

## **BOND RESOLUTION**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FAYETTE COUNTY SCHOOL DISTRICT FINANCE CORPORATION AUTHORIZING THE SALE AND ISSUANCE OF SCHOOL BUILDING REVENUE BONDS, SERIES 2023A, FOR THE PURPOSES OF FINANCING THE CONSTRUCTION AND EQUIPPING OF A CAREER AND TECHNICAL EDUCATION CENTER ON MIDLAND AVENUE IN LEXINGTON, KENTUCKY, AND PAYING RELATED COSTS; PROVIDING FOR THE CREATION OF A FUND TO PAY THE INTEREST ON AND PRINCIPAL OF THE SERIES 2023A BONDS AS AND WHEN THEY BECOME DUE; AUTHORIZING THE EXECUTION OF A LEASE OF CERTAIN SCHOOL PROPERTIES TO THE BOARD OF EDUCATION OF FAYETTE COUNTY; PROVIDING FOR A PUBLIC, COMPETITIVE SALE OF THE SERIES 2023A BONDS; AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS.**

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Adopted January 23, 2023

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FAYETTE COUNTY SCHOOL DISTRICT FINANCE  
CORPORATION AUTHORIZING THE SALE AND ISSUANCE  
OF SCHOOL BUILDING REVENUE BONDS, SERIES 2023A,  
FOR THE PURPOSES OF FINANCING THE CONSTRUCTION  
AND EQUIPPING OF A CAREER AND TECHNICAL  
EDUCATION CENTER ON MIDLAND AVENUE IN  
LEXINGTON, KENTUCKY, AND PAYING RELATED COSTS;  
PROVIDING FOR THE CREATION OF A FUND TO PAY THE  
INTEREST ON AND PRINCIPAL OF THE SERIES 2023A  
BONDS AS AND WHEN THEY BECOME DUE;  
AUTHORIZING THE EXECUTION OF A LEASE OF CERTAIN  
SCHOOL PROPERTIES TO THE BOARD OF EDUCATION OF  
FAYETTE COUNTY; PROVIDING FOR A PUBLIC,  
COMPETITIVE SALE OF THE SERIES 2023A BONDS; AND  
AUTHORIZING RELATED DOCUMENTS AND ACTIONS.**

**PREAMBLE**

**WHEREAS**, all capitalized terms used in this preamble shall have the meanings set forth in **EXHIBIT A** attached hereto; and

**WHEREAS**, the Board of Education of Fayette County, Kentucky has directed the Fayette County School District Finance Corporation to finance the construction and equipping of a career and technical education center on Midland Avenue in Lexington, Kentucky which is within the boundaries of the Fayette County School District (the "Project"); and

**WHEREAS**, the Corporation will assist in providing funds to pay costs (to the extent not otherwise provided to be paid) of the construction and equipping of the Project, and the plans and specifications of the construction and equipping of the Project have been filed in the office of the Board of Education and approved by the Board of Education and by the State Department of Education; and

**WHEREAS**, the Board of Education has caused or will cause the title to the Project and the site to be conveyed to the Corporation and the Board of Education has agreed to continue to use and to occupy the Project pursuant to the terms of a Contract of Lease and Rent as hereinafter provided, and said instrument has been examined and is now found and declared to be in conformity with statutory requirements; and

**WHEREAS**, in order to pay the costs of the construction and equipping and related costs of the Project, it has been determined to be necessary to issue the Series 2023A Bonds, all pursuant to and as permitted by KRS Sections 162.120 through 162.300 and KRS 162.385.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FAYETTE COUNTY SCHOOL DISTRICT FINANCE CORPORATION AS FOLLOWS:**

**Section 1. Affirmation Of Preamble Recitals; Authorization Of Series 2023A Bonds.** All statements and recitals set forth in the preamble of this Resolution are hereby affirmed and adopted as a part of this Resolution.

For the purposes recited in the preamble hereof and pursuant to the Constitution and laws of the Commonwealth, particularly KRS 162.120 through 162.300 and KRS 162.385, there are hereby authorized to be issued Series 2023A Bonds in an aggregate principal amount not to exceed \$50,000,000 provided that such aggregate principal amount offered for sale may be increased or decreased by any amount (in \$5,000 denominations) so long as the maximum principal amount authorized hereunder is not exceeded upon the sale of the Series 2023A Bonds, by the Corporation's Financial Advisor, acting on the Corporation's behalf, as hereinafter provided in Section 16 hereof.

**Section 2. Description Of Series 2023A Bonds.**

**(a) Payment Of Principal And Interest; Other Provisions.** The Series 2023A Bonds shall be dated the date of original issuance and delivery and shall bear interest payable on each March 1<sup>st</sup> and September 1<sup>st</sup>, beginning on September 1, 2023 or such other date as may be determined in accordance with Section 16 hereof, to maturity or redemption and payment of the Series 2023A Bonds. Interest on each Series 2023A Bond not registered in Book-Entry Form to a Securities Depository shall be paid by check drawn upon the Paying Agent and Bond Registrar, to be designated as hereinafter described, and mailed to each Registered Holder at the address of such Registered Holder as it appears on the registration books of the Paying Agent and Bond Registrar. Old National Wealth Management, Evansville, Indiana, or such other bank or trust company as the Treasurer of the Corporation shall select, is hereby designated and appointed as the Paying Agent and Bond Registrar.

The principal of the Series 2023A Bonds not registered in Book-Entry Form to a Securities Depository shall be payable to the respective Registered Holders without exchange or collection charges, in lawful money of the United States of America, upon their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption, at the designated office of the Paying Agent and Bond Registrar. The Series 2023A Bonds shall be issued and reissued by the Paying Agent and Bond Registrar from time to time only as fully registered bonds without coupons in the denominations of \$5,000 and any integral multiple thereof, as hereinafter provided. Unless the Corporation shall otherwise direct, the Series 2023A Bonds shall be numbered separately from 1 upward.

Principal of and interest on Series 2023A Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Paying Agent and Bond Registrar to the Securities Depository or its Securities Depository Nominee.

The Series 2023A Bonds shall bear interest at a rate or rates to be established by the Corporation on the basis of competition after the Series 2023A Bonds are offered for sale at an advertised, public, competitive sale as hereinafter provided. The Record Date is to be used for the purpose of determining the Registered Holder to whom interest shall be payable on the next succeeding interest payment date, and the Paying Agent and Bond Registrar may treat for such purpose the person in whose name any Series 2023A Bond is registered on the Record Date as the Registered Holder thereof. Interest shall be computed on the basis of a year of 360 days consisting of twelve 30-day months.

The Series 2023A Bonds shall mature and/or be subject to mandatory redemption on March 1 and/or September 1 of the years set forth in the documentation described in Section 16 hereof relating to the sale of the Series 2023A Bonds, provided that final maturity of the Series 2023A Bonds shall not be later than March 1, 2048, and shall bear interest payable semiannually on March 1 and September 1 of each year at an interest rate or rates to be fixed by the Corporation as a result of the advertised sale of the Series 2023A Bonds.

All of the Series 2023A Bonds, together with interest thereon, shall be payable only out of the Sinking Fund, hereinafter created, and shall be a valid claim of the Registered Holder thereof only against the Sinking Fund and the revenues of the Project pledged to the Sinking Fund.

**(b) Series 2023A Bonds Issued In Book-Entry Form.** The Series 2023A Bonds shall initially be issued in Book-Entry Form and registered in the name of the Securities Depository or the Securities Depository Nominee as provided in this Section 2(b). Except when the Series 2023A Bonds are no longer issued in Book-Entry Form as provided below in this Section 2(b), the Series 2023A Bonds shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Participants thereof. Initially, the Series 2023A Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company, which shall be the initial Securities Depository. Each of the Corporation's President, Treasurer, or Secretary is authorized to approve and execute on the Corporation's behalf a letter of representations or other appropriate instrument with The Depository Trust Company (to which the Paying Agent and Bond Registrar may also be a party) relating to the issuance and administration of the Series 2023A Bonds in Book-Entry Form.

Except when the Series 2023A Bonds are no longer issued in Book-Entry Form as provided below in this Section 2(b), the Series 2023A Bonds may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the Corporation or to a nominee of such successor Securities Depository.

As to any Series 2023A Bond, the person in whose name the Series 2023A Bond shall be registered shall be the Registered Holder and the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on any such Series 2023A Bond shall be made only to or on the order of the Registered Holder thereof or its legal representative.

Neither the Corporation nor the Paying Agent and Bond Registrar shall have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository or any Participant with respect to any beneficial ownership interest in the Series 2023A Bonds;

(ii) the delivery to any Participant, any beneficial owner of the Series 2023A Bonds, or any other person, other than the Securities Depository, of any notice with respect to the Series 2023A Bonds; or

(iii) the payment to any Participant, any beneficial owner of the Series 2023A Bonds, or any other person, other than the Securities Depository, of any amount with respect to the principal or interest on the Series 2023A Bonds.

So long as any Series 2023A Bonds are registered in Book-Entry Form, the Corporation and the Paying Agent and Bond Registrar may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner and the Registered Holder of such Series 2023A Bonds for all purposes whatsoever, including:

(i) the payment of principal and interest on the Series 2023A Bonds;

(ii) giving notices of redemption and other matters with respect to the Series 2023A Bonds;

(iii) registering transfers with respect to the Series 2023A Bonds;

(iv) selection of Series 2023A Bonds for redemption; and

(v) for purposes of obtaining any consents under this Resolution.

If at any time the Securities Depository notifies the Corporation that it is unwilling or unable to continue as Securities Depository with respect to the Series 2023A Bonds, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Securities Depository is not appointed by the Corporation within ninety days after the Corporation receives notice or becomes aware of such condition, as the case may be, then this Section 2(b) shall no longer be applicable and the Corporation shall execute and the Paying Agent and Bond Registrar shall authenticate and deliver certificates representing the Series 2023A Bonds to the Registered Holders.

Payment of principal of and interest on any Series 2023A Bonds not registered in Book-Entry Form shall be made as provided in Section 2(a) hereof.

### **Section 3. Redemption Of Series 2023A Bonds.**

**(a) Mandatory Sinking Fund Redemption.** If the successful bidder and original purchaser of the Series 2023A Bonds so elects in accordance with the provisions of Section 16 hereof and as may be provided in the official action of the Corporation's President, Treasurer, or Secretary awarding the Series 2023A Bonds to such original purchaser, the Series 2023A Bonds stated to mature on the maturity dates set out in the successful bid of such original purchaser shall be combined to comprise the maturities of Term Bonds as set out in said successful bid and in said official action; and such Term Bonds shall be subject to mandatory redemption in part, at the selection of the Paying Agent and Bond Registrar by lot in such manner as the Paying Agent and Bond Registrar may determine, from moneys in the Sinking Fund on each applicable March 1<sup>st</sup> at par plus accrued interest to the redemption date, according to the mandatory sinking fund redemption schedule or schedules set out in said official action.

