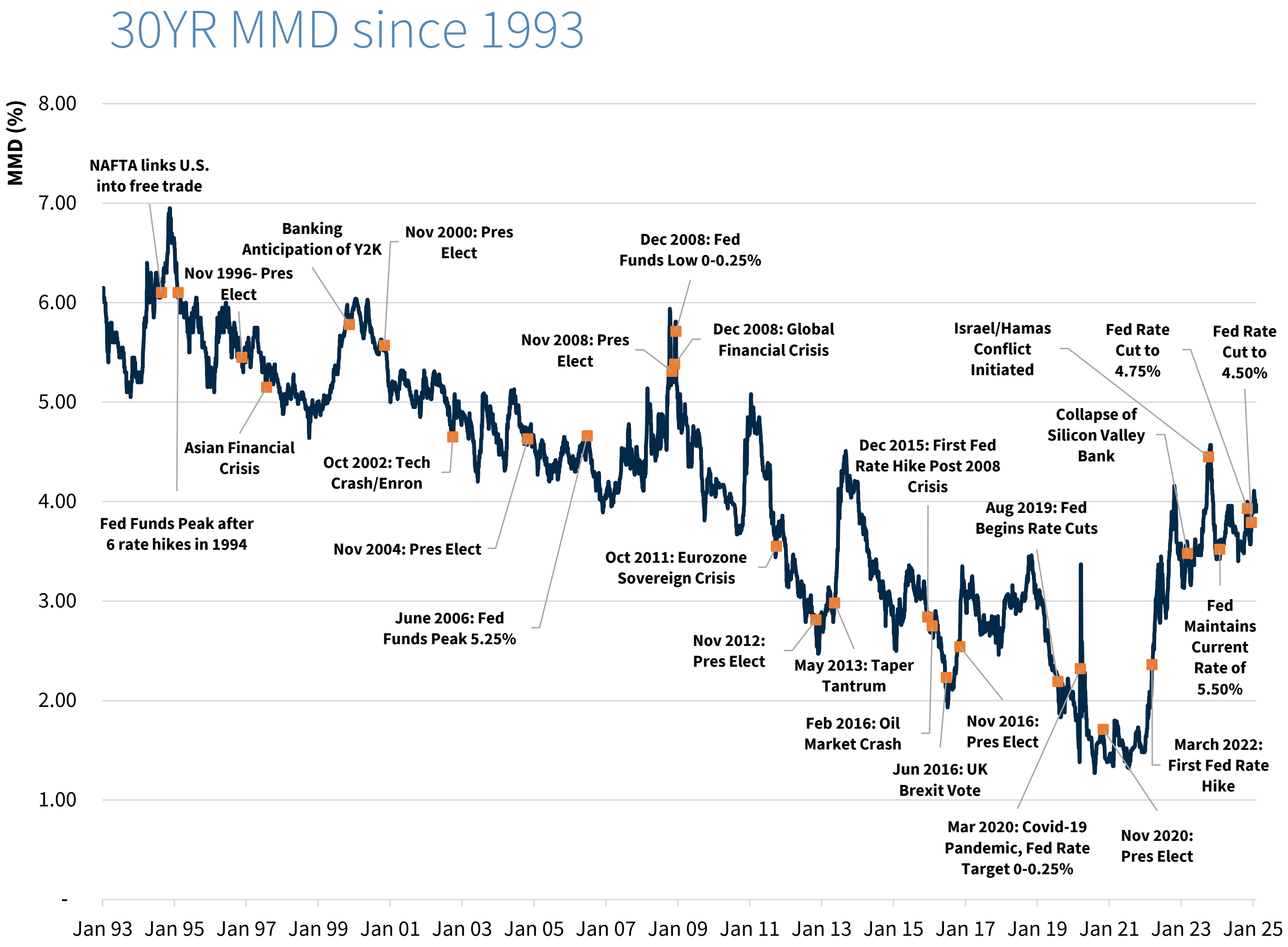
BOND MARKET INFORMATION

30YR AAA MMD rate history



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Historical AAA-rated general obligation tax-exempt rates

