

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0161	AGRI ENVIRONMENTAL SERVICES, L					
I-1018	9/30/2015 AP	SLUDGE REMOVAL DUE: 9/30/2015 DISC: 9/30/2015 SLUDGE REMOVAL	2,520.00	1099: N 20 5-00-7500	CONTRACTORS	2,520.00
=== VENDOR TOTALS ===			2,520.00			
=====						
01-0022	ALL SEASONS SPORTSWEAR					
I-045546	9/29/2015 AP	UNIFORMS FOR TRAINING DUE: 9/29/2015 DISC: 9/29/2015 UNIFORMS FOR TRAINING	162.00	1099: N 01 5-20-8007	UNIFORMS	162.00
=== VENDOR TOTALS ===			162.00			
=====						
01-0028	ANDALE READY MIX CENTRAL					
I-81652	9/14/2015 AP	FOR SIDEWALK REPAIR-S KING DUE: 9/14/2015 DISC: 9/14/2015 FOR SIDEWALK REPAIR-S KING	570.00	1099: N 02 5-00-8202	CEMENT/CONCRETE	570.00
=== VENDOR TOTALS ===			570.00			
=====						
01-0037	ASCE MEMBERSHIP					
I-201510083391	9/30/2015 AP	MEMBERSHIP RENEWAL-MCKINLEY DUE: 9/30/2015 DISC: 9/30/2015 MEMBERSHIP RENEWAL-MCKINLEY	245.00	1099: N 01 5-10-6301	ORGANIZATION ME	245.00
=== VENDOR TOTALS ===			245.00			
=====						
01-0402	BMP EROSION SOLUTIONS					
I-868106	8/14/2015 AP	BMP MATERIALS DUE: 8/14/2015 DISC: 8/14/2015 BMP MATERIALS	220.00	1099: N 02 5-00-8602	GROUNDS SUPPLIE	220.00
I-868107	8/14/2015 AP	BMP MATERIALS DUE: 8/14/2015 DISC: 8/14/2015 BMP MATERIALS	120.00	1099: N 02 5-00-8602	GROUNDS SUPPLIE	120.00
I-868108	8/14/2015 AP	BMP MATERIALS DUE: 8/14/2015 DISC: 8/14/2015 BMP MATERIALS	280.00	1099: N 02 5-00-8602	GROUNDS SUPPLIE	280.00
=== VENDOR TOTALS ===			620.00			

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
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01-0056	CASEY'S GENERAL STORES, INC.					
I-201510083377	9/30/2015	UNLEADED FUEL	1,975.88			
	AP	DUE: 9/30/2015 DISC: 9/30/2015		1099: N		
		UNLEADED FUEL		01 5-20-8306	UNLEADED FUEL	1,369.06
		UNLEADED FUEL		02 5-00-8306	UNLEADED FUEL	202.27
		UNLEADED FUEL		20 5-00-8306	UNLEADED FUEL	202.27
		UNLEADED FUEL		21 5-00-8306	UNLEADED FUEL	202.28
		=== VENDOR TOTALS ===	1,975.88			
=====						
01-0352	CENTRAL SAND COMPANY, INC.					
I-47671	9/19/2015	SIDEWALK REPAIR-S KING	124.80			
	AP	DUE: 9/19/2015 DISC: 9/19/2015		1099: N		
		SIDEWALK REPAIR-S KING		02 5-00-8602	GROUNDS SUPPLIE	124.80
		=== VENDOR TOTALS ===	124.80			
=====						
01-0066	CINTAS FIRST AID & SAFETY					
I-5003680455	9/30/2015	FIRST AID KIT REFILL-SHOP	37.00			
	AP	DUE: 9/30/2015 DISC: 9/30/2015		1099: N		
		FIRST AID KIT REFILL-SHOP		02 5-00-8503	SAFETY EQUIPMEN	37.00
I-5003680464	10/01/2015	FIRST AID KIT REFILLS-PD/ADMI	131.61			
	AP	DUE: 10/01/2015 DISC: 10/01/2015		1099: N		
		FIRST AID KIT REFILLS-PD/ADMIN		01 5-10-8603	COMMODITIES	65.14
		FIRST AID KIT REFILLS-PD/ADMIN		01 5-20-8603	COMMODITIES	66.47
		=== VENDOR TOTALS ===	168.61			
=====						
01-0071	CITY PRINT, INC.					
I-42646	9/30/2015	HIGHLIGHTS PRINTING	1,126.00			
	AP	DUE: 9/30/2015 DISC: 9/30/2015		1099: N		
		HIGHLIGHTS PRINTING		01 5-10-7204	NEWSLETTER/PRIN	1,126.00
		=== VENDOR TOTALS ===	1,126.00			
=====						
01-0093	DIGITAL OFFICE SYSTEMS					
I-IN330418	9/28/2015	MAINTENANCE-COPIERS/PRINTERS	87.50			
	AP	DUE: 9/28/2015 DISC: 9/28/2015		1099: N		
		MAINTENANCE-COPIERS/PRINTERS		01 5-10-7601	EQUIPMENT RENTAL	87.50
		=== VENDOR TOTALS ===	87.50			