**(b) Optional Redemption.** The Series 2023A Bonds may be subject to redemption by the Corporation, at its option, in whole or in part at any time or times in any order of maturity (less than all of a single maturity to be selected by lot in such manner as the Paying Agent and Bond Registrar may determine) at the redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date. The optional redemption date shall be determined by the Treasurer of the Corporation and established and set forth in the Official Terms and Conditions of Bond Sale for the Series 2023A Bonds.

The Series 2023A Bonds being optionally redeemed shall be called for redemption by the Paying Agent and Bond Registrar as herein provided upon receipt by the Paying Agent and Bond Registrar at least thirty-five days before the redemption date of a certificate of the Corporation or the Board of Education specifying the principal amount and maturities of the Series 2023A Bonds so to be called for redemption and the applicable redemption price or prices.

**(c) Other Redemption Provisions.** The Paying Agent and Bond Registrar shall cause notice of the call for any redemption, identifying the Series 2023A Bonds or portions thereof (\$5,000 or any integral multiple thereof) to be redeemed, to be sent by first class mail at least thirty days but no more than sixty days before the date fixed for redemption to the Registered Holder of each Series 2023A Bond to be redeemed at the address shown on the registration books maintained by the Paying Agent and Bond Registrar. Failure to give such notice by mailing or any defect therein in respect of any Series 2023A Bond shall not affect the validity of any proceedings for the redemption of any other Series 2023A Bond. Any notice mailed as provided in this Section 3(c) shall be conclusively presumed to have been duly given, irrespective of whether the Registered Holder receives the notice.

In the case for an optional redemption pursuant to this Section, the notice of redemption may state (i) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Registrar no later than the redemption date or (ii) that the Corporation retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional or



extraordinary redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded in writing, and disseminated to each Owner in accordance with the procedures set forth in this Section, no later than 7 days prior to the redemption date.

Upon the giving of notice and the deposit of adequate funds in the Sinking Fund for redemption of Series 2023A Bonds, interest on the Series 2023A Bonds or portions thereof so called for redemption shall cease to accrue after the date fixed for redemption. No payment of principal or interest shall be made by the Paying Agent and Bond Registrar upon any Series 2023A Bond or portion thereof called for redemption until such Series 2023A Bond or portion thereof shall have been delivered to the Paying Agent and Bond Registrar for payment or cancellation, or the Paying Agent and Bond Registrar shall have received the items required by Section 6 hereof with respect to any mutilated, lost, stolen, or destroyed Series 2023A Bond.

A portion of any Series 2023A Bond subject to redemption may be redeemed, but Series 2023A Bonds shall be redeemed only in the principal amount of \$5,000 each or any integral multiple thereof. Upon surrender of any Series 2023A Bond for redemption in part only, the Corporation shall execute and the Paying Agent and Bond Registrar shall register, authenticate, and deliver to the holder thereof, within a period of three days from surrender of such Series 2023A Bond to the Paying Agent and Bond Registrar, at the Corporation's expense, a new Series 2023A Bond or Series 2023A Bonds of the same maturity, of authorized denominations, and in aggregate principal amount equal to the unredeemed portion of the Series 2023A Bond surrendered.

With reference to Section 16 hereof, the date of competitive sale of the Series 2023A Bonds shall be authorized and set by the Corporation's President, Treasurer, or Secretary, upon the advice of the Financial Advisor, provided the date of the competitive sale of the Series 2023A Bonds shall not occur after December 31, 2023. As provided in Section 16 hereof, the Corporation's President, Treasurer, or Secretary, upon the advice of the Financial Advisor, may adjust or alter some or all of the foregoing terms and provisions of the Series 2023A Bonds, including the date of the Series 2023A Bonds, the principal maturity schedule and the optional redemption dates, and the related terms and provisions of the Contract of Lease and Rent.

**Section 4. Execution Of Series 2023A Bonds; Limited Obligation.** The Series 2023A Bonds shall be executed on the Corporation's behalf by the manual or reproduced facsimile signature of its President and shall be attested with the manual or reproduced facsimile signature of its Secretary. An authorized facsimile signature shall have the same force and effect as a manual signature. In case any officer of the Corporation whose signature or a facsimile of whose signature shall appear on the Series 2023A Bonds shall cease to be such officer before the delivery of such Series 2023A Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Series 2023A Bonds are not and shall never in any event become general obligations of the Corporation or the Board of Education but are special and limited obligations of the Corporation payable solely from the Sinking Fund as hereinafter provided, and the Sinking Fund

and the revenues of the Project are hereby specifically assigned and pledged to the Bondholders for the amortization of the Series 2023A Bonds in the manner and to the extent provided herein. The Series 2023A Bonds and the interest thereon shall never constitute a debt, indebtedness or pledge of the faith and credit of the Corporation or the Board of Education within the meaning of any provision or limitation of the Constitution or statutes of the Commonwealth, and shall not constitute or give rise to a pecuniary liability of the Corporation or the Board of Education or a charge against the general credit of either or against the taxing power of the Board of Education. The Corporation shall not be obligated to pay the principal of the Series 2023A Bonds or the interest thereon or other costs incident thereto except from the revenues and amounts pledged therefor.

The Corporation acknowledges that it has been informed that the Commission has agreed to provide financial assistance to the Board of Education for the Project and in this financing to the extent of the Agreed Participation, subject to the constitutional limitations on state agencies requiring that such commitment be subject to renewal or cancellation every two (2) years.

**Section 5. Form Of Series 2023A Bonds.** The Series 2023A Bonds shall be issued only in the form of bonds registered as to payment of both principal and interest in substantially the following form, with necessary and appropriate variations, omissions, and insertions as permitted or required by this Resolution, set forth at **EXHIBIT B** attached hereto.

**Section 6. Mutilated, Lost, Stolen, Or Destroyed Series 2023A Bonds.** If any Series 2023A Bond is mutilated, lost, stolen, or destroyed, the Corporation may execute and the Paying Agent and Bond Registrar may authenticate and deliver a new Series 2023A Bond of like series, date, maturity, and denomination as that mutilated, lost, stolen, or destroyed; provided that, in the case of any mutilated Series 2023A Bond, such Series 2023A Bond shall first be surrendered to the Paying Agent and Bond Registrar, and in the case of any lost, stolen, or destroyed Series 2023A Bond, there shall be first furnished to the Corporation and the Paying Agent and Bond Registrar evidence of such loss, theft, or destruction satisfactory to them and such indemnity as the Corporation and the Paying Agent and Bond Registrar may require. If any such Series 2023A Bond shall have matured, in lieu of issuing a duplicate Series 2023A Bond, the Corporation may pay the same without surrender thereof. The Corporation and the Paying Agent and Bond Registrar may charge the holder or owner of such Series 2023A Bond their reasonable fees and expenses in this connection.

**Section 7. Registration, Authentication, Transfer, And Exchange Of Series 2023A Bonds.** So long as any Series 2023A Bonds remain outstanding, the Paying Agent and Bond Registrar shall keep and maintain at its designated office, complete registration books for the Series 2023A Bonds and shall provide for the registration and transfer of Series 2023A Bonds in accordance with the terms of this Resolution. Each Series 2023A Bond shall be authenticated by the Paying Agent and Bond Registrar. Except as may be otherwise provided in Section 2(b) hereof for Series 2023A Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Series 2023A Bond shall be transferable only upon the presentation and surrender thereof at the principal office of the Paying Agent and Bond

Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Holder or his authorized representative. Upon receipt of any such Series 2023A Bond, duly endorsed for transfer or accompanied by any assignment for transfer, the Paying Agent and Bond Registrar shall transfer such Series 2023A Bond within a period of three days by reissuing such Series 2023A Bond, duly executed by the Corporation and authenticated by the Paying Agent and Bond Registrar, and delivering the same to the new Registered Holder thereof forthwith.

The Paying Agent and Bond Registrar shall not be required to transfer or exchange any Series 2023A Bond (a) during any period beginning five days before the selection by the Paying Agent and Bond Registrar of Series 2023A Bonds to be redeemed before maturity and ending on the date of mailing of notice of any such redemption or (b) if such Series 2023A Bond has been selected or called for redemption in whole or in part.

Except as may be otherwise provided in Section 2(b) hereof for Series 2023A Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Series 2023A Bond shall be exchangeable upon the presentation and surrender thereof at the designated office of the Paying Agent and Bond Registrar for a Series 2023A Bond or Series 2023A Bonds of the same maturity, in the denomination of \$5,000 or an integral multiple thereof, in an aggregate principal amount or amounts equal to the unpaid principal amount of the Series 2023A Bond or Series 2023A Bonds presented for exchange. The Paying Agent and Bond Registrar shall and is hereby authorized to authenticate and deliver Series 2023A Bonds delivered in exchange for surrendered Series 2023A Bonds in accordance herewith. Each Series 2023A Bond delivered in exchange for a surrendered Series 2023A Bond shall constitute an original contractual obligation of the Corporation and shall be entitled to the benefits and security of this Resolution to the same extent as the Series 2023A Bond or Series 2023A Bonds in lieu of which any Series 2023A Bond is delivered in exchange. Any Series 2023A Bonds surrendered for exchange shall be cancelled by the Paying Agent and Bond Registrar and the Paying Agent and Bond Registrar shall maintain a complete record of all exchanges, transfers and cancellations of Series 2023A Bonds and shall make a report thereof to the Corporation on not less than an annual basis.

Except as may be otherwise provided in Section 2(b) hereof for Series 2023A Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, no service charge or other transfer fee shall be charged to any Bondholder in connection with any transfer or exchange of a Series 2023A Bond. However, the Registered Holder of any Series 2023A Bond may be required to pay an amount equal to any tax or other governmental charge, if any, that may be imposed in connection with the transfer or exchange of any Series 2023A Bond.

**Section 8. Destruction of Series 2023A Bonds.** Whenever any outstanding Series 2023A Bond shall be delivered to the Paying Agent and Bond Registrar for cancellation thereof pursuant to this Resolution, upon payment of the principal amount or interest represented thereby or for replacement or exchange, such Series 2023A Bonds, following such replacement or

exchange, shall be promptly cancelled and destroyed by the Paying Agent and Bond Registrar and counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Paying Agent and Bond Registrar to the Corporation.

