

CONTRACT, LEASE AND OPTION

By and Between

**BULLITT COUNTY SCHOOL DISTRICT
FINANCE CORPORATION**

Lessor

and

BOARD OF EDUCATION OF BULLITT COUNTY SCHOOL DISTRICT

Lessee

Lessee Address:

Board of Education of Bullitt County School District
1040 KY-44
Shepherdsville, KY 40165

Dated as of
August 9, 2023

TABLE OF CONTENTS

	<u>Page</u>
Section 1. Definitions	1
Section 2. Construction of Project	3
Section 3. Initial Rental; Annual Renewal Rentals	3
Section 4. Annual Obligations, Option to Renew	4
Section 5. Conveyance to Board on Payment of Bonds	4
Section 6. Contract Void If Not Renewed	4
Section 7. Application of Insurance Proceeds	4
Section 8. Option to Purchase Site	4
Section 9. Limitation of Statutory Mortgage Lien	5
Section 10. Legal Description of Project Site Leased	5
Section 11. Maintenance and Insurance	6
Section 12. Supplemental Contract if Parity Bonds Issued	6
Section 13. Contractual Provisions Subordinate to Rights of Bondholders	6
Section 14. Bond Administration Expenses; Fees and Charges of Bond Registrar/Paying.	6
SIGNATURES	S-1
ACKNOWLEDGMENTS	S-2
EXHIBIT A	A-1
EXHIBIT B	B-1

CONTRACT, LEASE AND OPTION

CONTRACT, LEASE AND OPTION (the “Lease”) made and entered into as of August 9, 2023, by and between the BOARD OF EDUCATION OF THE BULLITT COUNTY SCHOOL DISTRICT (the “Board”) and the BULLITT COUNTY SCHOOL DISTRICT FINANCE CORPORATION (the “Corporation”).

WITNESSETH

WHEREAS, the Bullitt County School District Finance Corporation (the “Corporation”) is a nonprofit, nonstock, public and charitable corporation duly organized pursuant to the provisions of Section 162.385 of the Kentucky Revised Statutes (“KRS”) and KRS Section 58.180 and KRS Chapter 273, existing by virtue of the laws of the Commonwealth of Kentucky, having for its corporate purpose cooperation with the Board of Education (the “Board”) of the Bullitt County School District (the “District”), in financing the costs incident to the acquisition, construction, and equipping of school buildings necessary for the Board to fulfill its duties delegated under KRS Chapter 160 in maintaining a system of common schools; and

WHEREAS, the Kentucky School Facilities Construction Commission (the “Commission”) has been established, pursuant to the Provisions of Sections 157.611 through 157.640 of the Kentucky Revised Statutes (the “Act”), for the purpose of assisting local school districts in meeting the school construction needs of the State in a manner which will ensure an equitable distribution of funds based upon unmet need, and

WHEREAS, pursuant to Section 157.622 of the Act, the Commission in reliance upon certified statements from the State Department of Education acting on behalf of the State Board of Education required under Section 157.620 of the Act, has determined that the Board is entitled to financial assistance from the Commission in meeting the unmet need of the Board as that term is defined in the Act and has made an Offer of Assistance, as hereinafter defined, to the Board to provide financial assistance through the payment of a portion of the principal and interest requirements (the “Agreed Participation”) of school building revenue bonds to be issued by the Corporation on behalf of the Board, and

WHEREAS, the Commission, based upon the criteria contained in the Act and its Regulations, has determined that the Board has met the requirements of Section 157.620(1) of the Act and that the Board is entitled to an Agreed Participation by the Commission as hereinafter defined, subject to the terms of this Participation Agreement, to be applied to the payment of principal and interest requirements of School Building Revenue Bonds issued by the Corporation on behalf of the Board Pursuant to the provisions of Sections 162.120 through 162.300 of the Kentucky Revised Statutes (the “School Bond Act”) in order to finance the Project, and

WHEREAS, pursuant to the provisions of the Act and the Regulations and Resolutions of the Commission promulgated thereunder and in compliance with the criteria or system for establishing priorities among applications by the Commission under the Act as certified by the State Department of Education acting on behalf of the State Board of Education relating to the ranking and approval of applications by eligible districts for financial assistance for the construction of major construction or renovation of school facilities, the Commission has determined that the Board is entitled to assistance from the Commission in accordance with the Act for the purpose of constructing or reconstructing the school facilities as identified in the plans and specifications prepared by the architects for the Board, and