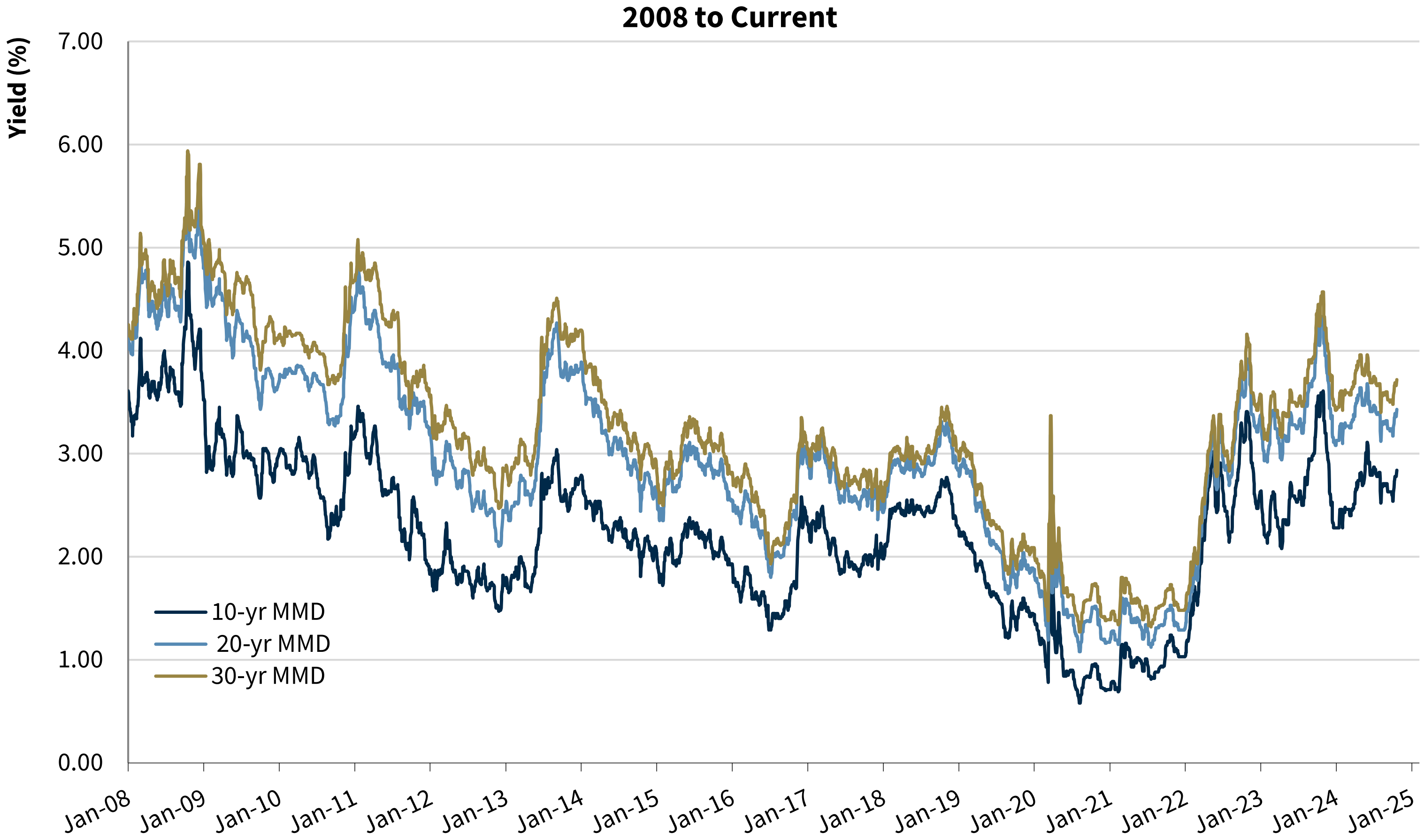
In August 2020, the municipal market hit all-time record lows throughout the curve in the wake of the pandemic.