All Series 2023A Bonds which have been redeemed shall not be reissued but shall be cancelled and destroyed by the Paying Agent and Bond Registrar in accordance with this Section 8.

**Section 9. Appointment And Duties Of Paying Agent And Bond Registrar.** The Corporation hereby appoints Old National Wealth Management, Evansville, Indiana, or such other bank or trust company as the Treasurer of the Corporation shall select, as Paying Agent and Bond Registrar for the Series 2023A Bonds. Pursuant to a Paying Agency Agreement, the Paying Agent and Bond Registrar shall maintain a complete and current record of each Series 2023A Bond issued, the name and address of each Registered Holder of any Series 2023A Bonds, and such additional information as may be required for compliance with applicable laws and regulations. The Paying Agent and Bond Registrar will also make all payments of interest on the Series 2023A Bonds and pay principal on the Series 2023A Bonds as herein provided.

The recitals of fact herein and in the Series 2023A Bonds contained shall be taken as the statements of the Corporation and the Paying Agent and Bond Registrar assumes no responsibility for the correctness of the same. The Paying Agent and Bond Registrar makes no representations as to the validity or sufficiency of this Resolution or of any Series 2023A Bonds issued hereunder or in respect of the security afforded by this Resolution, and the Paying Agent and Bond Registrar shall not incur any responsibility in respect thereof. The Corporation shall, however, be responsible for its representations contained in the Series 2023A Bonds. The Paying Agent and Bond Registrar shall not be under any responsibility or duty with respect to the issuance of the Series 2023A Bonds for value or the application of the proceeds thereof or the application of any moneys paid to the Corporation. The Paying Agent and Bond Registrar shall be under no obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. The Paying Agent and Bond Registrar shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document reasonably believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Paying Agent and Bond Registrar may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever the Paying Agent and Bond Registrar shall deem it necessary or desirable that a matter be proved or established before taking or suffering any action hereunder, including payment of moneys out of any fund, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by an authorized officer of the Corporation and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent and Bond Registrar may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidences as to it may seem

reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the Corporation to the Paying Agent and Bond Registrar shall be sufficiently executed if executed in the Corporation's name by its President, Secretary, or Treasurer. The Paying Agent and Bond Registrar may execute any of its trusts or powers and perform any of its duties under this Resolution by or through attorneys, agents or employees.

The Corporation shall pay to the Paying Agent and Bond Registrar from time to time reasonable compensation for all services rendered under this Resolution and the Paying Agency Agreement, and also all reasonable expenses, charges, counsel fees, and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution. The Corporation further agrees to indemnify and hold the Paying Agent and Bond Registrar harmless against any losses, claims, damages, fines, penalties, expenses (including reasonable attorneys' fees and expenses), and liabilities that the Paying Agent and Bond Registrar may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or willful misconduct. This indemnification shall survive the termination of this Resolution.

The Paying Agent and Bond Registrar may become the owner of any Series 2023A Bonds, with the same rights it would have if it were not the Paying Agent and Bond Registrar. The Paying Agent and Bond Registrar and any other fiduciary may act as depository for, or permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Series 2023A Bonds or this Resolution, whether or not any such committee shall represent the holders of a majority in principal amount of the Series 2023A Bonds then outstanding.

Any entity into which the Paying Agent and Bond Registrar may be merged or converted or with which it may be consolidated or any entity resulting from any merger, conversion, or consolidation to which it shall be a party or any entity to which the Paying Agent and Bond Registrar may sell or transfer all or substantially all of its banking and corporate trust business, provided such entity shall be authorized by law to perform all the duties imposed upon it by this Resolution, shall be the successor to the Paying Agent and Bond Registrar without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding.

**Section 10. Lease Of Project; Funds.** Upon the issuance of the Series 2023A Bonds, the Project located on the site in the Fayette County School District described in Appendix A to the Contract of Lease and Rent shall for the purpose of this Resolution be leased, rented, and occupied as a revenue-producing undertaking on a rental year basis commencing on the date of the issuance of the Series 2023A Bonds and thereafter on March 1<sup>st</sup> of each year and ending on each succeeding last day of February, and the revenues from such lease, rental, and occupancy, including specifically the revenues from the Contract of Lease and Rent with the Board of

Education hereinafter described, shall be set aside and held apart from all other funds of the Corporation and shall be apportioned, as follows:

(a) The Corporation hereby establishes with the Paying Agent and Bond Registrar a fund to be known as the "Fayette County School District Finance Corporation School Building Revenue Bond and Interest Redemption Fund, Series 2023A", into which there shall be paid and set aside all or such portion of the revenues from the Project as will be sufficient to pay the interest on and principal of the Series 2023A Bonds as the same are scheduled to become due. All sums received as accrued interest in the issuance of the Series 2023A Bonds, if any, shall be paid into the Sinking Fund. It is hereby determined that the amount to be annually set aside from the revenues as aforesaid and paid into the Sinking Fund during each rental year for the purpose of paying the interest on and principal of the Series 2023A Bonds shall be the sum required to pay the principal and interest coming due on the Series 2023A Bonds on March 1<sup>st</sup> of such rental year, together the interest coming due on September 1<sup>st</sup> of such rental year, based upon the interest rate or rates applicable to the Series 2023A Bonds.

The amount by which any such payment into the Sinking Fund in any rental year may exceed the aggregate amount of interest on and principal of the Series 2023A Bonds may be held therein as a reserve for subsequent annual interest and principal requirements. No further payments need to be made into the Sinking Fund whenever and so long as such amount of the Series 2023A Bonds payable therefrom shall have been retired such that the amount then held in the Sinking Fund is equal to the entire amount required to accomplish retirement of all of the Series 2023A Bonds then remaining outstanding and to pay all interest to accrue thereon, and including the amount of any additional interest incident to redemption, in the event it is desired that any of said outstanding Series 2023A Bonds be redeemed before stated maturities as herein provided.

If, in any year, the Corporation shall, for any reason, fail to pay into the Sinking Fund the full amount above stipulated, then an amount equivalent to such deficiency shall be set apart and paid into the Sinking Fund from the first available revenues of the Project for the following year or years and the same shall be in addition to the amount otherwise herein provided to be so set apart and paid during such succeeding year or years.

All moneys held in the Sinking Fund, as aforesaid, shall be deposited with the Paying Agent and Bond Registrar, or any successor thereto, and to the extent that such moneys shall cause deposits of the Corporation in said bank to exceed the amount insured by the Federal Deposit Insurance Corporation or any agency thereof, such deposits shall be continuously secured by a valid pledge of bonds or notes of the United States Government having at all times an equivalent market value, or shall at the direction of the Board of Education, acting through the Board of Education's Director of Financial Services or Treasurer, be invested:

(i) in direct obligations of the United States;

(ii) in obligations fully guaranteed as to both principal and interest by the United States, having a maturity date before the date when the sums invested will be needed for meeting interest and principal payments;

(iii) money market funds composed of obligations described in (i) or (ii) above and rated at least AAA (or the equivalent thereof) by Moody's Investors Service, Inc., or Standard & Poor's Ratings Services;

(iv) in bank time deposits on an interest-bearing basis, evidenced by certificates of time deposit (issued in the name of the Sinking Fund and delivered into the custody of the Paying Agent and Bond Registrar), secured at all times by a valid pledge on the part of the issuer of said certificates of time deposit of obligations described in (i) or (ii) above having at all times during the continuance of each certificate a current market value (exclusive of accrued interest) at least equal to the full amount of such certificate. The custody of such obligations, whether actual or constructive, shall be in a financial institution other than the issuer of the certificate of time deposit in question. All such certificates of time deposit shall be issued so that the same may be reconverted into cash and deposited in the Sinking Fund as and when required to pay maturing principal and interest payments; or

(v) in such other investments as may be authorized by law including those authorized by KRS 66.480, which specifically include, without limitation, certain collateralized repurchase agreements and forward purchase agreements.

All income from the investment of the Sinking Fund or any portion thereof shall be deposited as received into the Sinking Fund and constitute a part thereof, and to the extent thereof may be used as a credit to the then, or any future, deposit required to be made hereunder by the Corporation into the Sinking Fund.

The rental payments so required shall be made in installments on or before the 1<sup>st</sup> day of March and September of the respective rental years, the first such payment to be made on or before September 1, 2023. If the Board of Education fails to make a rental payment when due, the Paying Agent and Bond Registrar shall notify the Kentucky Department of Education of such failure.

The Sinking Fund shall be used solely and only and is hereby pledged for the purpose of paying interest on and principal of the Series 2023A Bonds as the same become due.

(b) Out of the balance of the revenue remaining after the payments into the Sinking Fund described above, there shall be set aside into a Maintenance Fund whatever amount may be necessary and is not otherwise provided for the proper maintenance of the Project and to continuously insure the Project against loss or damage by fire, lightning, windstorm, or other calamity, in the amount of their full insurable value.

Such insurance shall be for the use and benefit of the holder or holders of any Series 2023A Bond or Series 2023A Bonds, it being the Corporation's intention to provide that insurance shall be carried which shall be at all times equal to at least the full insurable value of the Project.

**Section 11. Contract Of Lease And Rent.** The Corporation hereby covenants and agrees with the Bondholders that it will faithfully and punctually perform all duties with reference to the Project required by the Constitution and laws of the Commonwealth, including the making of reasonable and sufficient rentals for services rendered thereby, and will segregate said revenues and make application thereof to the respective funds created by this Resolution. The Corporation and its Board of Directors further irrevocably covenant, bind, and obligate themselves to perform all duties imposed upon them by the Constitution and statutes of the Commonwealth in relation to maintaining the Project. It is the Corporation's declared intention to continue to lease the Project to the Board of Education for an extended period of years, as provided in the Board of Education Resolution, along with the proposed Contract of Lease and Rent, appended thereto, together with the form of this Resolution, have been previously submitted to the Corporation's Board of Directors. The Board of Education Resolution and the Contract of Lease and Rent, in substantially the form so submitted, are hereby accepted, approved, and made a part hereof; and either the President or the Vice President is hereby authorized to execute the Contract of Lease and Rent for and on behalf of the Corporation. The Corporation further binds and obligates itself not to sell, mortgage, or in any manner dispose of the Project, including any and all additions that may be made thereto, except as specifically permitted and provided by this Resolution, until all the Series 2023A Bonds shall have been paid in full, both as to principal and interest. The Corporation further covenants and agrees with the Bondholders to maintain the Project in good condition and to charge and collect rents for services rendered thereby so that the gross revenues will be sufficient at all times to provide for the payment of the interest on and the principal of the Series 2023A Bonds, as and when they mature, and to pay the maintenance cost of the Project, including the cost of insurance, as hereinabove provided.