WHEREAS, the Corporation, acting by and through its Board of Directors, desires, pursuant to the direction of the District, to provide funds to supplement available funds of the Board in order to finance the acquisition, construction, installation and equipping of renovations to Bernheim Middle School (the “Project”), all of the foregoing to be used and occupied for school purposes by the District; and

WHEREAS, it is desired that the Corporation authorize, sell, issue and deliver its “School Building Revenue Bonds, Series 2023B, dated their date of initial issuance and delivery” (the “Bonds”) on behalf of the Board pursuant to the provisions of the School Bond Act, and

WHEREAS, pursuant to the provisions of the Act and the Regulations and Resolutions of the Kentucky School Facilities Construction Commission (the “Commission”) promulgated thereunder, the Commission has duly passed and adopted a Resolution approving the Offer of Assistance to the Board and the issuance of the Bonds by the Corporation on behalf of the Board and the Commission has committed itself to participate in providing part of the costs of financing the Project, through the payment of the Agreed Participation on the Bonds and has entered into the Participation Agreement, as hereinafter defined, in order to document its participation, and

WHEREAS, the Board has agreed to allocate the Board’s Contribution, as hereinafter defined, if any, to the Project from its own funds in order to qualify for assistance from the Commission and ensure that the Project shall be financed in accordance with the requirements of the Act and the criteria established by the State Board of Education thereunder, and

WHEREAS, the Board, in order to carry out the duty and authority vested in the Board, desires, to maintain adequate school facilities for the district which it serves and has applied under the Act for assistance and has accepted the Commission’s Offer of Assistance in financing the construction of the Project, and

WHEREAS, the Board, by a Resolution duly adopted has offered to rent the Project from the Corporation pursuant to the authority vested in it by the School Bond Act from the date of this Lease until June 30, 2024.

NOW, THEREFORE, IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

Section 1. Definitions

. “Act” means Sections 157.611 through 157.640 of the Kentucky Revised Statutes.

“Agreed Participation” means that portion of the Percentage Discount or Rate of Participation to which the Board has been determined to be entitled by the Commission for the Project, said amount, as set forth in the Schedule of Principal and Interest Requirements, is the maximum annual amount which the Commission will pay toward principal and interest requirements of the Bonds.

“Agreement” or “Participation Agreement” means the agreement between the commission and the Board establishing the terms of the Commission’s Participation in financing the Project.

Architects” means the firm of licensed Kentucky architects employed by the Board for the design and supervision of the construction of the Project.

“Available Local Revenue” means the amount required under the Act, as determined by the Department, in order for the Board to qualify as an Eligible District under the Act.

“Board” means the Board of Education of the Bullitt County School District, Shepherdsville, Kentucky.

“Board’s Contribution” means that part of the “Available Local Revenue” under the Act and the Regulations of the Commission which the Board is required to expend for the Project in order to qualify as an “Eligible District” under the Act and the Regulations of the Commission, consisting of a “Cash Contribution” in the amount of \$-0- and an annual amount equal to the difference between the interest and principal requirements of the Bonds and the Agreed Participation as the “Board’s Debt Service.”

“Bond Fund” or “Sinking Fund” means the separate and special debt service fund established with the Paying Agent under the Bond Resolution for the purpose of paying the principal of and interest on the Bonds.

“Bond Registrar” or “Paying Agent” means U.S. Bank Trust Company, National Association, Louisville, Kentucky, so designated under the Bond Resolution.

“Bond Resolution” means the Resolution passed and adopted by the Board of Directors of the Corporation on June 19, 2023 authorizing the Bonds.

“Bonds” means \$27,040,000 aggregate principal amount of “Bullitt County School District Finance Corporation School Building Revenue Bonds, Series 2023B, dated their date of initial issuance and delivery” authorized pursuant to the Bond Resolution and this Lease.

“Commission” means the School Facilities Construction Commission of the Commonwealth established pursuant to the Act.

“Commonwealth” or “State” means the Commonwealth of Kentucky.

