

AMENDED ORDINANCE NO. 2019-03

AN ORDINANCE AMENDING ORDINANCE NO. 2019-03 OF THE FISCAL COURT OF MARSHALL COUNTY, KENTUCKY (“COUNTY”), AUTHORIZING AND APPROVING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2019 IN A PRINCIPAL AMOUNT NOT TO EXCEED ~~\$3,500,000~~ \$7,300,000 (THE “BONDS”) THE PROCEEDS OF WHICH ARE TO BE USED FOR VARIOUS PUBLIC PROJECTS; AUTHORIZING THE LEVY OF A DIRECT ANNUAL TAX ON ALL TAXABLE PROPERTY WITHIN THE COUNTY, IN ADDITION TO ALL OTHER TAXES, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN AND AS THE SAME BECOME DUE; AUTHORIZING THE ESTABLISHMENT OF CERTAIN FUNDS TO PROVIDE FOR THE COLLECTION OF REVENUES, IF ANY, FROM THE PROJECTS AND, TO THE EXTENT REQUIRED, THE PROCEEDS OF THE TAX; AUTHORIZING THE EXECUTION OF THE BONDS AND THE DISBURSEMENT OF THE PROCEEDS THEREOF; AUTHORIZING THE INVESTMENT OF FUNDS PURSUANT TO KRS § 66.480; PROVIDING FOR DELEGATION BY THE FISCAL COURT OF AUTHORITY TO THE JUDGE/EXECUTIVE OF THE COUNTY TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; AND AUTHORIZING SUCH OTHER DOCUMENTS, AGREEMENTS AND CERTIFICATES NECESSARY OR REQUIRED FOR THE ENTERING INTO OF THE BONDS INCLUDING BUT NOT LIMITED TO A CONTINUING DISCLOSURE AGREEMENT; AND DESIGNATING THE BONDS AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FEDERAL INCOME TAX PURPOSES.

.....

WHEREAS, to finance the Projects the County proposes to issue General Obligation Bonds, Series 2019 in a principal amount not to exceed ~~\$3,500,000~~ \$7,300,000 (the “Bonds”) to be dated and mature, as determined by the Judge/Executive upon the advice of Ross, Sinliare & Associates, LLC as Financial Advisor, , and using the net proceeds, together with other moneys available therefor, for the purpose of financing acquisition and construction of the Projects and paying the costs of issuing the Bonds; and

.....

NOW, THEREFORE, BE AND IT IS HEREBY ORDAINED BY THE FISCAL COURT OF THE COUNTY OF MARSHALL, KENTUCKY, THAT ORDINANCE NO. 2019-03 IS HEREBY AMENDED AS FOLLOWS:

Section 1. Preamble Incorporated; Ordinance as Contract; Definitions.

.....

“Projects” means (i) improvements to sewer and water lines (ii) improvements to industrial park infrastructure, including , but not limited to roads, turn lanes and utilities; (iii) payment of capitalized interest and accrued interest, if any; (iv) improvements to emergency services; and ~~(v)~~ v) payment of costs of issuance of the Bonds.

.....

Section 2. Necessity for and Authorization of Bonds.

That for the purposes set forth in the Preamble to this Ordinance, there is hereby declared a necessity for, and there is hereby authorized County of Marshall, Kentucky General Obligation Bonds, Series 2019 in a principal amount not to exceed ~~\$3,500,000~~ \$7,300,000, as authorized by this Ordinance and shall be dated as determined by the Judge/Executive upon the advice of the Financial Advisor.

.....

Given first reading on _____, 2019.

Given second reading and passed and adopted on _____, 2019.