The Contract of Lease and Rent reserves to the Board of Education the right and option to prepay rent and thereby purchase from the Corporation any of the respective Project and to obtain a reconveyance thereof by the Corporation to the Board of Education free and clear of all liens and encumbrances provided by KRS 162.200 and herein recognized, upon the condition that a sum sufficient to retire a commensurate amount of Series 2023A Bonds then outstanding is paid in full, subject, however, to any applicable restrictions that may hereafter be provided in the issuance of school building revenue bonds for properties constituting the Project.

**Section 12. Statutory Mortgage Lien; Releases And Conveyances.** For the further protection of the Bondholders, a statutory mortgage lien upon the Project is granted and created by KRS 162.200, which lien is hereby recognized and declared to be valid and binding upon the delivery of the Series 2023A Bonds; provided, however, that the Corporation shall have the right to erect or construct upon the Project site described in the Contract of Lease and Rent structures and improvements to be used, leased and operated by the Board of Education and to issue bonds on a parity with the Series 2023A Bonds to finance said structures and improvements which will



be secured by the statutory mortgage lien upon the Project. Notwithstanding the foregoing, said statutory mortgage lien is and shall be restricted in its application to those portions of the Project site physically occupied thereby, and such easements and rights-of-way for ingress, egress, and the rendering of services thereto as may be necessary for the proper use and maintenance of the same, the right being hereby reserved to erect or construct upon the Project site described in the Contract of Lease and Rent other structures and improvements free and clear of said statutory mortgage lien, even though the same are connected by using as party walls one or more walls of structures which are subject to said mortgage lien, providing the same are capable of use as separate entities in themselves and have their own outside entrances, and providing no part of the costs of said additional structures and improvements are paid from the proceeds of the Series 2023A Bonds or any parity bonds.

The Corporation reserves the right (at the request of the Board of Education) to release or convey, with or without consideration, free of the statutory mortgage lien herein created securing the Series 2023A Bonds, such easements, rights-of-way, licenses, or other rights over, upon, or beneath the surface of the land herein described as may reasonably be required for roads, utilities, drainage, or other public purposes, provided (a) no such release or conveyance shall interfere with the ownership and efficient operation of the Project (and the actual land on which they are located); (b) ingress to and egress from the Project shall not thereby be impaired; and (c) there shall be no reduction of the rentals otherwise required under the Contract of Lease and Rent.

Any holder of the Series 2023A Bonds, by suit, action, mandamus, or other proceedings, either at law or in equity, may enforce and compel the performance of all duties required by the Constitution and the statutes of the Commonwealth, including the charging and collection of sufficient rents and the segregation of revenues and income and the application thereof, and may by such action compel the performance of all duties imposed in the operation of an adequate school system as provided by law, but only insofar as the failure to perform such duties would or could affect the interests of any holder or holders of any Series 2023A Bond or Series 2023A Bonds.

If there is any default in the payment of the principal of or interest on any Series 2023A Bond, then upon the filing of suit by any holder of the Series 2023A Bonds any court having jurisdiction of the action may appoint a receiver to administer the Project on behalf of the Corporation or the Board of Education, with power to charge and collect rents sufficient to provide for the payment of any Series 2023A Bond outstanding, and for the payment of the operating expenses, and to apply the income and revenues in conformity with this Resolution and the provisions of the previously cited laws of Kentucky.

**Section 13. No Priorities Among Series 2023A Bonds.** Series 2023A Bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the revenues of the Project or with respect to the statutory mortgage lien securing their payment, regardless of the time or times of their issuance, it being the intention that there shall be no priority among such Series 2023A Bonds regardless of the fact that they may be actually issued and delivered at different times.

**Section 14. Additional Series 2023A Bonds.** While any of the Series 2023A Bonds or parity bonds herein permitted to be issued are outstanding, the Corporation shall not issue any additional bonds or incur any other obligations payable from the revenues of the Project unless the lien and security of such bonds or other obligations on such revenues and on the Project are made junior and subordinate in all respects to the lien and security of the Series 2023A Bonds; provided, however, that the Corporation hereby reserves the right and privilege of issuing additional bonds from time to time, payable from the income and revenues of the Project and ranking on a parity with the Series 2023A Bonds, if and to the extent the issuance of such additional parity bonds may be necessary to pay the costs, not otherwise available, of completing the construction, installation, and equipping of structures and improvements upon the Project site in accordance with plans and specifications approved by the Kentucky Department of Education and by the Board of Education, and filed in the office of the Board of Education; but before any such additional bonds ranking on a parity as aforesaid are issued, the issuance thereof shall be approved by the proper officials of the Kentucky Department of Education as required by law, and a supplemental contract of lease and rent shall have been entered into, under which the respective annual rental payments during the term of such additional bonds are increased by the amount of the annual interest and principal requirements of such additional bonds.

**Section 15. Receipts and Disbursements.** So long as any Series 2023A Bonds are outstanding, the person holding the office of Treasurer of the Board of Education shall be and is hereby designated the person to act on the Corporation's behalf in handling receipts, disbursements, and accounting in connection with the Series 2023A Bonds and the funds created by this Resolution with regard thereto, and the Treasurer of the Board of Education shall not be required to post any additional fiduciary bond unless the bond required to be posted by him or her by the Board of Education does not include his or her duties and responsibilities with regard to the Series 2023A Bonds. Upon evidence of the existence of such bond the Corporation shall accept the receipt of the Treasurer of the Board of Education for such Series 2023A Bond proceeds. The Treasurer of the Board of Education shall keep proper books of records and accounts (separate from all other records and accounts), in which complete and correct entries shall be made of all transactions relating to the Series 2023A Bonds and the Project, and shall furnish on written request of any holder of Series 2023A Bonds, within ninety days after the close of each fiscal year, complete financial statements of the Project in reasonable detail covering such fiscal year.

**Section 16. Series 2023A Bond Sale.** The Series 2023A Bonds shall be sold at public sale after public notice thereof as required by KRS, and the President and/or the Secretary are hereby authorized and directed to publicize a Notice of Bond Sale in accordance with Kentucky law and in such form as is approved by the Kentucky Department of Education soliciting sealed, competitive bids for the purchase of the Series 2023A Bonds, the same to be received by a designated official of the Kentucky Department of Education or of the Kentucky School Facilities Construction Commission at his or her office in Frankfort, Kentucky, until a specified hour and day, as determined by the President, Treasurer, or Secretary (which time for receipt of bids may be rescheduled by the President or Treasurer, upon the advice of the Financial Advisor, to any date on or before December 31, 2023). The bids theretofore received shall be publicly opened and

then considered by the Financial Advisor on the Corporation's behalf, and the best bid or bids, as the case may be, shall be determined by the Financial Advisor, with the approval of an officer of the Board of Education, on the Corporation's behalf.

The Series 2023A Bonds will be awarded to the bidder offering to purchase the Series 2023A Bonds at the lowest true interest cost to the Corporation based on the terms and provisions set forth in the Notice and Official Terms and Conditions of Bond Sale hereinafter described. If two or more bidders offer bids at the same lowest true interest cost and the Corporation wishes to award the Series 2023A Bonds, or a portion thereof as herein provided, the Corporation shall determine by lot which bidder will be awarded such Series 2023A Bonds.

The Corporation reserves the right to adjust by increasing or decreasing the amount of Series 2023A Bonds offered for sale and sold to the best bidder so long as the Series 2023A Bonds do not exceed the maximum aggregate principal amount authorized herein. The Corporation further reserves the right to adjust principal maturities of the Series 2023A Bonds without changing the total amount of Series 2023A Bonds sold. In the event of any such adjustment, no rebidding or recalculating of the bids submitted will be required or permitted.

Bidders shall have the option of specifying that all of the principal amount of Series 2023A Bonds proposed to mature on any two or more consecutive dates may, in lieu of maturing on each of such dates, be Term Bonds scheduled to mature on the latest of such dates and be subject to mandatory sinking fund redemption at par in the manner described in Section 3 hereof on each of the dates and in the principal amounts as set out in said schedule (subject to adjustment as herein provided), except for the principal amount of Series 2023A Bonds scheduled to mature on the date of maturity of the Term Bonds, which shall mature on such date. Bidders may specify one or more of such Term Bonds.

The Notice of Bond Sale shall be made known to the public as required by law in advance of the date stated therein for the opening and consideration of purchase bids, making reference to the Notice and Official Terms and Conditions of Bond Sale and the Preliminary Official Statement hereinafter described.

The Financial Advisor, which will not submit a bid or participate in a syndicate that submits a bid for the Series 2023A Bonds at the public sale thereof, is acting as financial advisor to the Corporation in connection with the issuance of the Series 2023A Bonds and will receive a fee, payable from Series 2023A Bond proceeds, for its services as Financial Advisor.

Upon the occasion of the receipt of bids, and after examination and recommendations by the Financial Advisor, the Financial Advisor, on behalf of and as agent of the Corporation, is hereby authorized to, and the Financial Advisor shall, establish the rates of interest on and the total amount and principal maturities and mandatory sinking fund installments, if any, of the Series 2023A Bonds by completion and execution of the acceptance on the Official Bid Form of the successful bidder or bidders, a copy of which document shall be filed in the official records of the Corporation and the Board of Education, provided that the true interest cost on the Series 2023A Bonds shall not exceed 7% per annum.

If three or more bids for the Series 2023A Bonds are received as a result of the competitive sale, the Successful Purchaser will be required to certify on or before the issue date the reasonably expected initial offering price to the public as of the Sale Date for each Maturity of the Series 2023A Bonds, which prices will represent the prices for each Maturity of the Series 2023A Bonds used by the Successful Purchaser to formulate its bid to purchase the Series 2023A Bonds.

If less than three bids for the Series 2023A Bonds are received as a result of the competitive sale, the Successful Purchaser, by submitting a bid pursuant to the Notice of Bond Sale, shall be deemed to have agreed in writing that the Successful Purchaser will certify on or before the issue date (and provide reasonable supporting documentation for such certification, such as a copy of the pricing wire or equivalent communication) for each Maturity of the Series 2023A Bonds (i) the first price at which at least 10% of each Maturity of the Series 2023A Bonds was sold to the Public, or (ii) that the Successful Purchaser will neither offer nor sell any of the Series 2023A Bonds of each Maturity to any person at a price that is higher than the initial offering price for such Maturity during the Holding Period for such Maturity.

Bids will not be subject to cancellation or withdrawal by the bidder if three bids are not received and the Corporation determines to apply the hold-the-offering-price rule described in the immediately preceding paragraph.