*Fall Festival  
Insert*

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0096	ERIC HARTENSTEIN					
I-201510083392	9/24/2015 AP	PUBLIC DEFENDER SERVICES DUE: 9/24/2015 DISC: 9/24/2015 PUBLIC DEFENDER SERVICES	150.00	1099: N 12 5-00-7908	PUBLIC DEFENDER	150.00
=== VENDOR TOTALS ===			150.00			
=====						
01-0107	GALLS INCORPORATED					
I-004084293	9/17/2015 AP	UNIFORMS AND MATS DUE: 9/17/2015 DISC: 9/17/2015 UNIFORMS AND MATS	146.60	1099: N 01 5-20-8007	UNIFORMS	146.60
I-004094765	9/20/2015 AP	UNIFORMS-PD DUE: 9/20/2015 DISC: 9/20/2015 UNIFORMS-PD	162.95	1099: N 01 5-20-8007	UNIFORMS	162.95
I-004106453	9/22/2015 AP	UNIFORMS-PD DUE: 9/22/2015 DISC: 9/22/2015 UNIFORMS-PD	224.96	1099: N 01 5-20-8007	UNIFORMS	224.96
I-004119819	9/24/2015 AP	UNIFORMS-PD DUE: 9/24/2015 DISC: 9/24/2015 UNIFORMS-PD	52.50	1099: N 01 5-20-8007	UNIFORMS	52.50
I-004139271	9/28/2015 AP	UNIFORMS-PD DUE: 9/28/2015 DISC: 9/28/2015 UNIFORMS-PD	209.97	1099: N 01 5-20-8007	UNIFORMS	209.97
I-004146634	9/29/2015 AP	UNIFORMS BELT KIT DUE: 9/29/2015 DISC: 9/29/2015 UNIFORMS BELT KIT	52.34	1099: N 01 5-20-8007	UNIFORMS	52.34
I-004152579	9/30/2015 AP	UNIFORM JACKET DUE: 9/30/2015 DISC: 9/30/2015 UNIFORM JACKET	38.94	1099: N 01 5-20-8007	UNIFORMS	38.94
=== VENDOR TOTALS ===			888.26			
=====						
01-0130	JOCELYN REID					
I-201510083376	10/05/2015 AP	CAFE PLAN REIMBURSEMENT DUE: 10/05/2015 DISC: 10/05/2015 CAFE PLAN REIMBURSEMENT	84.00	1099: N 38 5-00-9300	DEPENDENT CARE	84.00
=== VENDOR TOTALS ===			84.00			