2022 saw MMD steadily increase due to a series of Fed Rate hikes starting in March that finally began to reverse course due to the softening of inflation levels in late 2022 and early 2023.

The market in 2023 was volatile between the banking and debt ceiling crises as well as conflicts in the Middle East. MMD had increased during 2023 with Fed rate hikes in May and July.

In 2024, MMD has decreased as the markets are now expecting the Fed rate cuts to continue into 2025.

10YR, 20YR & 30YR AAA MMD



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Current market update

This week's calendar:

$12.31B negotiated

$1.59B competitive

$7.4B 30-Day Visible Supply

Key interest rates and prices

	This Week 2/7/2025	Last Week 1/31/2025	Last Month 1/9/2025	Last Year 2/7/2024
Federal Funds Rate	4.50	4.50	4.50	5.50
Prime Rate	7.50	7.50	7.50	8.50
Treasury - 2 yr	4.29	4.20	4.26	4.43
Treasury - 10 yr	4.49	4.54	4.69	4.12
SOFR	4.35	4.38	4.30	5.31
SIFMA	2.07	2.25	1.83	3.24
SIFMA/SOFR %	47.6	51.4	42.6	61.0
B.B. 20 Bond Index[1]	4.06	4.13	4.16	3.34
B.B. Rev. Index[2]	4.35	4.42	4.45	3.62
30-Day Visible Supply[3]	11.5 B	7.4 B	10.1 B	8.2 B
10-Year AAA MMD[4]	2.91	2.97	3.10	2.43
10-Year AAA MMD Ratio to Treasury %	64.7	65.4	66.1	59.0
30-Year Treasury	4.69	4.79	4.93	4.32
30-Year AAA MMD[4]	3.93	3.97	3.99	3.57

[1] Represents an estimation of the yield on a portfolio of 20 general obligation bonds that matures in 20 years with a composite AA rating.

[2] Represents an estimation of the yield that would be offered on 30-yr revenue bonds. The index is comprised of 25 issuers that cover a broad range of type of issues and vary in ratings.

[3] The total dollar volume of municipal securities expected to be offered over the next 30 days.

[4] Represents the benchmark yield for high grade municipal issues, based on a natural "AAA" rated general obligation bond issue. "AAA" MMD is the benchmark for pricing of all tax-exempt municipal issues.

Source: Bloomberg and Thomson Reuters
All data as of 2/7/2025 unless otherwise noted

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Municipal long-term issuance

2025 issuance volume YTD is $35.24B and 2025 redemption volume is $27.8B.

Long-term municipal new issue volume was up 34% in 2024 vs. 2023

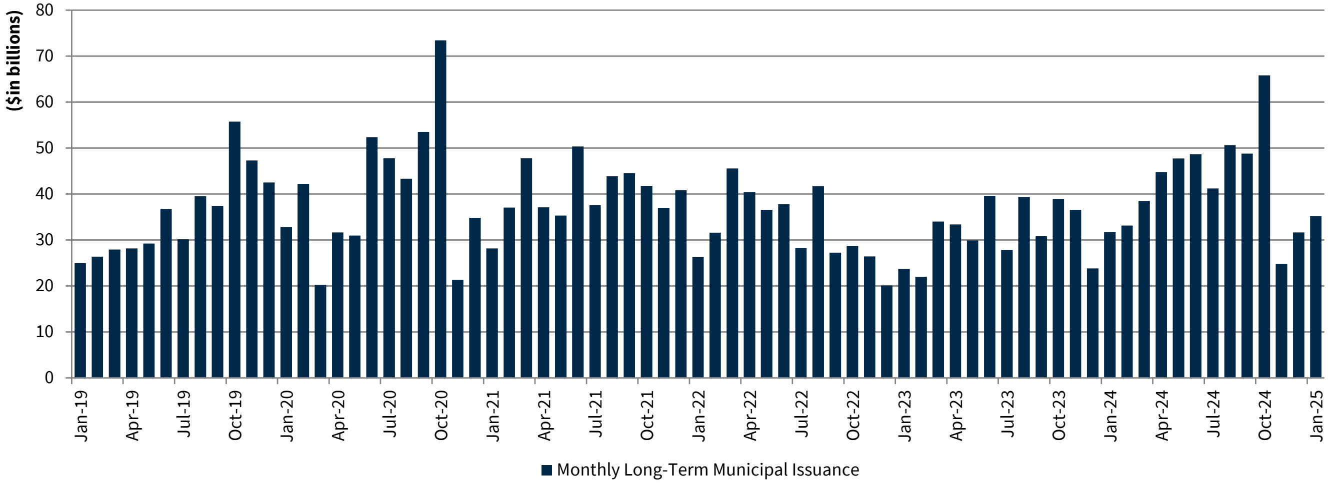
Long-term municipal new issue volume was down 3% in 2023 vs. 2022