A Notice of Bond Sale having been prepared in advance, and having been examined and found to conform to the above conditions, said document is hereby approved and shall be signed by the Corporation's President, Treasurer, or Secretary and its use is approved and authorized, subject to such modifications in accordance with the provisions and intent of this Resolution as may be determined by the Financial Advisor and approved by the officer of the Corporation executing the document, and shall be executed by the Corporation's President, Treasurer, or Secretary and furnished to the interested bidders who request it.

A Notice and Official Terms and Conditions of Bond Sale having also been prepared in advance, in order to give a more complete description of the Series 2023A Bonds and specific instructions (including conditions not recited herein) calculated to bring about uniformity in the bidding, and containing the Official Bid Form, and the document having been examined by the Board of Directors, is hereby approved and authorized and shall be executed by the Corporation's President, Treasurer, or Secretary and furnished to interested bidders who may request it.

In addition to the foregoing, on the recommendation of the Financial Advisor bids may be taken or submitted electronically (provided all electronic proposals shall be deemed to incorporate in substance the provisions of the Official Bid Form). Any bid transmitted electronically shall be submitted through BIDCOMP/PARITY® and no other provider of electronic bidding services will be accepted. Bidders submitting an electronic proposal must fulfill any requirements of the bidding service provider over and above the requirements of the Corporation set forth in the Notice and Official Terms and Conditions of Bond Sale. Electronic bidding for the Series 2023A Bonds shall be made available to bidders solely as a courtesy by the Corporation. The Corporation shall assume no responsibility or liability for bids submitted

through the electronic bidding service provider. Without limiting the generality of the foregoing disclaimers, the Corporation does not assume responsibility for any communications or negotiations between bidders and the electronic bidding service provider, or for any failure of the provider to accurately or timely submit any electronic proposal. Any electronic proposal shall be deemed to incorporate all of the provisions of the Official Bid Form and the Notice and Official Terms and Conditions of Bond Sale. Each bidder shall be solely responsible for making necessary arrangements to access the electronic bidding service provider for purposes of submitting such bidder's bid in a timely manner and in compliance with the Corporation's requirements. The Corporation shall have no duty or obligation to provide or assure such access to any bidder. The Corporation shall not be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, the provider's service. The Corporation shall use the provider's service solely as a communication mechanism, and not as the Corporation's agent, to conduct the electronic bidding for the Series 2023A Bonds. If any provision in the Notice and Official Terms and Conditions of Bond Sale conflicts with information provided by the electronic bidding service provider, the Notice and Official Terms and Conditions of Bond Sale shall control.

In addition, in connection with the Series 2023A Bond sale the Corporation and the Board of Education have caused to be prepared a Preliminary Official Statement. The Preliminary Official Statement and the use thereof by the Corporation in offering and selling the Series 2023A Bonds, with such modifications in accordance with the provisions and intent of this Resolution as may be recommended by the Financial Advisor and approved by an officer of the Corporation, is hereby expressly approved, the Corporation, through certain of its officials and employees, having reviewed the Preliminary Official Statement and having found the factual statements and the data therein to be accurate. The Preliminary Official Statement shall be supplemented following sale of the Series 2023A Bonds, and the Corporation's President is authorized to approve and sign such supplemented or final Official Statement on the Corporation's behalf, which is authorized for distribution in connection with the sale of the Series 2023A Bonds. The Preliminary Official Statement is in a form "deemed final" by the Corporation for purposes of SEC Rule 15c2-12(b)(1) but, as aforesaid, is subject to supplementation and completion following the sale of the Series 2023A Bonds. The Corporation's President, Treasurer, or Secretary is also hereby authorized and directed, on the recommendation of the Financial Advisor, to cause the Notice and Official Terms and Conditions of Bond Sale (including the Official Bid Form) and the Preliminary Official Statement to be posted on the Internet and through one or more nationally recognized municipal market information service providers. The electronic or physical distribution of the Notice and Official Terms and Conditions of Bond Sale (including the Official Bid Form) and the Preliminary Official Statement as herein provided is hereby ratified, authorized, and approved. If any provision in the Notice and Official Terms and Conditions of Bond Sale, herein approved, conflicts with information provided by an electronic information service provider, the Notice and Official Terms and Conditions of Bond Sale as herein approved shall control.

The Corporation's President and other officers, and each of them, together with the Financial Advisor, are further authorized to make such modifications to documents, including the provisions of this Resolution that are not in conflict with other provisions hereof and are

necessary or desirable in connection with any rescheduling of the date of sale of the Series 2023A Bonds as provided in the first paragraph of this Section 16, and to enter into and to execute on the Corporation's behalf any and all certificates, opinions, instruments, and documents necessary or desirable, upon the advice of counsel, to effectuate the sale and issuance of the Series 2023A Bonds and the investment of the proceeds thereof.

**Section 17. Disposition Of Proceeds Of The Series 2023A Bonds.** When the Series 2023A Bonds are sold and delivered, from the amount received from the purchaser there shall be paid, according to the written direction of the Corporation's President or Treasurer (which direction may include the establishment of a special, temporary trust account), all expenses incident to the authorization, sale, and delivery of the Series 2023A Bonds, including, but not limited to, the fee of the Financial Advisor, fees and expenses of counsel and the Paying Agent and Bond Registrar, and rating service charges; provided that all or a portion of such expenses may be paid from proceeds deposited in the Construction Fund hereinafter identified. Thereafter, the entire remaining proceeds of the Series 2023A Bonds shall be deposited in cash in the bank or trust company in Fayette County, Kentucky, designated at that time by the Treasurer of the Board of Education as the place for deposit of the funds of the Board of Education (initially, Fifth Third Bank) in the Board of Education's General Depository Account and such funds shall be accounted for separately as the "Fayette County School District Finance Corporation School Building Construction Fund, Series 2023A" (the "**Construction Fund**"). The Construction Fund shall be established and maintained as part of the Board of Education's General Depository Account in accordance with the requirements of the Kentucky Department of Education. The proceeds of the Series 2023A Bonds deposited into the Construction Fund, together with all earnings thereon, shall be transferred from time to time to each bank or trust company which may be subsequently designated by the Board of Education as the Board of Education's place of deposit of funds according to the Board of Education's plan of rotating deposits (each of which in succession upon such designation and deposit or transfer being hereinafter called the "**Depository Bank**") in accordance with the procedures set forth in this Section 17.

Subject to compliance with the laws of the Commonwealth of Kentucky and the rules, regulations, and requirements of the Kentucky Department of Education, if the Treasurer of the Board of Education shall determine at any time that the amount of Series 2023A Bond proceeds being held in the Construction Fund for the costs of the construction and equipping of the Project exceeds the amount necessary to be disbursed therefrom for authorized purposes during the ensuing calendar month, the Treasurer may cause the Board of Education to invest such excess funds in Permitted Investments; provided, however, that such Permitted Investments shall be converted into cash and deposited in the Construction Fund as and when additional cash is required to pay the costs of the construction and equipping of the Project. All such Permitted Investments shall be carried to the credit of the Construction Fund, and the income therefrom shall be deposited, as received, in the Construction Fund. Any expense necessarily incurred and reasonable as to amount in connection with the making of such Permitted Investments and the safekeeping thereof shall be paid out of the Construction Fund.

The Depository Bank at which the Construction Fund is maintained shall, with respect to any funds in the Construction Fund not invested in Permitted Investments, give security for said funds by making a pledge to the Construction Fund of securities and obligations described in KRS 41.240 having a market value at least equal to such funds. The securities and obligations pledged by the Depository Bank need not be of a market value exceeding the balance of funds remaining in the Construction Fund from time to time and not invested in Permitted Investments, and as such funds are disbursed from the Construction Fund the Depository Bank shall be permitted to withdraw a portion of the securities and obligations so pledged as security for such funds; provided, however, there shall remain pledged at all times securities and obligations having a market value equal to the funds remaining in the Construction Fund and not invested in Permitted Investments.

The proceeds of the Series 2023A Bonds deposited into the Construction Fund and the earnings thereon shall be used to pay the costs of constructing and equipping of the Project, and related capital costs (including capitalized interest). Each disbursement of funds from the Construction Fund made by the Board of Education to pay the costs of the construction and equipping of the Project shall be paid out of the Board of Education's general depository account maintained with the Depository Bank.

Payments from the general depository account to pay the costs of the construction and equipping of the Project shall be made upon checks drawn upon the Depository Bank by the Treasurer of the Board of Education. If, before the time when the Series 2023A Bonds have been delivered to the purchaser thereof and the proceeds are available, the Board of Education shall have found it necessary to advance from its own funds various sums for preliminary expenses related to the construction and equipping of the Project, the aggregate of all such advances may be reimbursed to the Board of Education upon presentation by the Board of Education of statements signed by the Chairperson or Secretary of the Board of Education with regard thereto, in detail showing (a) that the amount or amounts for which reimbursement is requested are proper charges against the costs of the construction and equipping of the Project, and (b) that after such requested reimbursement, the funds remaining in the Construction Fund will be sufficient to defray all remaining costs of the construction and equipping of the Project. No reimbursement shall be made to the Board of Education if the effect thereof shall be to reduce the balance in the Construction Fund below the amount necessary to pay all remaining costs of the construction and equipping of the Project.

After all payments from the Construction Fund have been made for the costs of the construction and equipping of the Project, any balance remaining in the Construction Fund shall be (i) expended in the manner hereinbefore described for payment of costs of additional physical facilities for the Project or such other school building facilities as the Board of Education shall determine; or (ii) transferred to the Sinking Fund as a segregated subaccount to be used to purchase (at 100% of par or less) or to redeem Series 2023A Bonds when redeemable, and such balance shall not be invested at a yield exceeding the yield on the Series 2023A Bonds.

Pending disbursement of all moneys in the Construction Fund pursuant to this Resolution, all moneys and investment obligations in the Construction Fund are pledged and subject to a lien in favor of the Bondholders for their further security.

The Corporation acknowledges and approves the provisions of the Board of Education Resolution approving the Contract of Lease and Rent and taking related action.

**Section 18. Unclaimed Moneys.** If, after five years from the earlier of (a) the date of the final maturity of the Series 2023A Bonds, or (b) the date all Series 2023A Bonds shall have been duly called for redemption and the amount necessary to pay the Series 2023A Bonds, together with all interest accrued thereon, shall have been deposited to the Sinking Fund, as provided in this Resolution, there shall remain in the Paying Agent and Bond Registrar's possession unclaimed moneys deposited in the Sinking Fund for the payment of the Series 2023A Bonds, then and in that event all right, title, and interest of the respective Registered Holders for which said deposits were so made shall cease, determine, and become void, and the Paying Agent and Bond Registrar shall upon the Board of Education's written request turn over all such unclaimed deposits constituting the entire balance of the Sinking Fund to the Board of Education.