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-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
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01-0132	JOHN DEERE FINANCIAL					
I-201510083393	9/20/2015 AP	WEED KILLER DUE: 9/20/2015 DISC: 9/20/2015 WEED KILLER	99.99	1099: N 01 5-40-8602	GROUNDS SUPPLIE	99.99
=== VENDOR TOTALS ===			99.99			
=====						
01-0143	KANSAS DEPT OF REVENUE					
I-201510083374	10/01/2015 AP	WATER PROTECTION FEES-3RD QTR DUE: 10/01/2015 DISC: 10/01/2015 WATER PROTECTION FEES-3RD QTR	1,527.25	1099: N 21 5-00-9200	WATER TAX EXPEN	1,527.25
=== VENDOR TOTALS ===			1,527.25			
=====						
01-0151	KANSAS ONE-CALL SYSTEM, INC.					
I-5090354	9/30/2015 AP	SEPTEMBER LOCATES DUE: 9/30/2015 DISC: 9/30/2015 SEPTEMBER LOCATES SEPTEMBER LOCATES	203.00	1099: N 20 5-00-7502 21 5-00-7502	PROFESSIONAL SE PROFESSIONAL SE	101.50 101.50
=== VENDOR TOTALS ===			203.00			
=====						
01-0154	KANSAS RURAL WATER ASSOCIATION					
I-201510083389	9/29/2015 AP	BACKFLOW PREVENTION TRAINING DUE: 9/29/2015 DISC: 9/29/2015 BACKFLOW PREVENTION TRAINING	225.00	1099: N 21 5-00-6302	CONFERENCES/WOR	225.00
=== VENDOR TOTALS ===			225.00			
=====						
01-0155	KANSAS STATE TREASURER					
I-201510083381	10/01/2015 AP	STATE COURT FEES-JULY DUE: 10/01/2015 DISC: 10/01/2015 STATE COURT FEES-JULY STATE COURT FEES-JULY STATE COURT FEES-JULY STATE COURT FEES-JULY	850.51	1099: N 12 5-00-7901 12 5-00-7902 12 5-00-7905 12 5-00-7907	REINSTATEMENT C STATE COURT TRA STATE LAW ENF T DUI SUPERVISORY	162.00 9.50 385.35 293.66
I-201510083382	10/01/2015 AP	STATE COURT FEES-AUGUST DUE: 10/01/2015 DISC: 10/01/2015 STATE COURT FEES-AUGUST STATE COURT FEES-AUGUST STATE COURT FEES-AUGUST STATE COURT FEES-AUGUST	594.82	1099: N 12 5-00-7901 12 5-00-7902 12 5-00-7905 12 5-00-7907	REINSTATEMENT C STATE COURT TRA STATE LAW ENF T DUI SUPERVISORY	21.00 5.00 180.00 388.82

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0155	KANSAS STATE TREASURER	( ** CONTINUED ** )				
I-201510083383	10/01/2015 AP	STATE COURT FEES-SEPTEMBER DUE: 10/01/2015 DISC: 10/01/2015	725.50	1099: N		
		STATE COURT FEES-SEPTEMBER		12 5-00-7902	STATE COURT TRA	6.50
		STATE COURT FEES-SEPTEMBER		12 5-00-7905	STATE LAW ENF T	338.00
		STATE COURT FEES-SEPTEMBER		12 5-00-7907	DUI SUPERVISORY	381.00
I-201510083390	9/28/2015 AP	MPBC 2015A REVENUE BONDS DUE: 9/28/2015 DISC: 9/28/2015	1,642.50	1099: N		
		MPBC 2015A REVENUE BONDS		05 5-00-7502	PROFESSIONAL SE	1,642.50
		=== VENDOR TOTALS ===	3,813.33			
01-0609	LANCE M & STEPHANIE M ADAMS					
I-201510083394	9/14/2015 AP	2014 HOUSING GRANT DUE: 9/14/2015 DISC: 9/14/2015	1,431.33	1099: N		
		2014 HOUSING GRANT		01 5-80-9015	HOUSING GRANT	1,431.33
		=== VENDOR TOTALS ===	1,431.33			
01-0174	LEAGUE OF KANSAS MUNICIPALITIES					
I-15-2826	9/30/2015 AP	2014 KS LOCAL GOVT LAW DUE: 9/30/2015 DISC: 9/30/2015	204.95	1099: N		
		2014 KS LOCAL GOVT LAW		01 5-10-8603	COMMODITIES	204.95
		=== VENDOR TOTALS ===	204.95			
01-0440	LEWIS STREET GLASS COMPANY					
I-I042202	9/25/2015 AP	GLASS REPAIR-GRADER DUE: 9/25/2015 DISC: 9/25/2015	245.88	1099: N		
		GLASS REPAIR-GRADER		02 5-00-8105	TRUCKS/HEAVY EQ	245.88
		=== VENDOR TOTALS ===	245.88			
01-0506	LOU'S OIL SPOT					
I-150349	9/30/2015 AP	OIL CHANGE - CAR #615 DUE: 9/30/2015 DISC: 9/30/2015	55.00	1099: N		
		OIL CHANGE - CAR #615		01 5-20-8304	OIL CHANGES	55.00
I-150670	10/07/2015 AP	OIL CHANGE-CAR #214 DUE: 10/07/2015 DISC: 10/07/2015	45.00	1099: N		
		OIL CHANGE-CAR #214		01 5-20-8303	TIRES	45.00
		=== VENDOR TOTALS ===	100.00			