County Judge/Executive

Attest:

Fiscal Court Clerk

ORDINANCE NO. 2019-03

AN ORDINANCE OF THE FISCAL COURT OF MARSHALL COUNTY, KENTUCKY (“COUNTY”), AUTHORIZING AND APPROVING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2019 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,500,000 (THE “BONDS”) THE PROCEEDS OF WHICH ARE TO BE USED FOR VARIOUS PUBLIC PROJECTS; AUTHORIZING THE LEVY OF A DIRECT ANNUAL TAX ON ALL TAXABLE PROPERTY WITHIN THE COUNTY, IN ADDITION TO ALL OTHER TAXES, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN AND AS THE SAME BECOME DUE; AUTHORIZING THE ESTABLISHMENT OF CERTAIN FUNDS TO PROVIDE FOR THE COLLECTION OF REVENUES, IF ANY, FROM THE PROJECTS AND, TO THE EXTENT REQUIRED, THE PROCEEDS OF THE TAX; AUTHORIZING THE EXECUTION OF THE BONDS AND THE DISBURSEMENT OF THE PROCEEDS THEREOF; AUTHORIZING THE INVESTMENT OF FUNDS PURSUANT TO KRS § 66.480; PROVIDING FOR DELEGATION BY THE FISCAL COURT OF AUTHORITY TO THE JUDGE/EXECUTIVE OF THE COUNTY TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; AND AUTHORIZING SUCH OTHER DOCUMENTS, AGREEMENTS AND CERTIFICATES NECESSARY OR REQUIRED FOR THE ENTERING INTO OF THE BONDS INCLUDING BUT NOT LIMITED TO A CONTINUING DISCLOSURE AGREEMENT; AND DESIGNATING THE BONDS AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FEDERAL INCOME TAX PURPOSES.

WHEREAS, the County of Marshall, Kentucky, acting by and through its Fiscal Court, (the “County”) desires to provide financing for (i) improvements to sewer and water lines (ii) improvements to industrial park infrastructure, including, but not limited to roads, turn lanes and utilities; (iii) payment of capitalized interest and accrued interest, if any; (the “Projects”) and (iv) payment of costs of issuance of the Bonds; and

WHEREAS, to finance the Projects the County proposes to issue General Obligation Bonds, Series 2019 in a principal amount not to exceed \$3,500,000 (the “Bonds”) to be dated and mature, as determined by the Judge/Executive upon the advice of Ross, Sinliare & Associates, LLC as Financial Advisor, , and using the net proceeds, together with other moneys available therefor, for the purpose of financing acquisition and construction of the Projects and paying the costs of issuing the Bonds; and

WHEREAS, in order to assure the payment of the Bonds it is necessary that the County levy a tax sufficient for that purpose; provided, however, it is now anticipated that the current Revenues of the County will be sufficient to provide, in full, for the payment of the Bonds, as applicable.

NOW, THEREFORE, BE AND IT IS HEREBY ORDAINED BY THE FISCAL COURT OF THE COUNTY OF MARSHALL, KENTUCKY, AS FOLLOWS:

Section 1. Preamble Incorporated; Ordinance as Contract; Definitions.

That the Preamble to this Ordinance is hereby incorporated within the body of this Ordinance as fully as if copied in full herein.

That this Ordinance shall constitute a contract between the County and the holders of the Bonds herein authorized and no change, alteration, or amendment in the provisions hereof shall be made subsequent to the delivery of said Bonds.

For the purposes of this Ordinance and the Bonds the following terms shall have the meanings hereinafter set forth:

“Act” means Sections 66.011 through 66.191 of the Kentucky Revised Statutes.

“Bond Counsel” means Steptoe & Johnson PLLC, Louisville, Kentucky.

“Bond Registrar” or “Registrar” means the Depository acting in its capacity as the registrar of the Bonds and Paying Agent for the Bonds or Bonds, as applicable, and assuming the obligations of a registrar as set forth in this Ordinance.

“Code” means the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder.

“Costs of Issuance” means those expenses incident to the issuance of the Bonds, including, but not being limited to, the fees of any rating agency, Financial Advisor, Bond and/or Tax Counsel, Bond Registrar and Paying Agent, publication cost, and any other cost associated with the issuance and delivery of the Bonds.

“Costs of Issuance Fund” means the separate account established with the Depository from the proceeds of the Bonds from which the Costs of Issuance are to be paid.

“Depository” means such bank as may be appointed by the County Judge/Executive, without further action of the Fiscal Court, who may act as depository for the various funds established by this Ordinance.

“Event of Default” shall mean the County’s (i) failure to comply with the provisions of the Act or this Ordinance; (ii) failure to pay the principal and interest on the Bonds when due; (iii) failure to reimburse any Fund established hereby, in accordance with the reimbursement provisions hereof; or (iv) failure to comply with the Code.