**Section 19. Concurrence In Employment Agreements.** The Board of Directors hereby concurs in the selection and designation of Financial Advisor, in connection with the issuance and sale of the Series 2023A Bonds, and further concurs in the selection and designation of Bond Counsel, the compensation of them to be paid solely from the proceeds of the Series 2023A Bonds. All actions previously taken by the officers and officials of the Corporation and the Board of Education with respect to such appointments are approved, ratified, and confirmed. The Financial Advisor shall be paid strictly in accordance with the limitations established in the fee schedule for services and expenses of financial advisors set forth in the regulations of the Kentucky Department of Education.

**Section 20. Enforcement And Remedies.** Any Registered Holder may either at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel performance by the Corporation and its officers and agents of all duties and obligations imposed or required by law or this Resolution in connection with the Project, including the making and collecting of sufficient rents and the application thereof.

If there be any default in the payment of the principal of or interest on any of the Series 2023A Bonds then, upon the filing of suit by any holder of the Series 2023A Bonds, any court having jurisdiction of the action may appoint a receiver to administer the Project on the Corporation's behalf with power to charge and collect rents sufficient to provide for the payment of the Series 2023A Bonds and to apply the income and revenues in conformity with this Resolution and the provisions of KRS Chapter 162.

**Section 21. Tax Covenants And Representations.** The Corporation further certifies and covenants to and for the benefit of the Bondholders that so long as any of the Series 2023A Bonds remain outstanding, moneys on deposit in any fund or account in connection with the Series 2023A Bonds, whether or not such moneys were derived from the proceeds of the sale of



the Series 2023A Bonds or from any other sources, will not be invested or used in a manner that will cause the Series 2023A Bonds to be “arbitrage bonds” within the meaning of Code Section 103(b)(2) and Code Section 148, as the same presently exist or may from time to time hereafter be amended, supplemented, or revised. The Corporation’s President, Treasurer, or Secretary, as the Corporation’s officers charged with the responsibility for issuing the Series 2023A Bonds, and each of them, are hereby authorized and directed, for and on the Corporation’s behalf, to execute all papers, documents, certificates, and other instruments that may be required for evidencing compliance with federal tax rules, and any representations and certifications contained in such papers, documents, certificates, and other instruments so executed shall be deemed to constitute the Corporation’s representations and certifications. For the benefit of the Bondholders and the reliance of Bond Counsel, the Corporation further represents, warrants, agrees, covenants, and certifies as follows:

**(a)** Within the meaning of Code Section 141, and the Income Tax Regulations issued thereunder, over the term of the Series 2023A Bonds (i) less than 10% of the proceeds of the Series 2023A Bonds, if any, will be applied for any private business use, and the payment of the principal of or interest on less than 10% of the amount of the Series 2023A Bonds, if any, will be secured directly or indirectly by any interest in property used for a private business use, or payments in respect of such property, or will be derived directly or indirectly from payment (whether or not to the Corporation or the Board of Education) in respect of such property; (ii) at least 90% of the proceeds of the Series 2023A Bonds will be applied for a governmental use of the Corporation or the Board of Education; (iii) any private business use of the Project will be related to such governmental use of the Corporation and the Board of Education and will not be unrelated or disproportionate; and (iv) none of the proceeds of the Series 2023A Bonds will be used, directly or indirectly, to make or finance loans to private persons. It is reasonably expected that over the term of the Series 2023A Bonds (1) the Project will be available for general public use, in that they will be reasonably available for use by natural persons not engaged in a trade or business on the same basis as any other person or entity; (2) no nongovernmental person will have any special legal entitlement to use the Project; and (3) there will be no direct or indirect payment made with respect to the Project or the security of the Series 2023A Bonds by any persons or entities other than payment by the general public as described in clause (3) above.

**(b)** Within the meaning of Code Section 148(f)(4)(C), it is reasonably expected that at least 75% of the net proceeds (including investment proceeds) of the Series 2023A Bonds will be used for capital expenditures with respect to property which is owned by a governmental unit, at least 10% of such proceeds will be spent for the governmental purposes of the issue within six months from the date the Series 2023A Bonds are issued, at least 45% of such proceeds will be spent for such purposes within one year from such date, at least 75% of such proceeds will be spent for such purposes within eighteen months from such date, and at least 100% of such proceeds will be spent within two years from such date. If for any reason the arbitrage rebate requirements of Code Section 148(f) should be deemed to apply to the Series 2023A Bonds, the Corporation will take all action necessary to comply therewith.

(c) The Series 2023A Bonds are not federally guaranteed within the meaning of Code Section 149(b).

(d) The Corporation will comply with the information reporting requirements of Code Section 149(e).

(e) It is reasonably expected that, during the term of the Series 2023A Bonds, the Project will not be disposed of; provided, however, should there be any disposition of any personal property constituting a part of the Project because it is no longer suitable for its governmental purpose, it is reasonably expected that the fair market value of such personal property will not exceed 25% of its cost.

(f) The weighted average maturity of the Series 2023A Bonds does not exceed 120% of the remaining weighted average useful life of the facilities comprising the Project.

(g) Neither the Corporation nor the Board of Education has previously expended any sums on the Project that are to be reimbursed from the proceeds of the Series 2023A Bonds, other than (i) certain preliminary expenditures such as engineering and planning costs not exceeding 20% of the cash proceeds of the Series 2023A Bonds allocable to the Project, (ii) expenditures made within sixty days before the date of adoption of this Resolution and (iii) expenditures before which the Corporation or the Board of Education had adopted an official intent resolution regarding reimbursement from tax-exempt bond proceeds. A reimbursement of a prior expenditure from proceeds of the Series 2023A Bonds shall be made only if such reimbursement occurs (1) before the later of eighteen months after (A) the date the expenditure was paid or (B) the date the facility for which the expenditure was paid was placed in service and (2) within three years after the date the expenditure was paid.

(h) There are no other bonds or obligations of the Corporation or the Board of Education which are sold or issued at substantially the same time as the Series 2023A Bonds are sold pursuant to a common plan of financing together with the Series 2023A Bonds, or are payable out of substantially the same source of funds (or will have substantially the same claim to be paid out of substantially the same source of funds) as the Series 2023A Bonds.

(i) The Corporation will not use or permit the use of any of the funds provided by the Series 2023A Bonds in such a manner as to, or take or omit to take any action that would, impair the exclusion from gross income for federal income tax purposes of interest on the Series 2023A Bonds. The Corporation shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Corporation on the Series 2023A Bonds shall, for the purposes of federal income taxation, be excludable from gross income.

**Section 22. Resolution Constitutes Contract.** The provisions of this Resolution shall constitute a contract between the Corporation and the Bondholders. After the issuance of any Series 2023A Bond no material change in the provisions of this Resolution may be made except as herein provided until all of the Series 2023A Bonds have been paid in full as to both principal

and interest or funds sufficient therefor have been duly provided and deposited as set forth in Section 23 hereof.

Notwithstanding the foregoing provisions of this Section 22, the Corporation may amend or supplement this Resolution without the consent of any Bondholder (a) to evidence the initial designation and appointment or the succession of an institution as Paying Agent and Bond Registrar; (b) to cure any ambiguity or to cure, correct, or supplement any defective or inconsistent provision contained herein or in any ordinance or other proceeding pertaining hereto; (c) to grant to or confer on the Paying Agent and Bond Registrar for the benefit of the Bondholders any additional right, remedy, power, authority, or security that may lawfully be granted or conferred and that is not contrary to or inconsistent with this Resolution as theretofore in effect; (d) to permit the Paying Agent and Bond Registrar to comply with any obligation imposed on it by law; (e) to achieve compliance of this Resolution with any federal tax law, regulation, or ruling; (f) to maintain or improve any rating on the Series 2023A Bonds; or (g) for any other purpose not inconsistent with the terms of this Resolution that shall not impair the security of the Bondholders or otherwise materially adversely affect the rights of the Bondholders.

**Section 23. Defeasance.** If the Corporation shall pay or cause to be paid, or there shall otherwise be paid to the Bondholders the total principal and interest due or to become due on the Series 2023A Bonds, at the times and in the manner stipulated therein and in this Resolution, then the pledge of this Resolution, and all covenants, agreements, and other obligations of the Corporation to the Bondholders, shall thereon cease, terminate, and become void and be discharged and satisfied.

The Corporation reserves the right at any time to cause the pledge of the revenues of the Project and the statutory mortgage lien securing the Series 2023A Bonds, or any portion thereof, to be defeased and released by paying an amount into the Sinking Fund or an escrow fund established for such purpose sufficient, when invested (or sufficient without such investment, as the case may be) in direct obligations of the United States Government, to assure the availability in such escrow fund of an adequate amount (a) to call for redemption and to redeem and retire such Series 2023A Bonds, including principal and interest on the next or any optional redemption date, including all costs and expenses in connection therewith, and to pay all principal and interest falling due on such Series 2023A Bonds to and on said date, or (b) to pay all principal and interest requirements on such Series 2023A Bonds as the same mature, without redemption in advance of maturity, the determination of whether to defease under subpart (a) or (b) above or both to be made by the Corporation. Such United States Government obligations shall have maturities that will assure there will be sufficient funds for such purposes. If such defeasance is to be accomplished pursuant to subpart (a) above, the Corporation shall take all steps necessary to publish notice of the redemption of the Series 2023A Bonds or such portion thereof as herein provided. Upon the proper amount of United States Government obligations being placed in escrow and so pledged, the pledge of revenues securing the Series 2023A Bonds or such portion thereof shall be automatically fully defeased and released without any further action being necessary.

The immediately foregoing provisions are subject to the limitation that no such termination and release of the revenue pledge and the statutory mortgage lien shall be accomplished through the use of any funds or investments which, in the opinion of the Corporation's Bond Counsel, would adversely affect the exclusion of interest on any such Series 2023A Bond from gross income for federal income tax purposes.

**Section 24. Rebate Fund.** There is hereby created with the Depository Bank a special account of the Corporation designated the "Fayette County School Building Finance Corporation School Building Revenue Bonds, Series 2023A Rebate Fund". Amounts from time to time held in the Rebate Fund, if any, shall be invested in any of the investment obligations described in Section 10 hereof (to the extent practicable), shall not be subject to the lien of this Resolution, shall not constitute a part of the trust estate held for the benefit of the Bondholders and shall be dedicated to the United States of America to the extent of any obligation on the Corporation's part to rebate to the United States Cumulative Excess Earnings.