*Tom P*

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0494	M & M LAWN CARE					
I-1354-37	10/01/2015 AP	CEMETERY MOWING-SEPTEMBER DUE: 10/01/2015 DISC: 10/01/2015 CEMETERY MOWING-SEPTEMBER	1,675.00	1099: N 98 5-00-7520	CEMETERY GROUND	1,675.00
		=== VENDOR TOTALS ===	1,675.00			
01-0387	MCCULLOUGH EXCAVATION, INC.					
I-15179-1	9/15/2015 AP	DEMO DRYING BEDS-MAINT SHOP DUE: 9/15/2015 DISC: 9/15/2015 DEMO DRYING BEDS-MAINT SHOP	6,300.00	1099: N 05 5-00-7500	CONTRACTORS	6,300.00
		=== VENDOR TOTALS ===	6,300.00			
01-1	MISCELLANEOUS VENDOR					
I-201510083384	10/05/2015 AP	BYBEE ELECTRIC:PERMIT REFUND DUE: 10/05/2015 DISC: 10/05/2015 BYBEE ELECTRIC:PERMIT REFUND	25.00	1099: N 01 5-10-9910	REFUND OF OVERP	25.00
I-201510083388	10/02/2015 AP	JAMES SCHNEIDER:TREE PLANTING DUE: 10/02/2015 DISC: 10/02/2015 JAMES SCHNEIDER:TREE PLANTING	100.00	1099: N 01 5-90-7982	TREE BOARD EXPE	100.00
I-4297	9/22/2015 AP	ARMSCOR:TRAINING AMMO DUE: 9/22/2015 DISC: 9/22/2015 ARMSCOR:TRAINING AMMO	940.00	1099: N 11 5-00-7806	MAIZE POLICE TR	940.00
		=== VENDOR TOTALS ===	1,065.00			
01-0200	O'REILLY AUTOMOTIVE, INC.					
I-4598-188764	9/30/2015 AP	SAFETY GLOVES-WWTP DUE: 9/30/2015 DISC: 9/30/2015 SAFETY GLOVES-WWTP	10.99	1099: N 20 5-00-8503	SAFETY EQUIPMEN	10.99
		=== VENDOR TOTALS ===	10.99			
01-0203	PATHFINDER SYSTEMS, INC.					
I-15699	9/23/2015 AP	BLOWER FILTERS-WWTP DUE: 9/23/2015 DISC: 9/23/2015 BLOWER FILTERS-WWTP	187.98	1099: N 20 5-00-8310	OTHER SUPPLIES	187.98
		=== VENDOR TOTALS ===	187.98			

*Tone out drying bed  
Part of PW Bldg  
Project Fund*

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0206	PEREGRINE CORPORATION					
I-987187	9/29/2015 AP	BUSINESS CARDS-PD DUE: 9/29/2015 DISC: 9/29/2015 BUSINESS CARDS-PD	301.68	1099: N 01 5-20-8004	PRE-PRINTED FOR	301.68
=== VENDOR TOTALS ===			301.68			
=====						
01-0208	PFAFF SIGNS					
I-5625	9/03/2015 AP	LOGOS FOR CAR #909 DUE: 9/03/2015 DISC: 9/03/2015 LOGOS FOR CAR #909	382.08	1099: N 01 5-20-8104	AUTOMOTIVE	382.08
=== VENDOR TOTALS ===			382.08			
=====						
01-0213	PRIDE AG RESOURCES					
I-201510083378	9/25/2015 AP	SUPPLIES DUE: 9/25/2015 DISC: 9/25/2015	1,061.54	1099: N		
		SUPPLIES		01 5-40-8106	LAWN CARE EQUIP	4.99
		SUPPLIES		01 5-40-8109	ELECTRICAL EQUI	274.95
		SUPPLIES		01 5-40-8601	CUSTODIAL SUPPL	63.41
		SUPPLIES		01 5-40-8602	GROUNDS SUPPLIE	19.36
		SUPPLIES		01 5-90-7982	TREE BOARD EXPE	153.53
		SUPPLIES		02 5-00-8106	LAWN CARE EQUIP	90.96
		SUPPLIES		02 5-00-8202	CEMENT/CONCRETE	23.88
		SUPPLIES		02 5-00-8309	WELDING SUPPLIE	30.27
		SUPPLIES		02 5-00-8310	OTHER SUPPLIES	166.21
		SUPPLIES		02 5-00-8603	COMMODITIES	3.98
		SUPPLIES		02 5-00-8508	HAND TOOLS	93.72
		SUPPLIES		20 5-00-8310	OTHER SUPPLIES	74.38
		SUPPLIES		21 5-00-8310	OTHER SUPPLIES	59.90
		SUPPLIES		01 5-40-8603	COMMODITIES	2.00
=== VENDOR TOTALS ===			1,061.54			
=====						
01-0224	ROBERT'S HUTCH-LINE					
I-343489	7/24/2015 AP	FILE CABINET-POLICE CLERK DUE: 7/24/2015 DISC: 7/24/2015	893.39	1099: N 01 5-20-8802	OFFICE EQUIPMEN	893.39
I-350961	9/25/2015 AP	OFFICE SUPPLIES DUE: 9/25/2015 DISC: 9/25/2015	107.22	1099: N		
		OFFICE SUPPLIES		01 5-20-8005	OFFICE SUPPLIES	16.99
		OFFICE SUPPLIES		01 5-30-8005	OFFICE SUPPLIES	16.18
		OFFICE SUPPLIES		20 5-00-8005	OFFICE SUPPLIES	19.03
		OFFICE SUPPLIES		01 5-10-8005	OFFICE SUPPLIES	55.02
=== VENDOR TOTALS ===			1,000.61			