“Financial Advisor” means Ross, Sinclair & Associates, LLC, Lexington, Kentucky.

“Investments” means those investments permitted under KRS § 66.480.

“Issuer” or “County” means the County of Marshall, Kentucky.

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

“Official Statement” means the County’s information disclosure statement issued pursuant to Securities and Exchange Commission Rule 15c2-12 (the “Rule”) in connection with the offering and sale of the Bonds and deemed final within the meaning of the Rule.

“Pledged Receipts” means the combination of the Tax and Projects Revenues adequate each year to pay the principal and interest requirements of the Bonds or the Bonds, as applicable.

“Projects” means (i) improvements to sewer and water lines (ii) improvements to industrial park infrastructure, including , but not limited to roads, turn lanes and utilities; (iii) payment of capitalized interest and accrued interest, if any; and (iv) payment of costs of issuance of the Bonds.

“Project Costs” means all costs of payment of, or reimbursement to the County of amounts paid or advanced by it for costs of acquisition, construction or equipping of the Projects.

“Project Fund” means the Project Fund established at such bank or trust company as is determined by the Judge/Executive without further action of the Fiscal Court.

“Project Revenues” or “Revenues” means proceeds from operations of the Projects, if any.

“Registered Owners” or “Owner” means the registered owners of the Bonds.

“State” means the Commonwealth of Kentucky.

“State Local Debt Officer” shall have the same meaning as set forth in KRS § 66.011(24).

“Tax” means the direct, annual ad valorem tax on all property within the County of Marshall, Kentucky, which is subject to taxation for County purposes, which are pledged to the payment of Bonds.

Section 2. Necessity for and Authorization of Bonds.

That for the purposes set forth in the Preamble to this Ordinance, there is hereby declared a necessity for, and there is hereby authorized County of Marshall, Kentucky General Obligation Bonds, Series 2019 in a principal amount not to exceed \$3,500,000, as authorized by this Ordinance and shall be dated as determined by the Judge/Executive upon the advice of the Financial Advisor.

The Bonds shall be dated as determined in the winning bid set forth in the Official Bid Form and selected by the County Judge/Executive, without further action of the Fiscal Court and with the advice of the Financial Advisor, pursuant to section 6 of this Ordinance, awarding Bonds to the purchaser thereof and establishing the interest rate or rates on the Bonds. Principal on the Bonds shall be payable at maturity. Interest on the Bonds shall be payable semi-annually, at the stated interest rate or rates on the outstanding principal amount thereof. The Bonds may be serial and/or term bonds maturing in the years and in the amounts to be established in the Official Bid Form accepted by the County Judge/Executive as the successful bid for the purchase of the Bonds, after advertised competitive sale of the Bonds, based on the interest rates bid in the successful bid and the provisions of this Ordinance, specifically this Section 2; provided, that the final maturity date of the Bonds shall be set forth in the Official Bid Form accepted by the County Judge/Executive, as the successful bid for the purchase of the Bonds and such final maturity may not exceed the maximum maturity as established in Section 66.091 of the Kentucky Revised Statutes; and, further provided that the aggregate net interest cost of the Bonds shall not exceed seven percent (7%) per annum.

Section 3. Form and Execution of Bonds; Authentication; Optional and Mandatory Redemption.

(A) The Bonds shall be issued in book-entry only form, unless the successful bidder elects to issue standard bond certificates and shall be substantially in the same form as that attached to this Ordinance as Exhibit "A" (except as amounts and dates may be changed therein), the redemption provisions of which are incorporated herein by reference thereto.

The Bonds shall be executed with the facsimile signature of the County Judge/Executive, attested by the facsimile signature of the Fiscal Court Clerk and may be imprinted with a facsimile of the corporate seal of the County.

The Bonds shall be payable at the principal office of the Depository, being such bank as may be appointed by the County Judge/Executive, without further action of the Fiscal Court, who may also act as Bond Registrar and Paying Agent for the Bonds and depository for the various funds established by this Ordinance.

No Bond shall be valid or binding upon the County unless and until it is authenticated by the

manual signature of a duly authorized representative of the Registrar and Paying Agent.