Long-term municipal new issue volume was down 19% in 2022 vs. 2021

Long-term municipal new issuance was down 0.6% in 2021 vs. 2020

Monthly issuance

Municipal Long-Term Issuance								
$ in billions	2019	2020	2021	2022	2023	2024	2025	YoY %
January	$24.968	$32.793	$28.182	$26.293	$23.733	$31.769	$35.243	11%
February	26.375	42.229	37.052	31.602	22.011	33.168		51%
March	27.949	20.262	47.763	45.555	34.008	38.517		13%
April	28.154	31.650	37.105	40.423	33.377	44.800		34%
May	29.212	30.991	35.342	36.583	29.889	47.713		60%
June	36.747	52.390	50.364	37.775	39.601	48.666		23%
July	30.158	47.782	37.601	28.258	27.843	41.193		48%
August	39.522	43.362	43.885	41.716	39.369	50.653		29%
September	37.435	53.513	44.563	27.251	30.822	48.802		58%
October	55.775	73.448	41.811	28.724	38.923	65.799		69%
November	47.312	21.359	37.000	26.415	36.574	24.861		-32%
December	42.517	34.822	40.840	20.121	23.842	31.646		33%
Total	$426.123	$484.601	$481.508	$390.715	$379.992	$507.585	$35.243	11%