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0231	SARA JAVIER					
I-201510083386	10/05/2015 AP	TRAVEL REIMBURSEMENT DUE: 10/05/2015 DISC: 10/05/2015	209.31	1099: N		
		TRAVEL REIMBURSEMENT		01 5-30-6305	MILEAGE/TRAVEL	33.35
		TRAVEL REIMBURSEMENT		01 5-30-6304	MEAL/LODGING AL	175.96
I-201510083387	10/05/2015 AP	CAFE PLAN REIMBURSEMENT DUE: 10/05/2015 DISC: 10/05/2015	49.00	1099: N		
		CAFE PLAN REIMBURSEMENT		38 5-00-9301	MEDICAL EXPENSE	49.00
		=== VENDOR TOTALS ===	258.31			
=====						
01-0233	SDK LABORATORIES					
I-201510083375	10/05/2015 AP	LAB ANALYSIS-WWTP DUE: 10/05/2015 DISC: 10/05/2015	300.00	1099: N		
		LAB ANALYSIS-WWTP		20 5-00-7008	WASTEWATER LABO	300.00
		=== VENDOR TOTALS ===	300.00			
=====						
01-0235	SECURITY 1ST TITLE, LLC					
I-157958	9/23/2015 AP	TITLE SEARCH-PUBLIC WORKS BLD DUE: 9/23/2015 DISC: 9/23/2015	2,140.00	1099: N		
		<u>TITLE SEARCH-PUBLIC WORKS BLDG</u>		05 5-00-7502	PROFESSIONAL SE	2,140.00
I-158700	10/01/2015 AP	LEASE RECORDINGS DUE: 10/01/2015 DISC: 10/01/2015	96.00	1099: N		
		LEASE RECORDINGS		05 5-00-7502	PROFESSIONAL SE	96.00
		=== VENDOR TOTALS ===	2,236.00			
=====						
01-0239	SEDGWICK COUNTY DIVISION OF FI					
I-1800041520	10/05/2015 AP	JAIL HOUSING FEES-SEPTEMBER DUE: 10/05/2015 DISC: 10/05/2015	507.78	1099: N		
		JAIL HOUSING FEES-SEPTEMBER		01 5-30-9909	COUNTY JAIL HOU	507.78
		=== VENDOR TOTALS ===	507.78			
=====						
01-0242	SHRED-IT WICHITA					
I-9407631731	9/25/2015 AP	SHREDDING SERVICES DUE: 9/25/2015 DISC: 9/25/2015	84.16	1099: N		
		SHREDDING SERVICE - 04/30/12		01 5-10-7502	PROFESSIONAL SE	33.66
		SHREDDING SERVICE - 04/30/12		01 5-20-7502	PROFESSIONAL SE	50.50
		=== VENDOR TOTALS ===	84.16			

