

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE POWELL COUNTY SCHOOL DISTRICT FINANCE CORPORATION (“CORPORATION”) AUTHORIZING THE EXECUTION BY THE PRESIDENT AND SECRETARY OF THE CORPORATION OF A PARTIAL RELEASE OF LEASE AGREEMENT AND STATUTORY MORTGAGE LIEN AND REVENUE PLEDGE, AND A DEED TO THE COMMONWEALTH OF KENTUCKY CONVEYING CERTAIN SCHOOL PROPERTY FOR THE USE AND BENEFIT OF THE TRANSPORTATION CABINET, DEPARTMENT OF HIGHWAYS.

WHEREAS, the Powell County School District Finance Corporation (“Corporation”) has been established as an agency of the Board of Education of Powell County, Kentucky (“Board”) in accordance with the provisions of the School Bond Act (KRS 162.120 through KRS 162.300 and KRS 162.385) for the purpose of issuing School Building Revenue Bonds on behalf of the Board, and

WHEREAS, the Corporation on behalf of the Board has issued its School Building Revenue Bonds, Series of 2024, dated February 1, 2024 (the “Bonds”) the proceeds of which were applied to the acquisition, construction and equipping of a new _____ Elementary School (“PCES”), and

WHEREAS, in order to provide for the payment of said Bonds, the Board and the Corporation entered into a Lease Agreement (the “Lease”) whereunder the acquisition, construction and equipping of school building improvements financed from the proceeds of said Bonds were leased by the Corporation to the Board for the term of one year, with the option in the Board to renew the Lease each year at sufficient rentals to provide for the annual principal and interest requirements of the Bonds, and

WHEREAS, under the School Bond Act the real estate and improvements constituting PCES are subject to a pledge of rental revenues and a statutory mortgage lien securing the Bonds; provided, however, that the lien and revenue pledge securing the Bonds are restricted in their application to the exact location of the buildings and appurtenances constructed with the proceeds of the Bonds, with rights of way for ingress and egress, and the Lease reserves the right in the Board to obtain the release of the lien and revenue pledge on any portion of the PCES property not currently occupied by school building improvements constructed with the proceeds of Bonds, and

WHEREAS, the Commonwealth of Kentucky for the use and benefit of the Transportation Cabinet, Division of Right of Way and Utilities (“KYDOT”) desires to make certain sidewalk improvements on a small and unoccupied portion of the PCES property and the Board has adopted a resolution approving the release of the statutory mortgage lien and revenue pledge as security for the Bonds of such small and unoccupied portion of the PCES property and sale thereof to KYDOT and has requested that the Corporation also approve such release of lien and pledge and sale.

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

RESOLVED, that the President and Secretary of the Corporation are hereby authorized to execute a Partial Release of Lease Agreement and Statutory Mortgage Lien and Revenue Pledge with regard to the small and unoccupied portion PCES property to release such property as security for the Bonds and to release any additional Leases or Contract, Lease and Option documents previously recorded against such property to secure Bonds which have since been retired.

RESOLVED FURTHER, that the President and Secretary of the Corporation are hereby authorized to execute a Deed to convey a small and unoccupied portion of the PCES property to the Board or KYDOT.

RESOLVED FURTHER, that the President and Secretary are hereby authorized to take whatever additional legal action and execute whatever documents as may be required to vest fee simple title to the small and unoccupied portion of the PCES property in the Board or KYDOT.

RESOLVED FURTHER, that this Resolution shall become effective immediately upon its adoption and any previous resolutions in conflict herewith are hereby repealed.

Passed and adopted this _____ day of August, 2025

**POWELL COUNTY SCHOOL DISTRICT
FINANCE CORPORATION**

Attest:

By _____
President

Secretary

CERTIFICATE

I, the undersigned Secretary of the Powell County School District Finance Corporation, hereby certifies that the foregoing Resolution was passed and adopted by unanimous vote of the Board of Directors of said Corporation at a Special Meeting of said Corporation held on August ____, 2025 at which a quorum was present and voting throughout the Meeting.

Dated this ____ day of August, 2025

Secretary