Within five days after the end of each Computation Period and within five days after the payment in full of all outstanding Series 2023A Bonds, the Corporation shall calculate the amount of Cumulative Excess Earnings as of the end of that Computation Period or the date of such payment, and shall also determine the amount then on deposit in the Rebate Fund. If the amount then on deposit in the Rebate Fund is in excess of the Cumulative Excess Earnings, the Corporation shall forthwith deposit that excess amount in the Sinking Fund. If the amount then on deposit in the Rebate Fund is less than the Cumulative Excess Earnings, the Corporation shall within five days deposit in the Rebate Fund an amount sufficient to cause the Rebate Fund to contain an amount equal to the Cumulative Excess Earnings. Within thirty days after the end of the fifth anniversary date of the issuance of the Series 2023A Bonds and every such fifth anniversary date thereafter, the Corporation shall pay to the United States in accordance with Code Section 148(f) from the moneys then on deposit in the Rebate Fund an amount equal to 90% (or such greater percentage not in excess of 100% as the Corporation may direct) of the Cumulative Excess Earnings as of the end of such fifth anniversary date. Within sixty days after the payment in full of all outstanding Series 2023A Bonds, the Corporation shall pay to the United States in accordance with Code Section 148(f) from the moneys then on deposit in the Rebate Fund an amount equal to 100% of the Cumulative Excess Earnings as of the date of such payment and any moneys remaining in the Rebate Fund following such payment shall be paid to the Sinking Fund.

**Section 25. Severability.** If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the remaining sections, paragraphs, clauses, or provisions of this Resolution.

**Section 26. Repeal of Inconsistent Provisions.** All prior resolutions of the Corporation or parts thereof in conflict with this Resolution are, to the extent of any such conflict, hereby repealed.

**Section 27. Holidays.** If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Resolution, is not a business day for the Paying Agent and Bond Registrar, such payment may be made or act performed or right exercised on the next succeeding business day with the same force and effect as if done on the date stipulated in this Resolution and no interest shall accrue for the period after such stipulated date.

**Section 28. When Resolution Effective.** This Resolution shall be in full force and effect from and after its adoption.

**Section 29. Rules Of Construction.** The singular form of any word used herein, including the terms defined in **EXHIBIT A** attached hereto, shall include the plural, and vice versa. The use herein of a word of any gender shall include correlative words of all genders. Unless otherwise specified, (a) the word “including” means “including without limitation”; (b) the word “or” means “and/or”; (c) the word “any” means “any and all”; (d) the word “all” means “any and all”; (e) the word “each” means “each and every”; and (e) the word “every” means “each and every”. Unless otherwise specified, references to articles, sections, subsections, and other subdivisions of this Resolution are to the designated articles, sections, subsections, and other subdivisions of this Resolution as originally executed. The words “hereof,” “herein,” “hereunder,” and words of similar import refer to this Resolution as a whole. The captions or headings in this Resolution are for convenience only and in no way define, limit, or describe the scope or intent of any provisions, articles, sections, or subsections of this Resolution. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles. **EXHIBITS A** and **B** attached hereto are hereby incorporated by reference into this Resolution and constitute a part hereof.

**Section 30. Captions.** The captions and headings appearing in this Resolution, as well as the Table of Contents, are for convenience of reference only and in no way define, limit, or describe the scope of any sections or provisions of this Resolution.

[Signature Page To Follow]

[SIGNATURE PAGE TO BOND RESOLUTION]

**ADOPTED BY THE BOARD OF DIRECTORS OF THE FAYETTE COUNTY SCHOOL DISTRICT FINANCE CORPORATION** at a meeting held on January 23, 2023; and following such adoption signed by the President, attested by the Secretary, and declared to be in full force and effect according to law.

---

Tyler Murphy, President  
Fayette County School District  
Finance Corporation

Attest:

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Demetrus Liggins, Secretary  
Fayette County School District  
Finance Corporation

**CERTIFICATION**

I, the undersigned Secretary of the Fayette County School District Finance Corporation, do hereby certify that (1) the foregoing is a true, correct and complete copy of a Resolution duly adopted by the Corporation's Board of Directors at a properly convened meeting of the Corporation's Board of Directors duly held on January 23, 2023, signed by the President thereof and attested by me as Secretary, as shown by the official records in my possession and under my control; (2) the meeting was held pursuant to proper call and written notice duly given in compliance with KRS 61.823 and KRS 273.257 to all members of the Board of Directors of the Corporation and any local news media required to be notified; and (3) all official actions taken at the meeting are currently in full force and effect.

**IN WITNESS WHEREOF**, the undersigned has executed this Certification this January 23, 2023.

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Demetrus Liggins, Secretary  
Fayette County School District  
Finance Corporation

**EXHIBIT A  
TO BOND RESOLUTION**

**DEFINITIONS**

In addition to the words and terms elsewhere defined in this Resolution, the following words and terms as used in this Resolution shall have the following meanings unless the context or use indicates another or different meaning or intent:

**“Agreed Participation”** refers to the amount which the Commission has agreed to provide, pursuant to the terms of the Participation Agreement, to assist the Board of Education in meeting the principal and interest requirements due on the Bonds.

**“Book-Entry Form”** means a form or system, as applicable, under which (i) the ownership of beneficial interests in Series 2023A Bonds and principal and interest payments thereon may be transferred only through a book entry and (ii) physical Series 2023A Bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as Registered Holder, with the physical Series 2023A Bond certificates held in the custody of a Securities Depository.

**“Board of Education”** means the Board of Education of Fayette County, Kentucky.

**“Board of Education Resolution”** means the Resolution adopted by the Board of Education on January 23, 2023 regarding the Series 2023A Bonds.

**“Bond Counsel”** means collectively the firms Stoll Keenon Ogden PLLC and Rubin & Hays or any national recognized municipal bond counsel acceptable to the Corporation and the Board of Education.

**“Bondholder”** refers to any Registered Holder of the Series 2023A Bonds.

**“Code”** means the Internal Revenue Code of 1986, as amended from time to time, including, when appropriate, the statutory predecessor thereof, or any applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context hereof, includes interpretations thereof contained or set forth in the applicable Treasury Regulations, the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings), and applicable court decisions.

**“Commission”** means the Kentucky School Facilities Construction Commission.

**“Commonwealth”** means Commonwealth of Kentucky.

**“Computation Period”** means, with respect to the Series 2023A Bonds, the period of time over which Excess Earnings are required to be computed under Code Section 148(f) and related Treasury Regulations.

**“Construction Fund”** has the meaning provided in Section 17 hereof.

**“Contract of Lease and Rent”** means the Contract of Lease and Rent to be entered into by and between the Corporation and the Board of Education in connection with the Series 2023A Bonds.

**“Corporation”** means Fayette County School District Finance Corporation, a Kentucky nonprofit corporation created pursuant to KRS 162.385, KRS 58.180, and KRS 273.161 through 273.390, which acts as the agency, instrumentality, and constituted authority of the Board of Education.

**“Cumulative Excess Earnings”** means the amount of all Excess Earnings earned from the date of original delivery of the Series 2023A Bonds through the end of the relevant computation date, less the amount of any Excess Earnings paid to the United States pursuant to Section 24 herein.

**“Depository Bank”** has the meaning provided in Section 17 hereof.

**“Excess Earnings”** means an amount equal to the sum of (i) plus (ii) where:

- (i) is the excess of:
  - (1) the aggregate amount earned on all nonpurpose investments in which gross proceeds of the Series 2023A Bonds are invested (other than investments attributable to an excess described in this clause (i)); over
  - (2) the amount which would have been earned if such nonpurpose investments (other than amounts attributable to an excess described in this cause (i)) were invested at a rate equal to the yield on the Series 2023A Bonds; and
- (ii) is any income attributable to the excess described in clause (i).

The sum of (i) plus (ii) shall be determined in accordance with Code Section 148(f). As used herein, the terms “gross proceeds,” “nonpurpose investments” and “yield” have the meanings assigned to them for purposes of Code Section 148(f).

**“Financial Advisor”** means Compass Municipal Advisors, LLC, in its capacity as the Corporation’s financial advisor with respect to the issuance of the Series 2023A Bonds.

**“Holding Period”** means, with respect to a Maturity of the Series 2023A Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Successful Purchaser has sold at least 10% of such Maturity to the Public at prices that are no higher than the initial offering price for such Maturity.



**“KRS”** means the Kentucky Revised Statutes.

**“Maturity”** means Series 2023A Bonds with the same credit and payment terms. Series 2023A Bonds with different maturity dates, or Series 2023A Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

**“Official Statement”** means the final Official Statement of the Corporation setting forth relevant information concerning the Series 2023A Bonds, the Corporation, and the Board of Education.

**“Participant”** means a member of, or a participant in, a Securities Depository.

**“Participation Agreement”** refers to an agreement between the Board of Education and the Commission wherein the Commission agreed to provide financial assistance to the Board of Education in an amount equal to the Agreed Participation.

**“Paying Agency Agreement”** means the Agreement Relating to Paying and Registrar Agency by and between the Corporation and the Paying Agent and Bond Registrar for the Series 2023A Bonds.

**“Paying Agent and Bond Registrar”** means Old National Wealth Management, Evansville, Indiana, in its capacity as the Paying Agent and Bond Registrar for the Series 2023A Bonds.

**“Permitted Investments”** means investments of the type described in subparts (i) through (v) of subsection (a) of Section 10 hereof.

**“Preliminary Official Statement”** means the Preliminary Official Statement of the Corporation setting forth relevant information concerning the Series 2023A Bonds, the Corporation, and the Board of Education.

**“Project”** means the construction and equipping of a career and technical education center on Midland Avenue in Lexington, Kentucky.

**“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. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

**“Rebate Fund”** means the “Fayette County School Building Finance Corporation School Building Revenue Bonds, Series 2023A Rebate Fund” established by the Corporation with the Depository Bank pursuant to Section 24 hereof.

**“Record Date”** means the fifteenth day of the month before a March 1<sup>st</sup> or September 1<sup>st</sup> interest payment date for the Series 2023A Bonds.

**“Registered Holder”** means each person in whose name a Series 2023A Bond is registered pursuant to Section 2(b) hereof.

**“Resolution”** means this Resolution of the Corporation’s Board of Directors authorizing the sale, issuance, and delivery of the Series 2023A Bonds.

**“Sale Date”** means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2023A Bonds.

**“Securities Depository”** means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act, operating and maintaining, with its Participants or otherwise, a Book-Entry System to record ownership of beneficial interests in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

**“Securities Depository Nominee”** means any nominee of a Securities Depository and shall initially mean Cede & Co., New York, New York, as nominee of The Depository Trust Company.