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0523		SOUTH CENTRAL KANSAS COURT SER				
I-201510083395	9/18/2015 AP	DIVERSION MONITORING FEE DUE: 9/18/2015 DISC: 9/18/2015 DIVERSION MONITORING FEE	180.00	1099: N 01 5-30-7502	PROFESSIONAL SE	180.00
=== VENDOR TOTALS ===			180.00			
01-0029		SPECTRUM PAINT WICHITA				
I-805303116	6/30/2015 AP	PAINT-CITY HALL DUE: 6/30/2015 DISC: 6/30/2015 PAINT-CITY HALL	39.70	1099: N 01 5-40-8405	BUILDING CONTEN	39.70
=== VENDOR TOTALS ===			39.70			
01-0252		THE CLARION				
I-57780	9/30/2015 AP	FALL SPORTS PREVIEW DUE: 9/30/2015 DISC: 9/30/2015 FALL SPORTS PREVIEW	75.00	1099: N 01 5-80-7970	COMMUNITY SERVI	75.00
I-57966	9/25/2015 AP	PUBLICATION-ORD #892 DUE: 9/25/2015 DISC: 9/25/2015 PUBLICATION-ORD #892	104.00	1099: N 05 5-00-7205	LEGAL PUBLICATI	104.00
=== VENDOR TOTALS ===			179.00			
01-0255		TKE CORP.				
I-3002142618	10/01/2015 AP	ELEVATOR MAINTENANCE-4TH QTR DUE: 10/01/2015 DISC: 10/01/2015 ELEVATOR MAINTENANCE-4TH QTR	203.87	1099: N 01 5-40-7502	PROFESSIONAL SE	203.87
=== VENDOR TOTALS ===			203.87			
01-0256		TkFAST				
I-20689	7/29/2015 AP	PUBLIC WORKS SECURITY SYSTEM DUE: 7/29/2015 DISC: 7/29/2015 PUBLIC WORKS SECURITY SYSTEM	2,219.00	1099: N 10 5-00-8801	COMPUTERS	2,219.00
I-20999	9/25/2015 AP	MONTHLY OFFSITE BACKUP DUE: 9/25/2015 DISC: 9/25/2015 MONTHLY OFFSITE BACKUP	450.00	1099: N 01 5-10-7502	PROFESSIONAL SE	450.00
I-21000	9/28/2015 AP	NEW COMPUTER-WWTP DUE: 9/28/2015 DISC: 9/28/2015 NEW COMPUTER-WWTP	1,835.00	1099: N 10 5-00-8801	COMPUTERS	1,835.00

*In/out*

*Tech Equip Reserve*

*Tech Equip Reserve*

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0256	TkFAST	( ** CONTINUED ** )				
I-21001	9/28/2015 AP	MONTHLY SERVER MAINTENANCE DUE: 9/28/2015 DISC: 9/28/2015 MONTHLY SERVER MAINTENANCE	218.50	1099: N 01 5-10-7504	COMPUTER TECH S	218.50
=== VENDOR TOTALS ===			4,722.50			
01-0320	TRANSUNION RISK AND ALTERNATIV					
I-201510083380	10/01/2015 AP	POLICE RECORDS SEARCHES DUE: 10/01/2015 DISC: 10/01/2015 POLICE RECORDS SEARCHES	50.75	1099: N 01 5-20-7502	PROFESSIONAL SE	50.75
=== VENDOR TOTALS ===			50.75			
01-0264	TYLER TECHNOLOGIES					
I-025-135923	10/01/2015 AP	MONTHLY ONLINE HOSTING DUE: 10/01/2015 DISC: 10/01/2015 MONTHLY ONLINE HOSTING MONTHLY ONLINE HOSTING MONTHLY ONLINE HOSTING	190.00	1099: N 01 5-30-7504 20 5-00-7504 21 5-00-7504	COMPUTER TECH S COMPUTER TECH S COMPUTER TECH S	116.67 36.67 36.66
=== VENDOR TOTALS ===			190.00			
01-0266	UNI FIRST					
I-2400576776	9/15/2015 AP	UNIFORMS AND MATS DUE: 9/15/2015 DISC: 9/15/2015 UNIFORMS AND MATS UNIFORMS AND MATS UNIFORMS AND MATS UNIFORMS AND MATS	416.10	1099: N 01 5-40-7804 02 5-00-7804 20 5-00-7804 21 5-00-7804	UNIFORMS/MATS C UNIFORMS/MATS C UNIFORMS/MATS C UNIFORMS/MATS C	104.03 104.03 104.03 104.01
I-2400578289	9/22/2015 AP	UNIFORMS AND MATS DUE: 9/22/2015 DISC: 9/22/2015 UNIFORMS AND MATS UNIFORMS AND MATS UNIFORMS AND MATS UNIFORMS AND MATS	484.65	1099: N 01 5-40-7804 02 5-00-7804 20 5-00-7804 21 5-00-7804	UNIFORMS/MATS C UNIFORMS/MATS C UNIFORMS/MATS C UNIFORMS/MATS C	121.17 121.17 121.17 121.14
I-2400579780	9/29/2015 AP	UNIFORMS AND MATS DUE: 9/29/2015 DISC: 9/29/2015 UNIFORMS AND MATS UNIFORMS AND MATS UNIFORMS AND MATS UNIFORMS AND MATS	684.50	1099: N 01 5-40-7804 02 5-00-7804 20 5-00-7804 21 5-00-7804	UNIFORMS/MATS C UNIFORMS/MATS C UNIFORMS/MATS C UNIFORMS/MATS C	171.13 171.13 171.13 171.11