“Construction” means and includes among other things (a) preliminary planning to determine the feasibility of the Project; the engineering, architectural, legal, physical, and economic investigations and studies necessary thereto; and surveys, designs, plans, working drawings, specifications, procedures and other actions necessary for the construction of the Project; (b) the erection, building, acquisition, alteration, remodeling, improvement or extension of the Project; (c) the inspection and supervision of the construction of the Project, and all costs incidental to the construction and financing of same; and such terms shall also relate to and mean any other physical devices or appurtenances in connection therewith, or reasonably attendant thereto; and (d) any and all other acts performed in connection with the planning, implementation, acquisition, financing or construction of the Project.

“Construction Contract” means the contract or contracts relating to the acquisition, construction, installation and equipping of the Project entered by the Corporation and the Board in accordance with the provisions of the Kentucky Model Procurement Code as set forth in KRS 45A.005-45A.990.

“Construction Fund” means the “Bullitt County School District Finance Corporation School Construction Fund of August 9, 2023” established by the Corporation under the Bond Resolution.

“Contract, Lease and Option” or “Lease” means this agreement by and between the Corporation and the Board whereunder the Project has been leased by the Corporation to the Board and the rental revenues derived thereunder pledged to the payment of the Bonds.

“Corporation” means the Bullitt County School District Finance Corporation, acting by and through its Board of Directors.

“Department” means the State Department of Education, acting on behalf of the State Board of Education.

“Disclosure Certificate” means the Continuing Disclosure Certificate dated as of August 9, 2023 among the Board and the Corporation.

“KRS” means the Kentucky Revised Statutes, as amended.

“Offer of Assistance” means the offer, as amended, submitted to the Board by the Commission pursuant to the Act and its Regulations, indicating the required amount of Available Local Revenue, as certified by the Department; the priority order of facilities to be built, as certified; the Commission’s Rate of Participation; and such other terms and conditions as required by the Regulations of the Commission.

“Percentage Discount” as defined under the Act or “Rate of Participation” as defined under the Regulations of the Commission means the total annual amount to which the Commission has determined the Board is entitled under the Act and Regulations to be applied to the Board’s “Unmet Need” as defined in the Act.

“Project” means the acquisition, construction, installation and equipping of renovations to Bernheim Middle School.

“Regulations” means the Regulations of the Commission designated as 750 KAR 1:010, Commission Procedures.

“Schedule of Annual Rentals” means the schedule attached to this Lease as Exhibit A setting forth the annual rentals due from the Board to the Corporation sufficient in amount to pay the principal and interest requirements of the Bonds and indicating the Commission’s Agreed Participation and that part of the Board’s Contribution allocated to Debt Service on the Bonds, respectively

“Schedule of Principal and Interest Requirements” means the schedule attached to this Lease as Exhibit B setting forth the total principal and interest requirements for the Bonds.

“School Bond Act” means Sections 162.120 through 162.300 of the Kentucky Revised Statutes.

“Secretary” means the Secretary of the Board of Directors of the Corporation.

Capitalized terms not otherwise defined herein shall have the meanings given them in the Bond Resolution or Participation Agreement.

Section 2. Construction of Project

. The Corporation agrees to cause the Project to be completed as expeditiously as possible in accordance with the plans and specifications of the Architect prepared and approved in accordance with Section 162.160 of the School Bond Act, and to lease the same to the Board, and the Board agrees to lease said school building property as aforesaid from August 9, 2023, until June 30, 2024, and thereafter, should the Board renew this Lease, from year to year for a rental payable from year to year amounting to a sum sufficient to amortize the unpaid portion of the cost to the Corporation of the Project as evidenced by the Bonds from time to time outstanding, together with the costs of maintaining and insuring said school building property, and paying the expenses incident to the payment of the Bonds, including the transfer and registration fees of the Paying Agent and Bond Registrar, all subject to the following terms and conditions.

Section 3. Initial Rental; Annual Renewal Rentals

. The Board agrees to lease and rent the Project from the Corporation to be used for educational purposes, only for the period ending June 30, 2024 for the rental set forth in the Schedule of Annual Rentals, plus the costs of maintenance, insurance and Bond administration expenses, it being hereby certified by the Board that the rental provided herein for that period does not exceed the anticipated revenue of the Board for the period available for that purpose, assuming the Board's receipt of the Agreed Participation. The Board shall have an exclusive option to renew this Lease from year to year for a period of one year at a time at the rentals set out in the Schedule of Annual Rentals if the Bonds are issued and sold in the principal amount assumed and bear interest at the rates assumed. Payments under the Lease shall be made directly to the Paying Agent on the fifteenth day of the month preceding the dates the principal and/or interest requirements are due on the Bonds. The Board shall have the right to use and occupy the Project from the date of this Lease.