(B) Optional Redemption. Any Optional Redemption provisions shall be set forth in the final Bond certificate and/or the Final Official Statement or similar disclosure document or memorandum, which provisions are incorporated herein, without further action of the Fiscal Court.

(C) Mandatory Redemption/Term Bonds. In the event the purchaser of the Bonds so elects, the Bonds may be issued as term bonds in which event the Paying Agent shall select a principal maturity originally scheduled to mature on the principal due date as reflected by the successful bid and shall notify the Registered Owners of Bonds so selected for mandatory redemption not less than thirty (30) days prior to the principal due date by regular United States Mail. Any Mandatory Sinking Fund Redemption provisions shall be set forth in the final Bond certificate and/or the Final Official Statement or similar disclosure document or memorandum, which provisions are incorporated herein, without further action of the Fiscal Court.

(D) Notice of Redemption. If less than all Bonds which are payable by their terms on the same date are to be called, the particular Bonds, or portions of Bonds payable on such same date and to be redeemed from such series, shall be selected by lot by the Registrar and Paying Agent, in such manner as the Registrar and Paying Agent in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof, and that, in selecting Bonds for redemption, the Registrar and Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

At least thirty (30) days before the redemption date of any Bonds, the Registrar and Paying Agent shall cause a notice of such redemption to be mailed, postage prepaid, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar and Paying Agent, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive numbers or letters, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date upon surrender of such Bonds, a new Bond in principal amount equal to the unredeemed portion of such Bonds will be issued.

On the date so designated for redemption, notice having been sent in the manner and under the conditions hereinabove provided and moneys for payment of the redemption price being held in separate accounts by the Bond Registrar/Paying Agent for the Bondowners or portions thereof to be redeemed, the Bonds or portions of Bonds so called for redemption shall become and be due and

payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date, interest on the Bonds or portions of the Bonds so called for redemption shall cease to accrue, and the Bondowners or Registered Owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and to receive Bonds for any unredeemed portions of Bonds.

In case part but not all of an outstanding Bond shall be selected for redemption, the Registered Owner thereof or his attorney or legal representative shall present and surrender such Bond to the Bond Registrar/Paying Agent for payment of the principal amount hereof so called for redemption, and the County shall execute and the Bond Registrar/Paying Agent shall authenticate and deliver to or upon the order of such Registered Owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered a Bond of the same series and maturity and bearing interest at the same rate.

With respect to any notice of any optional redemption of the Bonds, unless at the time such notice is given the Bonds to be redeemed shall be deemed to have been paid, such notice shall state that such redemption is conditional upon receipt by the Bond Registrar/Paying Agent, on or prior to the date fixed for such redemption, of moneys that, together with other available moneys held by the Bond Registrar/Paying Agent, are sufficient to pay the redemption price of, and accrued interest on, the Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect and the County shall not be required to redeem such Bonds. In the event a notice of redemption of the Bonds contains such a condition and such moneys are not so received, the redemption of the Bonds as described in the conditional notice of redemption shall not be made and the Bond Registrar/Paying Agent shall, within a reasonable time after the date on which such redemption was to occur, give notice to the respective Owners of the Bonds designated for redemption in the manner in which the notice of redemption was given, that such moneys were not so received and that there shall be no redemption of the Bonds pursuant to such notice of redemption.

Section 4. Compliance with Constitution; Designation and Certification of Public Project; Authorization of Tax; Pledge of Tax, Project Revenues and Pledged Receipts to Payment of Bonds; Designation as General Obligation Bonds.

(A) That the debt represented by the Bonds is hereby determined to be within the maximum indebtedness of the County permitted under Section 158 of the Constitution of Kentucky.

(B) That the County is authorized to contract the indebtedness represented by the Bonds pursuant to Section 159 of the Constitution of Kentucky and provide for the collection of an annual tax sufficient to pay the Bonds and establish the hereinafter identified Sinking Fund to provide for the payment of the principal thereof.

(C) That pursuant to Section 157 of the Constitution of Kentucky and KRS § 66.111, there is hereby authorized to be levied, and the County hereby does so levy, each year that the Bonds remain outstanding, a Tax in an amount sufficient to provide for the full payment of the principal and interest requirements on said Bonds; provided, however, that said Tax shall be collected only to the extent that the Project Revenues or other receipts from existing County taxes or other sources are not sufficient to provide for the full payment of the debt service payments on the Bonds each year.