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0266	UNI FIRST	( ** CONTINUED ** )				
I-2400581270	10/06/2015 AP	UNIFORMS AND MATS DUE: 10/06/2015 DISC: 10/06/2015	372.34	1099: N		
		UNIFORMS AND MATS		01 5-40-7804	UNIFORMS/MATS C	93.09
		UNIFORMS AND MATS		02 5-00-7804	UNIFORMS/MATS C	93.09
		UNIFORMS AND MATS		20 5-00-7804	UNIFORMS/MATS C	93.09
		UNIFORMS AND MATS		21 5-00-7804	UNIFORMS/MATS C	93.07
		=== VENDOR TOTALS ===	1,957.59			
01-0270	USA BLUE BOOK					
I-754234	9/17/2015 AP	SUPPLIES-WATER SYSTEM DUE: 9/17/2015 DISC: 9/17/2015	79.77	1099: N		
		SUPPLIES-WATER SYSTEM		21 5-00-8310	OTHER SUPPLIES	79.77
		=== VENDOR TOTALS ===	79.77			
01-0275	VIA CHRISTI OEM MAIZE ROAD					
I-527709	10/04/2015 AP	PRE-EMPLOYMENT PHYSICAL EXAM DUE: 10/04/2015 DISC: 10/04/2015	80.00	1099: N		
		PRE-EMPLOYMENT PHYSICAL EXAM		01 5-20-7010	PRE-EMPLOYMENT	80.00
		=== VENDOR TOTALS ===	80.00			
01-0522	WICHITA BUSINESS JOURNAL					
I-201510083385	10/02/2015 AP	SUBSCRIPTION RENEWAL DUE: 10/02/2015 DISC: 10/02/2015	105.15	1099: N		
		SUBSCRIPTION RENEWAL		01 5-10-6303	SUBSCRIPTIONS	105.15
		=== VENDOR TOTALS ===	105.15			
01-0287	WICHITA STATE UNIVERSITY					
I-27320	10/06/2015 AP	MUNICIPAL CLERKS ACADEMY DUE: 10/06/2015 DISC: 10/06/2015	280.00	1099: N		
		MUNICIPAL CLERKS ACADEMY		01 5-10-6302	CONFERENCES/WOR	280.00
		=== VENDOR TOTALS ===	280.00			

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0288		WICHITA TRACTOR CO.				
I-WI34986	9/09/2015 AP	PARTS FOR 555E BACKHOE DUE: 9/09/2015 DISC: 9/09/2015 PARTS FOR 555E BACKHOE	77.50	1099: N 02 5-00-8105	TRUCKS/HEAVY EQ	77.50
I-WI35569	10/02/2015 AP	PARTS FOR 555E BACKHOE DUE: 10/02/2015 DISC: 10/02/2015 PARTS FOR 555E BACKHOE	9.58	1099: N 02 5-00-8105	TRUCKS/HEAVY EQ	9.58
=== VENDOR TOTALS ===			87.08			
01-0291		WILLIAM MCKINLEY				
I-201510083379	10/06/2015 AP	MILEAGE REIMBURSEMENT DUE: 10/06/2015 DISC: 10/06/2015 MILEAGE REIMBURSEMENT	139.73	1099: N 01 5-10-6305	MILEAGE/TRAVEL	139.73
=== VENDOR TOTALS ===			139.73			
=== PACKET TOTALS ===			40,239.05			

- 4,054.00 - new laptop computer / PW Security  
 - 10,282.50 - MPBC Rev. Bonds / PW Facility  
 - 1,431.30 - Housing Grant  