If the Bonds are issued in a principal amount other than the amount assumed herein and in the Bond Resolution or in the event the interest rates on the Bonds are fixed at rates other than those set forth in the Schedule of Principal and Interest Requirements, the rental requirements set forth in the Schedule of Annual Rentals shall be automatically adjusted upward or downward accordingly in order that the annual rental due each year from the Board shall be an amount equal to the principal and interest requirements becoming due on the Bonds for the period in question.

Notwithstanding the annual commitment of the Board to pay the entire annual rental due each year hereunder and accordingly the entire annual principal and interest requirements becoming due on the Bonds in accordance with the provisions of the Act and the Regulations of the Commission, the Commission has agreed under the Participation Agreement, which agreement is incorporated in this Lease by reference as fully as if copied herein to participate on a biennial basis in meeting payments required for the principal and interest requirements on the Bonds in an annual amount not to exceed the Agreed Participation. Under the Participation Agreement the Commission has agreed to pay semi-annually directly to the Paying Agent on August 1 and February 1 of each year, commencing February 1, 2024 until August 1, 2043, that portion of the Agreed Participation to be applied toward the interest and principal requirements on the Bonds becoming due on each August 1 and February 1, commencing February 1, 2024; all in accordance with the provisions of the Participation Agreement and as set out in Section 12 of this Lease.

In any event, the rental payments due from the Board each year shall be such amounts as may from year to year be necessary to meet the principal and interest requirements for the Bonds, plus the costs of maintaining and insuring the Project and paying necessary Bond administration expenses.

Section 4. Annual Obligations, Option to Renew

. Nothing herein contained shall be construed as binding the Board to renew this Lease or Pay the rentals due hereunder for any but the first period ending June 30, 2024, except upon the exercise by the Board in each year of its exclusive option to renew this Lease, but this Lease shall automatically renew itself each year for a period of one year unless the Board shall at least sixty days prior to the beginning of any year send to the Corporation, to the State Department of Education, to the Commission, and to the original purchaser of the Bonds written notice of its intention not to exercise its option to renew the Lease.

Any other provisions herein to the contrary notwithstanding, the Board shall be liable to the extent only of its anticipated revenue for the year herein provided during which any obligation of it arises, and all obligations herein are on an annual basis. However, the Board shall not have the right to renew this Lease for any year unless its anticipated revenue is such that it can become legally obligated in the amount herein provided as being the amount of the obligation of the Board assuming the Lease is renewed. For the purposes of this Lease, the Commission's Agreed Participation shall be considered as anticipated revenue of the Board for each fiscal year for a period not to exceed twenty years.

Section 5. Conveyance to Board on Payment of Bonds

. It is understood and agreed that if the Board shall pay the rentals above specified from year to year to and through the year 2043, and by reason of the application of such rentals to the payment of the principal and interest on the Bonds, the Bonds shall have on August 1, 2043 or at any time, through any other method, been fully paid, redeemed, cancelled and retired, the Corporation will convey the project to the Board free of all liens and encumbrances, and any balance remaining in the Bond Fund for the payment of the Bonds and amounts in any other funds established with respect to the Bonds, will be returned to the Board.

Section 6. Contract Void If Not Renewed

. It is understood and agreed that should the Board fail to exercise its option to renew this Lease in any year, then this contract shall become null and void, and the Board shall give immediate possession of the Project to the Corporation for the benefit of the holders of the Bonds.

Section 7. Application of Insurance Proceeds

. It is agreed that in case the buildings constituting the Project are totally destroyed by fire, lightning, windstorm or other hazard covered by insurance, the Corporation shall have the right to expend such proceeds to restore the Project; that if such proceeds are not expended by the Corporation for the restoration of the Project at the earliest practicable date, then all such insurance Proceeds shall be used for the purpose of redeeming the outstanding Bonds, and the Project shall be and become the property of the Board, in which case the Corporation shall convey the Project to the Board free and clear of all encumbrances. In the event of partial destruction by fire, lightning, windstorm or other hazard covered by insurance, it is agreed between the parties that the proceeds of such insurance shall be used solely and only for the purpose of making the necessary replacements and repairs to the buildings and improvements located thereon, provided further that if following such partial or complete destruction any principal or interest payment is due on the Bonds and there are no other funds available for said payments, such insurance proceeds must be applied to the payments which are due.