Source: The Bond Buyer

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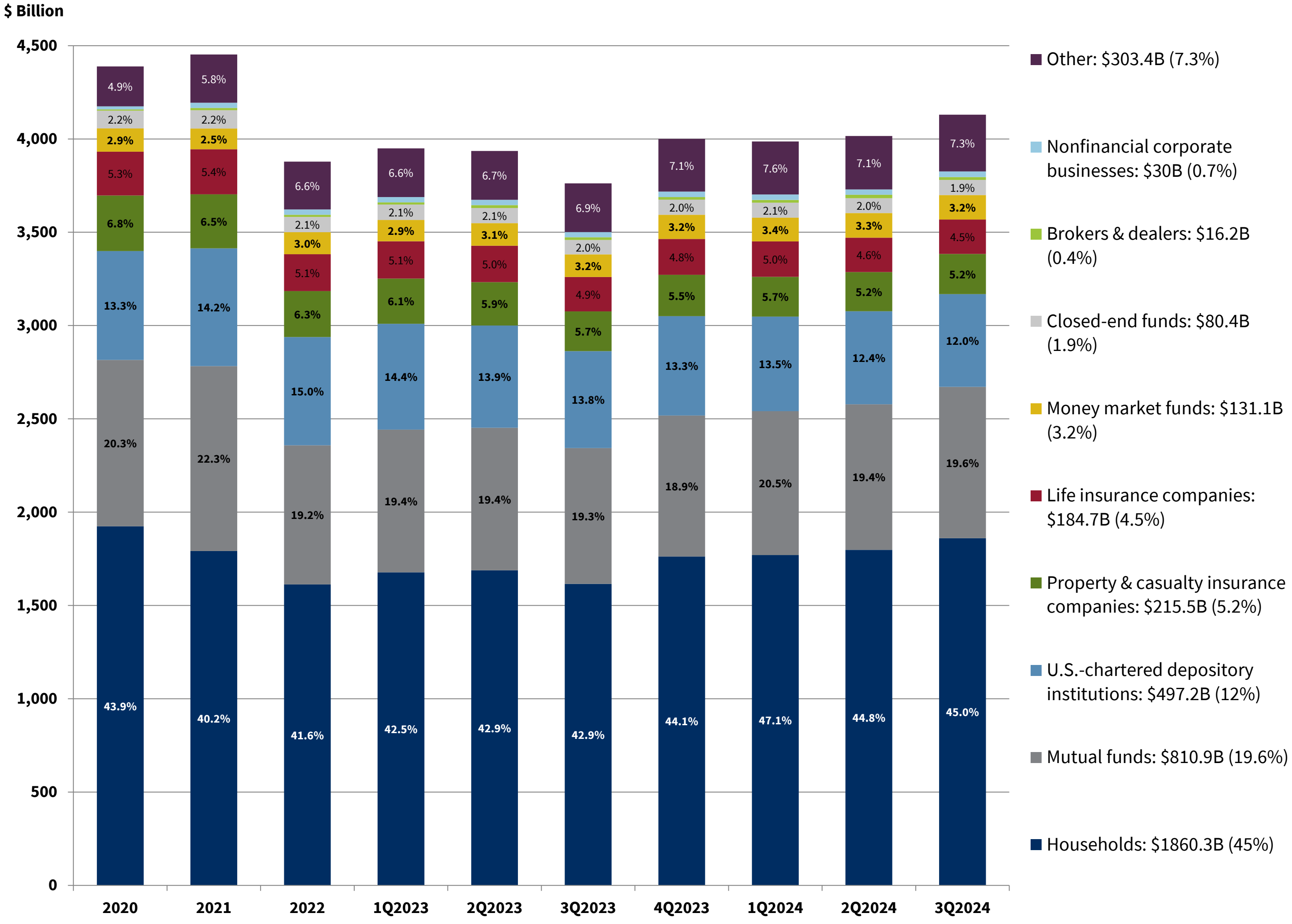
Holders of municipal bonds

Households have remained at the top as the largest holders of municipal bonds, peaking at a 47.1% share in Q1 2024. Currently, households have 45% of municipal bonds and more than double any other category of bondholder.

Mutual funds remained the second largest holder of municipal bonds. Since 2020, mutual funds have fluctuated their share of municipal debt around 20%.

The third largest holders of municipal bonds are U.S Chartered Depository Institutions. Rounding out the top 5 municipal bond holders are Property & Casualty Insurance Companies (4th largest holder) and Life Insurance Companies (5th largest holder).

Holders of municipal debt



Source: The Federal Reserve, Financial Accounts of the United States, 3rd Quarter 2024

Rate forecast

Even after 3 rate cuts amounting to 100 bps, the Bloomberg consensus of economists predicts that rates will continue to steadily fall in 2025.