(D) That by the adoption of this Ordinance, the County covenants with the holders of the Bonds that it shall levy and collect each year a Tax in a sufficient amount and appropriate in its annual budget, together with other moneys available to it, including the Project Revenues, an amount of funds sufficient to pay the principal of and interest on the Bonds as defined in KRS § 66.011(4).

(E) That the Tax shall include the ad valorem property taxes permitted under Section 157 of the Constitution of Kentucky levied and collected by the County.

Notwithstanding the foregoing, the Tax shall only be levied, collected and applied to the payment of said Bonds Rental Payments on the Bonds to the extent the Project Revenues are not sufficient to meet such Bonds Rental Payments.

(F) That there is hereby pledged to the payment of the Bonds, as applicable, the Tax, to the extent required each year, and the Project Revenues, which together, shall constitute the "Pledged Receipts" securing said Bonds, in accordance with the terms of this Ordinance.

(G) That the County hereby declares, determines and certifies that the Projects constitute "public projects" within the meaning of KRS § 66.011(17).

(H) The County hereby levies and covenants to collect and segregate the Tax to the extent the Project Revenues, if any, or the general revenues of the County, are inadequate to meet the current annual debt service requirements of the Bonds, and hereby designates the Bonds as full general obligations of the County to the payment of which the full faith, credit, revenue and taxing authority of the County are hereby pledged for the prompt payment thereof.

(I) That the Tax, to the extent required, and the Project Revenues, shall, as received, be deposited in the appropriate Sinking Fund for the Bonds and applied solely to the payment of the debt service of the Bonds.

Section 5. Delegation of Authority to Determine Certain Matters Relating to the Bonds.

The Bonds shall be sold pursuant to an advertised competitive bid under the authority of KRS Chapter 424. The County Judge/Executive is hereby delegated the authority to determine the final terms of the Bonds upon the advice of the Financial Advisor after bids have been received.

Section 6. Execution of Documents Authorized; Approval of State Local Debt Officer.

That in order to effect the financing plan evidenced by the Bonds the County Judge/Executive, Fiscal Court Clerk, County Treasurer and/or such other County official as may be designated by the County, are hereby authorized to execute those documents necessary to provide for the issuance of said Bonds and the payment thereof, including but not limited to the following:

- (i) the Bonds and such closing documents and/or certificates as Bond Counsel may require, and
- (ii) such other documents as are required to implement the financing of the Projects and the execution of the Bonds generally, including, but not limited to a Bond Registrar/Paying Agent Agreement, Continuing Disclosure Agreement, Tax Compliance Procedures, Continuing Disclosure Procedures, Tax Certificates and any other certificates or documents required by Bond Counsel to enter into the Bonds.

The Bonds shall only be issued after notice to and approval of the State Local Debt Officer by a decision of, the State Local Debt Officer. The Judge/Executive is hereby directed to file or cause to be filed a Notice of Intent to Finance or Petition with the State Local Debt Officer in order to obtain such approval.

Section 7. Employment of Financial Advisor and Bond Counsel; Advertised Sale of Bonds; Acceptance of Bid.

The employment of Ross, Sinclair & Associates, LLC, Lexington, Kentucky, as Financial Advisor is hereby authorized, approved and directed; and, the employment of Steptoe & Johnson PLLC, Louisville, Kentucky, as Bond Counsel is hereby authorized, approved and directed.

Judge/Executive is hereby authorized and directed to make such advertising. The specific terms, bidding conditions and restrictions governing the sale of said Bonds shall be as set forth in the forms of "Notice of Bond Sale," "Official Terms and Conditions of Bond Sale" and "Official Bid Form The Bonds shall be sold at public sale after advertising according to law, and the County " which shall be prepared by the Financial Advisor.

Upon the receipt of the competitive bids after the required advertisement, the County Judge/Executive, with the advice of the Financial Advisor, shall calculate the best purchase offer and the exact principal amount of Bonds to be awarded, and accept the offers to purchase said Bonds on behalf of the County without further action by the Fiscal Court.