Section 8. Option to Purchase Site

. The Bonds are issued subject to the Board having the right, on any interest payment date, to purchase from the Corporation, and to secure the release from the statutory mortgage lien and pledge of revenues securing the Bonds, the Project, for a price equal to the principal amount of the Bonds outstanding on the date upon which said option is exercised, plus a sum equal to the accrued interest on the Bonds to said date, plus a further sum sufficient to accomplish the complete redemption and retirement of the Bonds, including additional interest or redemption premium.

To exercise this option, the Board shall give notice of its election in writing to the Corporation at least ninety days prior to the interest due date upon which it desires to exercise said option. Thereupon, the Paying Agent at the direction of the Corporation shall call for payment a principal amount of the Bonds equal to such sum, such call to be strictly in accordance with the provisions of such Bonds and of the Bond Resolution provided, however, that the right is reserved in the Board and the Corporation to provide for the defeasance of said Bonds through the deposit and investment of sufficient funds in escrow to provide for the payment of the principal and interest requirements on the Bonds until such time as it is determined by the Board to be financially feasible to redeem and retire the Bonds.

Section 9. Limitation of Statutory Mortgage Lien

. The parties hereto agree that there shall be inserted in the bond form appearing on the Bonds a clause reading substantially as follows.

“The statutory mortgage lien upon and the pledge of the revenues derived from said school building property, which are hereby recognized as valid and binding, are hereby created and granted in favor of the holder of this Bond and the issue of which it forms a part, and said school building property and any appurtenances thereto shall remain subject to said statutory mortgage lien and revenue pledge until the payment in full of the principal and interest on this Bond and the issue of which it forms a part; provided, however, that said statutory mortgage lien and revenue pledge are and shall be restricted in their application to the school buildings and appurtenances thereto financed by this Bond and the issue of which it forms a part, 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 expressly reserved to erect or construct upon the school sites described in the Bond Resolution authorizing the issuance of the Bonds and in the Contract, Lease and Option under which same are leased to the Board of Education of the Bullitt County School District other independently financed school building projects free and clear of said statutory mortgage lien and revenue pledge, which other independently financed school building projects may or may not have a party wall with and adjoin the school buildings and appurtenances which are subject to said statutory mortgage lien and revenue pledge, provided no part of the cost of said other independently financed school building projects is paid from the proceeds of the sale of this Bond and the issue of which it forms a part; and provided the necessary easements for ingress and egress shall be deemed to exist and continue to exist for all school buildings, improvements and additions financed by this or other bonds”.

The parties hereto agree that this Lease is subject to the provisions of said clause as inserted in the form of Bonds.

Section 10. Legal Description of Project Site Leased

. The Project and appurtenances financed from the proceeds of the Bonds and which are subject to the statutory mortgage lien and pledge of revenues securing the Bonds are to be located upon the site described in Exhibit C to this Lease. Notwithstanding anything contained herein to the contrary, said lien and revenue pledge are restricted in their application to the exact location of the Project buildings and appurtenances, with rights of way for ingress and egress, and the right is specifically reserved by the Corporation and/or the Board to construct upon any unoccupied portion of the school site hereinafter described other structures and improvements for school purposes, which structures and improvements shall not be subject to any extent to said lien and pledge.

Section 11. Maintenance and Insurance

. It is agreed and understood that so long as the Board continues to lease the Project it will, at its own expense, maintain and keep same in good state of repair and will procure and pay the cost of insurance on all Project buildings and the contents thereof against loss by fire, lightning, windstorm or other hazard, and that the amount of such insurance shall be at all times the full insurable value of the buildings and the contents thereof or the amount of the Bonds outstanding from time to time, whichever is greater.