Economist Consensus

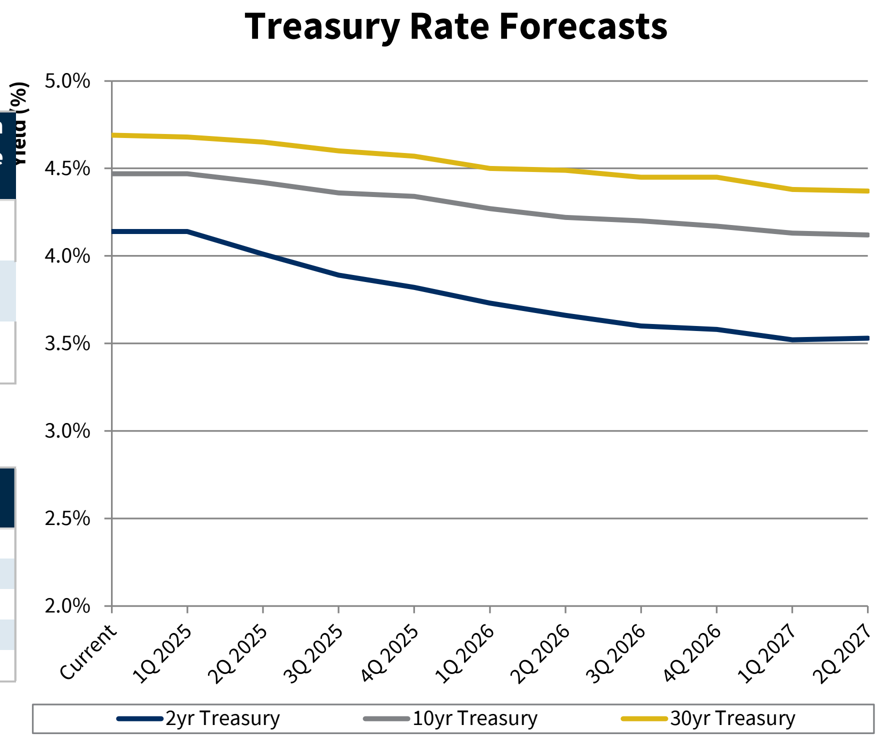
US Treasury	Current Rate	2025				2026				2027		Change from Current Rate to 2027 Q1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
2 Year	4.14%	4.14%	4.01%	3.89%	3.82%	3.73%	3.66%	3.60%	3.58%	3.52%	3.53%	-0.62%
Economists Surveyed		45	45	45	46	39	38	36	36	0.26	0.25	
10 Year	4.47%	4.47%	4.42%	4.36%	4.34%	4.27%	4.22%	4.20%	4.17%	4.13%	4.12%	-0.34%
Economists Surveyed		53	53	53	55	44	42	40	39	0.29	0.28	
30 Year	4.69%	4.68%	4.65%	4.60%	4.57%	4.50%	4.49%	4.45%	4.45%	4.38%	4.37%	-0.31%
Economists Surveyed		38	38	38	38	33	33	31	31	22	22	

*Source: Bloomberg as of February 10, 2025.

Bloomberg Consensus

	Current Rate	2025				2026		Change from Current Rate to 2026 Q2
		Q1	Q2	Q3	Q4	Q1	Q2	
Real GDP	2.30%	2.10%	2.00%	2.01%	2.00%	2.00%	2.00%	-0.30%
Consumer Price Index	2.90%	2.58%	2.50%	2.70%	2.60%	2.50%	2.50%	-0.40%
Unemployment	4.00%	4.20%	4.25%	4.20%	4.20%	4.20%	4.19%	0.19%
Fed Funds Target	4.50%	4.35%	4.20%	4.05%	3.95%	3.80%	3.75%	-0.75%
3-month SOFR	4.31%	4.23%	4.04%	3.87%	3.70%	3.59%	3.53%	-0.78%

*Source: Bloomberg as of February 10, 2025.