Section 8. Establishment of Funds.

That there are hereby authorized to be established the following funds or accounts which shall be maintained with the Depository:

(A) The Sinking Fund (or Bond Fund), which shall receive the receipts of the Tax herein authorized, to the extent required for the Bonds the Project Revenues of or from the Projects Said Sinking Fund moneys shall be used only for the payment of the Bonds Rental Payments of the Bonds. Upon the delivery of the Bonds any accrued or capitalized interest shall be deposited into said fund.

(B) Costs of Issuance Fund, which shall receive from the proceeds of the Bonds the amounts necessary to pay the Costs of Issuance of the Bonds upon the delivery of said Bonds. The Depository shall remit the required payments in the amounts and to the parties specified in writing by the County Judge/Executive or County Treasurer, or such other County official as may be designated by the County, upon the delivery of the Bonds. Any amounts remaining in the Costs of Issuance Fund following the payment of all such Costs of Issuance shall be transferred to the Sinking Fund.

(C) The Project Fund which shall receive the remainder of the proceeds of the Bonds and shall be used solely to pay the costs of acquiring, constructing and equipping the Projects. Any amounts remaining in the Project Fund following the payment of all such costs of the Projects shall be transferred to the Sinking Fund.

(D) Any other fund, including a debt service reserve fund or other fund required by law, or deemed necessary and appropriate by the Financial Advisor.

(E) Moneys on deposit in the funds enumerated in subsections (A) through (D) of this Section shall be invested in the Investments permitted and any earnings carried to the credit of the fund from which the investment was made.

Section 9. Registration of Bonds; Duties of Bond Registrar, Paying Agent, and Depository.

Such bank as may be appointed by the County Judge/Executive, without further action by the Fiscal Court, which appointment may be evidenced with the execution of a Bond Registrar/Paying Agent Agreement, or similar agreement, between the County and the Bond Registrar, Paying Agent,

and Depository, is hereby designated as the Bond Registrar, Paying Agent and Depository for the Bonds. The Bond Registrar, Paying Agent and Depository shall receive compensation for its services in accordance with its agreement with the County.

(A) The duties of the Bond Registrar shall be as follows:

- (i) To register all Bond certificates in the name of the Registered Owner thereof in accordance with the provisions of the Code;
- (ii) Upon being supplied with a properly authenticated assignment satisfactory to said Bond Registrar (in the sole discretion of said Bond Registrar), to transfer the ownership of Bond certificates from one Registered Owner to another within three (3) business days of the receipt of proper authentication by said Bond Registrar; and
- (iii) To cancel and destroy (or remit to the County for destruction) all exchanged or matured Bond certificates, and to maintain adequate records relative thereto;

(B) The duties of the Paying Agent and Depository shall be as follows:

- (i) To maintain the various funds established under this Ordinance and to invest the same in accordance with the provisions hereof;
- (ii) To remit, but only to the extent that all required funds are made available to the Paying Agent by the County, semiannual interest payments direct to the Registered Owner of each Bond by regular United States Mail; said interest payments shall be deposited in the United States Mail no later than each interest due date, Matured or redeemed Bonds shall be payable upon presentation of Bond certificates to the Paying Agent. For interest payment purposes, the Paying Agent shall be entitled to rely on its records as Bond Registrar as to the ownership of each Bond as of the 15th day of the month preceding an interest due date and the Paying Agent's checks shall be drawn and mailed accordingly;
- (iii) To notify each Registered Owner to be prepaid and to redeem Bonds prior to their stated maturity upon their presentation in accordance with the provisions of this Ordinance upon being supplied with sufficient funds; and
- (iv) To supply the County with a written accounting evidencing the payment of interest and principal within thirty days following each due date.

The Bond Registrar/Paying Agent shall be entitled to the advice of its attorney and shall be protected for any acts taken by it in good faith and reliance upon such advice, but claims for ordinary negligence by the County are not waived.