Section 12. Participation Agreement; Assignment to Secure Bonds. Pursuant to the Act and the Regulations of the Commission, the Commission has determined that its Agreed Participation in financing the Project shall be in the amount set forth in the Schedule of Principal and Interest Requirements; therefore, the Commission has agreed pursuant to the Participation agreement to participate in financing the costs of the Project through the payment of not more than such amount per annum, to be applied to the principal and interest requirements of the Bonds until the total principal amount of the Bonds is paid in full in accordance with the Schedule of Principal and Interest Requirements. Nothing contained herein shall be construed as obligating the Commission to pay any amount in excess of the annual Agreed Participation herein and in the Participation Agreement specified.

Notwithstanding anything contained herein to the contrary, the obligation of the Commission to participate in meeting the rental payments due hereunder shall be limited to the biennial budget period of the Commonwealth of Kentucky and the Commission's obligation to participate to the extent of the contractual amount fixed herein shall be limited to the period commencing upon the date of this Lease and terminating on June 30, 2024, provided, however, that in the event the Commission elects not to continue to participate in accordance with the Agreed Participation herein established, it shall give written notice to the Board and the original purchaser of the Bonds at least sixty days prior to the expiration of the biennial budget period of the Commonwealth. Nothing herein contained shall be construed as binding the Commission to pay the Agreed Participation established under the Participation Agreement to be applied to the agreed rentals due hereunder for any but the initial biennial period ending June 30, 2024 but the obligation of the Commission to participate shall automatically renew itself each two years for a period of two years unless the Commission shall give notice of its intention not to participate as hereinbefore set forth. By the execution of the Participation Agreement the Commission has expressed its present intention to continue to pay the Agreed Participation annually in each successive biennial budget period until the retirement of the Bonds, but such execution does not obligate it to do so.

The Commission's participation in financing the Project shall be effective through the annual payment of the Agreed Participation in semi-annual remittances directly to the Paying Agent on August 1 and February 1 of each year, commencing February 1, 2023, the February 1 remittance representing that portion of the Agreed Participation to be applied to interest becoming due on the Bonds on February 1 and the August 1 remittance representing that portion of the Agreed Participation to be applied to interest becoming due on the Bonds on August 1, plus that portion of the principal due on that date. Within thirty days following each semi-annual payment, the Commission shall notify the Board in writing of the remittance.

In order to secure the Bonds, the Board does hereby pledge to the payment of that portion of the rentals due hereunder the Agreed Participation to which it is entitled under the Participation Agreement to the Corporation and does hereby assign to the Corporation for the benefit of the Registered Owners of said Bonds all of its rights in and to the Agreed Participation so long as any of the Bonds remain outstanding and unpaid.

Section 13. Annual Assignment of Board's Right to State Funds. The Board agrees that during the term of this Lease and any renewal hereof, and so long as the Bonds remain outstanding, and in conformance with the intent and purpose of Section 157.627(5) of the Act, in the event of a failure by the Board to pay the rentals due hereunder, and unless the Commission has received from the Board satisfactory evidenced that sufficient funds have been transmitted to the Paying Agent, or will be so transmitted, for paying said rentals when due, the Board has granted under the terms of the Participation Agreement and does hereby grant to the Corporation and the Commission the right to notify and request the Department to withhold from the Board a sufficient portion of any undisbursed funds then held, set aside, or allocated to the Board and to request the Department to transfer the required amount thereof to the Paying Agent for the payment of such rentals.

The Corporation, by the execution of this Lease, hereby assigns to the Commission its rights in and to the rentals due hereunder, subject to the pledge of such rentals to secure the repayment of the Bonds, and hereby delegates to the Commission the authority to collect said rentals on behalf of the Corporation in accordance with this Section in the event of a failure by the Board to pay said rentals in a timely manner.

Section 14. Supplemental Contract if Parity Bonds Issued

. The parties hereto agree that in the event it becomes necessary to issue additional bonds ranking on a parity with the Bonds in order to complete the Project in accordance with the plans and specifications of the Architect, as set out in the Bond Resolution, they shall enter into a Supplemental Contract, Lease and Option, whereunder the respective annual rental payments during the life of such additional bonds are increased by the amount of annual principal and interest requirements of such additional bonds.

Section 15. Contractual Provisions Subordinate to Rights of Bondholders

. It is hereby agreed that the provisions of this Lease are hereby subordinate to the rights of the holders of the Bonds.