Source: Bloomberg as of February 10th, 2025

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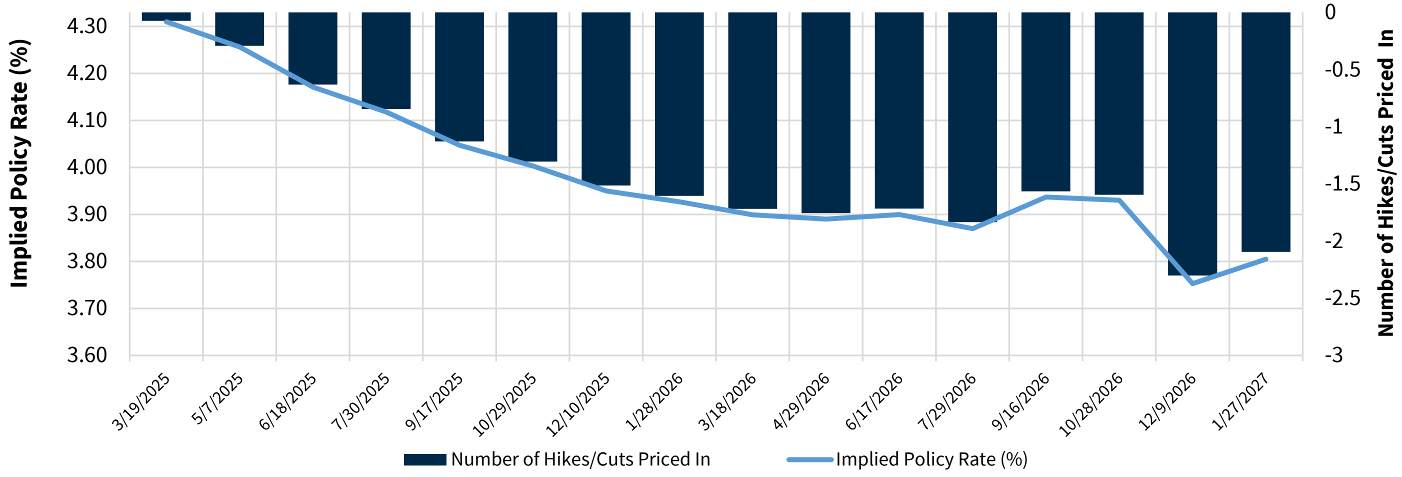
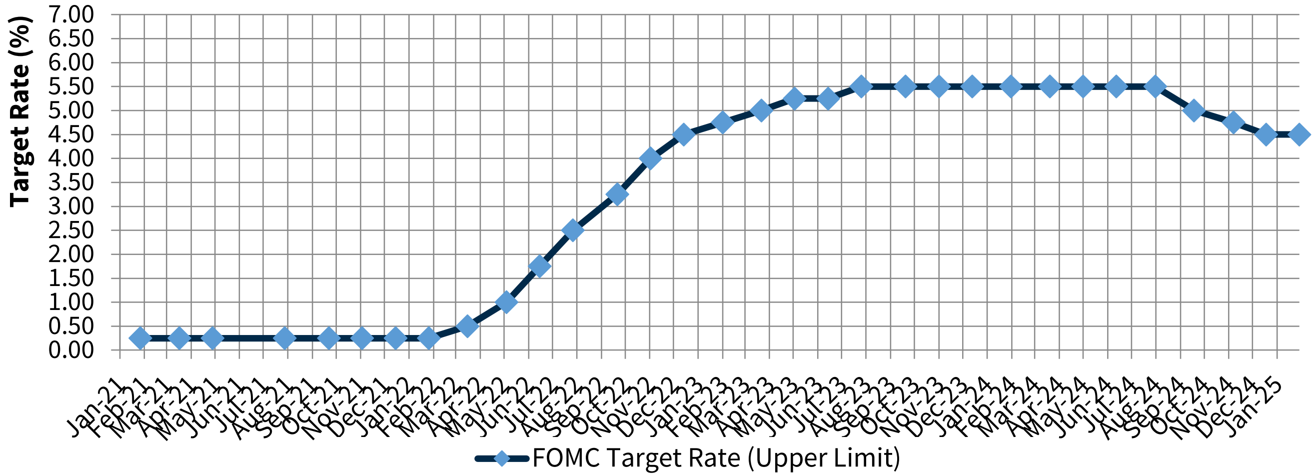
FED Funds Rate

For the remainder of 2024 and into 2025, the FOMC has indicated that there will be a change in policy that could lead to additional rate cuts. The September 18th FOMC meeting announced a 50bps cut and the November 7th and December 18th FOMC meetings instituted additional 25bps cut, each. In 2025, there is a possibility of an additional 1-2 cuts amounting to 25-50bps.

Implied overnight rate & number of rate hike/cuts



FOMC target rate (upper limit) since 2021



Source: Bloomberg as of February 10th, 2025

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