The Bond Registrar/Paying Agent may at any time resign from its duties set forth in this Ordinance or in any agreement with the County by filing its resignation with the County Judge/Executive and notifying the Registered Owners of the Bonds herein authorized. Thereupon, the County shall designate a successor Bond Registrar/Paying Agent which shall be an incorporated bank or trust company. Notwithstanding the foregoing, in the event of the resignation of the Bond Registrar/Paying Agent, provisions shall be made for the orderly transition of the books, records and accounts relating to the Bonds to the successor Bond Registrar/Paying Agent in order that there will be no delinquencies in the payment of interest or principal due on the Bonds.

The Bond Registrar/Paying Agent may be removed by the County if at any time so requested by an instrument or concurrent instruments in writing, filed with the Bond Registrar/Paying Agent and signed by the Registered Owners of a majority in principal amount of the Bonds then outstanding or their attorneys-in-fact duly authorized.

Section 10. Tax Covenants; Approval of Tax Compliance Procedures.

The County 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 County with respect to the Bonds shall be excludable from the gross income of the recipients thereof for Federal income tax purposes under any valid provision of the Code.

The County shall not permit at any time or times any of the proceeds of the Bonds to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause such Bonds to be "arbitrage bonds" as defined in Section 148 of the Code, as then in effect.

The County further covenants that prior to the issuance of said Bonds and as a condition precedent to such issuance, the County shall certify by issuance of a certificate of the County Judge/Executive, or County Treasurer, or such other County official as may be designated by the County, supplemental to this Ordinance, that on the basis of the facts, estimates and circumstances in existence on the date of issue of said Bonds, it is not expected that the proceeds of said Bonds will be used in a manner which would cause such obligations to be "arbitrage bonds" under the Code.

The County hereby adopts the Tax Compliance Procedures presented to the Fiscal Court and agrees to follow said Procedures during the term of the Bonds.

Section 11. Contractual Nature of Ordinance. This Ordinance shall constitute a contract between the County and the holders of the Bonds, and any general obligation bonds or general obligation Bonds subsequently issued ranking on a parity therewith, and after the issuance and delivery of such Bonds no change, variation or alteration of any kind in the provisions of this Ordinance shall be made in any manner except for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein.

Section 12. Qualified Tax-Exempt Obligation. The County, by the adoption of this Ordinance, reasonably anticipates that the total principal amount of tax-exempt obligations which it will issue during the calendar year ending December 31, 2019, will not exceed \$10,000,000 and therefore designates the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

Section 13. Severability. If any section, paragraph or clause hereof shall be held invalid, the invalidity of said section, paragraph or clause shall not affect any of the remaining provisions of this Ordinance.


Section 14. Conflicts Repealed; Effective Date of Ordinance. All ordinances, resolutions or parts thereof in conflict with the provisions of this Ordinance are hereby repealed and this Ordinance shall take effect and be in force upon its adoption. This Ordinance shall take effect from and after its passage, approval and the publication of a summary thereof.

Section 15. Continuing Disclosure Procedures Adopted. The County hereby adopts the Continuing Disclosure Procedures presented to the Fiscal Court and agrees to follow, or cause the Financial Advisor to the County or another third party acting as disclosure agent to follow, said procedures to ensure the timely and complete filing of all financial information, operating data and notices of material events as required by SEC Rule 15c2-12 and the County's Continuing Disclosure Undertakings entered into prior to or after the date of this Ordinance.

[Signatures and certification for Ordinance on the following pages S-1]

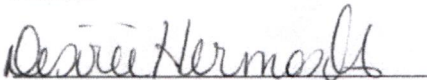
Given first reading on April 16, 2019.

Given second reading and passed and adopted on May 2, 2019.



County Judge/Executive

Attest:

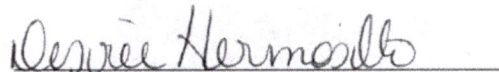


Fiscal Court Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Fiscal Court Clerk of the Marshall County, Kentucky; that the foregoing is a true and complete copy of a certain Ordinance duly adopted by the Fiscal Court of Marshall County, Kentucky, at a duly convened public meeting properly held on May 2, 2019; that said Ordinance appears as a matter of public record in the official records of the Fiscal Court; that said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.805 to 61.850; that a quorum was present at said meeting; that said Ordinance has not been amended, modified, revoked or repealed; and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this 2nd day of May, 2019.



Fiscal Court Clerk