Section 16. Bond Administration Expenses; Fees and Charges of Bond Registrar/Paying Agent

. The Board agrees to pay as additional rentals due under this Lease all of the fees, charges and expenses of the Bond Registrar and Paying Agent as set forth in a certain Appointment Agreement by and between the Bond Registrar and Paying Agent, the Corporation and the Board. The Board understands and agrees that the semi-annual rental payments due under this Lease as set forth in Article III hereof must be remitted to the Paying Agent no later than the date specified in order that said semi-annual rental payments may be applied to the payment of interest on and principal of the Bonds as the same become due.

[Signatures begin on the following page.]

SIGNATURE PAGE TO CONTRACT, LEASE AND OPTION

IN TESTIMONY WHEREOF, the Board has caused this instrument to be executed for and on its behalf by its Chairperson and Secretary, and the Corporation has caused this instrument to be executed for and on its behalf by its President and Secretary as of the date above written.

**BOARD OF EDUCATION OF THE
BULLITT COUNTY SCHOOL DISTRICT**

By: _____
Chairperson

ATTEST:

Secretary

**BULLITT COUNTY SCHOOL DISTRICT
FINANCE CORPORATION**

By: _____
President

ATTEST:

Secretary

COMMONWEALTH OF KENTUCKY)
) ss
COUNTY OF BULLITT)

The undersigned, Notary Public in and for the State and County aforesaid, hereby certifies that on this day the foregoing instrument was acknowledged before me in said County by Darrell Coleman, Chairperson, and Dr. Jesse Bacon, Secretary of the Board of Education of the Bullitt County School District, to be their act and deed as Chairperson and Secretary of said Board and the act and deed of said Board as authorized by a Resolution of said Board.

Witness my signature this day of , 2023.

My commission expires:_____.

My notary commission number is _____.

Notary Public, State at Large, Kentucky

[illegible]

The undersigned, Notary Public in and for the State and County aforesaid, hereby certifies that on this day the foregoing instrument was acknowledged before me in said County by Darrell Coleman, President, and Dr. Jesse Bacon, Secretary of the Bullitt County School District Finance Corporation, to be their act and deed as President and Secretary of said Corporation.

Witness my signature this _____ day of _____, 2023.

My commission expires: _____.

My notary commission number is _____.

Notary Public, State at Large, Kentucky

The foregoing instrument was prepared by Elizabeth P. Younger, Dinsmore & Shohl LLP, 50 East RiverCenter Boulevard, Suite 1150, Covington, Kentucky 41011.

Elizabeth P. Younger

EXHIBIT A

Schedule of Annual Rentals

EXHIBIT B

Project Site

Bernheim Middle School

- 048-000-00-075A; Deed Book 382, Page 675

A certain tract or parcel of land located in the Bullitt County, Kentucky, and more particularly described as follows, to-wit:

BEGINNING at an iron in the East right of way of Audubon Drive (a 40 foot right of way) in the South line of the Isaac W. Bernheim Foundation property, thence with the South line of the Bernheim Foundation, South 67 degrees 00 minutes 00 seconds East 863.43 feet to an existing pipe on the South side of a Bernheim Foundation Monument, thence South 67 degrees 38 minutes 12 seconds East 201.39 feet to an iron pin at a corner post corner to Claudia Myers 175 acre tract, thence with Myers West line, South 01 degrees 57 minutes 06 seconds West 297.29 feet to a nail in a 12" Walnut and South 01 degree 37 minutes 08 seconds West 569.21 feet to an iron pin; thence with a new division line through the George R. Bierly property, North 67 degrees 00 minutes 00 seconds West 1000.43 feet to an iron pin in the East right of way of Audubon Drive; thence with the East right of way of Audubon Drive, the following calls which are located 40.75 feet East of and parallel to the existing right of way "fence" on the East side of Interstate 65; thence with Audubon Drive, North 00 degrees 15 minutes 36 seconds West 235.67 feet to an iron pin, North 02 degrees 36 minutes 18 seconds West 295.74 feet to an iron pin and North 03 degrees 06 minutes 17 seconds West 358.62 feet to the beginning containing 19.00 acres and being the Northern most part of Tract 1, Knob Acres Section 1 recorded in Plat Cabinet 1 Slide 137 Bullitt County, Kentucky, and conveyed to George R. Bierly, M.D. by Deed Book 198, Page 334, Bullitt County, Kentucky.