**“Securities Exchange Act”** means the Securities Exchange Act of 1934, which is codified at 15 U.S.C. § 78a *et seq.*

**“Series 2023A Bonds”** means Fayette County School District Finance Corporation School Building Revenue Bonds, Series 2023A to be issued by the Corporation pursuant to this Resolution.

**“Sinking Fund”** means the “Fayette County School District Finance Corporation School Building Revenue Bond and Interest Redemption Fund, Series 2023A” established by the Corporation with the Paying Agent and Bond Registrar pursuant to Section 10 of this Resolution.

**“SLGS”** means book-entry obligations of the United States Treasury-State and Local Government Series.

**“Successful Purchaser”** means the winning bidder and purchaser of the Series 2023A Bonds pursuant to the competitive sale conducted by the Corporation pursuant to Section 16 hereof.

**“Term Bonds”** has the meaning set forth in Section 3(a) hereof.

**“Treasury Department”** means the United States Department of the Treasury.

**“Treasury Regulations”** means regulations of the Treasury Department, including applicable final or temporary regulations and also including regulations issued pursuant to the statutory predecessor of the Code.

**“Underwriter”** means (i) any person that agrees pursuant to a written contract with the Corporation (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2023A Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Series 2023A 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 Series 2023A Bonds to the Public).

**EXHIBIT B  
TO BOND RESOLUTION**

**FORM OF SERIES 2023A BOND**

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

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

**UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
FAYETTE COUNTY SCHOOL DISTRICT FINANCE CORPORATION  
SCHOOL BUILDING REVENUE BONDS  
SERIES 2023A**

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
---------------	---------------	-----------	-------

_____ %	_____	_____	_____
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**REGISTERED HOLDER:** \_\_\_\_\_

**PRINCIPAL AMOUNT:** \_\_\_\_\_

**KNOW ALL MEN BY THESE PRESENTS:** That the Fayette County School District Finance Corporation (the “**Corporation**”), a nonprofit Kentucky corporation acting as an agency, instrumentality, and constituted authority of and on behalf of the Board of Education of Fayette County, Kentucky (the “**Board of Education**”), for value received, hereby promises to pay to the registered holder identified above (the “**Registered Holder**”), or registered assigns, solely and only from the special fund pledged for that purpose as hereinafter referred to and not otherwise, the principal amount set out above, on the maturity date set out above, and to pay interest from the same source on the unpaid balance of said sum at the interest rate per annum set out above, payable on the first days of March and September in each year, beginning September 1, 2023, until payment of the principal amount of this Series 2023A Bond has been made to the Registered Holder hereof. Each such interest payment shall represent interest accruing on this Series 2023A Bond from the later of the Bond Date set out above or the most recent interest payment date (March 1<sup>st</sup> or September 1<sup>st</sup>) to which interest has been paid or duly provided for.

Interest accruing on this Series 2023A Bond (if not registered in book-entry form to a securities depository) shall be payable as aforesaid by check drawn upon Old National Wealth Management, as the Paying Agent and Bond Registrar, or its successor as Paying Agent and Bond Registrar (the “**Paying Agent and Bond Registrar**”), and mailed to the person who is the Registered Holder hereof as of the close of business on the Record Date for such interest installment, which Record Date shall be the fifteenth (15<sup>th</sup>) day of the month (whether or not a business day) next preceding an interest payment date, at the address of such Registered Holder as it appears on the books of the Paying Agent and Bond Registrar. Principal shall be paid when

due upon delivery of this Series 2023A Bond for payment at the designated office of the Paying Agent and Bond Registrar.

This Series 2023A Bond is one of a duly authorized issue of Bonds of the Corporation designated "Fayette County School District Finance Corporation School Building Revenue Bonds, Series 2023A" (the "**Series 2023A Bonds**"), issued in the original principal amount of \$\_\_\_\_\_, authorized and issued by the Corporation pursuant to a Resolution duly adopted by its Board of Directors (the "**Bond Resolution**") for the purpose of providing funds to pay for the costs of the construction and equipping of properties for a career and technical education center located on Midland Avenue in Lexington, Kentucky (the "**Project**") and to pay related costs, and this Series 2023A Bond has been issued under and in full compliance with the Constitution and statutes of the Commonwealth of Kentucky, including without limitation Sections 162.120 through 162.300 and 162.385 of the Kentucky Revised Statutes.

Reference is made to the Bond Resolution for the provisions with respect to the nature and extent of the security, the rights, duties, and obligations of the Corporation and the Paying Agent and Bond Registrar and the Bondholders, the terms upon which the Series 2023A Bonds are issued and the terms and conditions upon which the Series 2023A Bonds will be deemed to be paid at or before their scheduled maturity or redemption upon the making of provision for the payment thereof in the manner set forth in the Bond Resolution.

\*The Series 2023A Bonds maturing on March 1, 20\_\_, are subject to mandatory sinking fund redemption in part, at the selection of the Paying Agent and Bond Registrar by lot, from moneys in the special fund identified hereinafter on each March 1<sup>st</sup>, beginning March 1, 20\_\_, at the principal amount thereof plus accrued interest to the redemption date, according to the following schedule of mandatory sinking fund installments:

<b>Redemption Date</b>	<b>Principal Amount</b>
<b><u>March 1</u></b>	
_____	\$_____
_____	_____
_____	_____

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\*This paragraph is to be inserted, and may be repeated, with respect to any Term Bonds as described in Section 3(a) of this Resolution.

The Series 2023A Bonds maturing on and after \_\_\_\_\_ 1, 20\_\_, are subject to redemption by the Corporation, at its option, before maturity on and after \_\_\_\_\_ 1, 20\_\_, in whole or in part at any time or times in any order of maturity (less than all of a single maturity to be selected by lot by the Paying Agent and Bond Registrar) at the redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date.

At least thirty days but no more than sixty days before the redemption date of any Series 2023A Bonds, the Paying Agent and Bond Registrar shall cause a notice of redemption to be mailed postage prepaid by first class mail to all registered holders of Series 2023A Bonds to be redeemed in whole or in part at their registered addresses. Failure to mail any notice or any defect therein in respect of any such Series 2023A Bond shall not affect the validity of the redemption of any other Series 2023A Bond. Such redemption notice shall set forth in detail the redemption provisions.

This Series 2023A Bond and the issue of which it forms a part are payable from and secured by a pledge of the revenues to be derived from leasing the Project, which revenues are provided to be sufficient to pay the principal of and interest on this Series 2023A Bond and the issue of which it forms a part as and when the same become due and payable and which shall be set aside as a special fund for that purpose created by the Bond Resolution and identified as the "School Building Revenue Bond and Interest Redemption Fund, Series 2023A". This Series 2023A Bond and the issue of which it forms a part do not constitute an indebtedness of the Corporation within the meaning of any constitutional or statutory provisions or limitations. The Corporation covenants that it will fix and charge such rentals for, and will collect and account for the revenues from, the Project so that such revenues will be sufficient to pay the interest on and principal of this issue of Series 2023A Bonds. Funds for such payments on the Series 2023A Bonds are expected to be derived from rentals paid by the Board of Education of Fayette County, Kentucky, under a year-to-year lease of the Project.

A non-foreclosable statutory mortgage lien on the Project is granted and created by Section 162.200 of the Kentucky Revised Statutes in favor of the Bondholders, subject to the limitations set out therein and in the Bond Resolution.

This Series 2023A Bond is issued under and pursuant to the Constitution and statutory laws of the Commonwealth of Kentucky and its construction will be governed thereby.

This Series 2023A Bond shall be transferable only upon the presentation and surrender hereof at the designated office of the Paying Agent and Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Holder or his authorized representative. The Paying Agent and Bond Registrar shall not be required to transfer or exchange this Series 2023A Bond (a) during any period beginning five days before the selection by the Paying Agent and Bond Registrar of Series 2023A Bonds to be redeemed before maturity and ending on the date of mailing of notice of any such redemption or (b) if this Series 2023A Bond has been selected or called for redemption in whole or in part.

Series 2023A Bonds shall be exchangeable upon the presentation and surrender thereof at the designated office of the Paying Agent and Bond Registrar for a Series 2023A Bond or Series 2023A Bonds of the same maturity, and in the denomination of \$5,000 or any integral multiple thereof, in an aggregate principal amount or amounts equal to the unpaid principal amount of the Series 2023A Bond or Series 2023A Bonds presented for exchange. The Paying Agent and

Bond Registrar shall authenticate and deliver Series 2023A Bonds delivered in exchange in accordance herewith.

It is hereby certified, recited, and declared that all acts, conditions, and things required to exist, happen, and be performed precedent to and in the execution and delivery of this Series 2023A Bond have existed, have happened, and have been performed in due time, form, and manner as required by law; that the issuance of this Series 2023A Bond and the issue of which it forms a part, together with all other obligations of the Corporation, does not exceed or violate any constitutional or statutory limitations; and that a sufficient portion of the revenues of the Project has been pledged to and will be set aside into said special fund by the Corporation for the prompt payment of the principal of and interest on this issue of Series 2023A Bonds.

This Series 2023A Bond is exempt from ad valorem taxation by the Commonwealth of Kentucky and by all of the political subdivisions thereof.

This Series 2023A Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been executed by the Paying Agent and Bond Registrar.

[Signature Page To Follow]

[SIGNATURE PAGE TO SERIES 2023A BOND]

IN WITNESS WHEREOF, the Fayette County School District Finance Corporation has caused this Series 2023A Bond to be executed with the manual or reproduced facsimile of the official signature of its President and to be attested by the manual or reproduced facsimile signature of its Secretary, in each case as a duly authorized officer of the Corporation, all as of the date of this Series 2023A Bond, which is the Bond Date set out above.

FAYETTE COUNTY SCHOOL DISTRICT  
FINANCE CORPORATION

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

Attest:

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

CERTIFICATE OF AUTHENTICATION

The undersigned hereby certifies that this is one of the Series 2023A Bonds described above.

**Old National Wealth Management**  
Evansville, Indiana  
Paying Agent and Bond Registrar

By: \_\_\_\_\_  
Authorized Officer

Authentication Date: \_\_\_\_\_



## ASSIGNMENT

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

\_\_\_\_\_  
(Name, Address and Social Security (or other Identifying Number of Assignee))  
\_\_\_\_\_

\_\_\_\_\_ the within Series 2023A Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

attorney to transfer the said Series 2023A Bond on the books kept for registration thereof with full power of substitution in the premises.

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

**NOTICE:** The signature of this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Series 2023A Bond in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed:

\_\_\_\_\_