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 = 24,471.25

Donna Chasen  
 10/8/2015

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0022	ALL SEASONS SPORTSWEAR					
I-45737	10/09/2015 AP	SEWING-PD JACKET DUE: 10/09/2015 DISC: 10/09/2015 SEWING-PD JACKET	18.00	1099: N 01 5-20-8007	UNIFORMS	18.00
=== VENDOR TOTALS ===			18.00			
=====						
01-0028	ANDALE READY MIX CENTRAL					
I-81762	9/16/2015 AP	SIDEWALK MATERIALS DUE: 9/16/2015 DISC: 9/16/2015 SIDEWALK MATERIALS	316.75	1099: N 02 5-00-8202	CEMENT/CONCRETE	316.75
=== VENDOR TOTALS ===			316.75			
=====						
01-0038	AUSTIN DISTRIBUTING					
I-1562713	10/07/2015 AP	PARTS FOR 2009 BACKHOE DUE: 10/07/2015 DISC: 10/07/2015 PARTS FOR 2009 BACKHOE	110.05	1099: N 02 5-00-8105	TRUCKS/HEAVY EQ	110.05
=== VENDOR TOTALS ===			110.05			
=====						
01-0610	BAYSINGERS STORE					
I-1001456	9/16/2015 AP	TRAINING UNIFORMS/EQUIPMENT DUE: 9/16/2015 DISC: 9/16/2015 TRAINING UNIFORMS/EQUIPMENT	538.42	1099: N 01 5-20-8007	UNIFORMS	538.42
I-1001457	9/16/2015 AP	TRAINING UNIFORMS/EQUIPMENT DUE: 9/16/2015 DISC: 9/16/2015 TRAINING UNIFORMS/EQUIPMENT	473.97	1099: N 01 5-20-8007	UNIFORMS	473.97
I-1001474	9/16/2015 AP	TRAINING UNIFORMS/EQUIPMENT DUE: 9/16/2015 DISC: 9/16/2015 TRAINING UNIFORMS/EQUIPMENT	530.38	1099: N 01 5-20-8007	UNIFORMS	530.38
=== VENDOR TOTALS ===			1,542.77			
=====						
01-0044	BEAR TIRE, INC.					
I-C63089-IN	9/30/2015 AP	FLAT REPAIR-JOHN DEERE TRACTO DUE: 9/30/2015 DISC: 9/30/2015 FLAT REPAIR-JOHN DEERE TRACTOR	30.95	1099: N 02 5-00-8106	LAWN CARE EQUIP	30.95
=== VENDOR TOTALS ===			30.95			

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	---ACCOUNT NAME--	DISTRIBUTION
=====						
01-0402	BMP EROSION SOLUTIONS					
I-868148	10/12/2015	BMP MATERIALS	200.00			
	AP	DUE: 10/12/2015 DISC: 10/12/2015		1099: N		
		BMP MATERIALS		02 5-00-8602	GROUNDS SUPPLIE	200.00
	=== VENDOR TOTALS ===		200.00			
=====						
01-0062	CENTRAL POWER SYSTEMS					
I-1057135	10/19/2015	GENERATOR AT 4185 N TYLER LS	2,500.00			
	AP	DUE: 10/19/2015 DISC: 10/19/2015		1099: N		
		GENERATOR AT 4185 N TYLER LS		20 5-00-8109	ELECTRICAL EQUI	2,500.00
	=== VENDOR TOTALS ===		2,500.00			
=====						
01-0070	CITY OF WICHITA					
I-AR542200	10/12/2015	ANIMAL CONTROL - SEPTEMBER	75.00			
	AP	DUE: 10/12/2015 DISC: 10/12/2015		1099: N		
		ANIMAL CONTROL - SEPTEMBER		01 5-20-7502	PROFESSIONAL SE	75.00
	=== VENDOR TOTALS ===		75.00			
=====						
01-0072	CITYCODE FINANCIAL, LLC					
I-201510223416	10/01/2015	MPBC SERIES 2015 A BONDS	19,377.00			
	AP	DUE: 10/01/2015 DISC: 10/01/2015		1099: N		
		MPBC SERIES 2015 A BONDS		05 5-00-7504	PROFESSIONAL SE	19,377.00
	=== VENDOR TOTALS ===		19,377.00			
=====						
01-0310	DILLON PHARMACY OFFICE					
I-2015-05	10/08/2015	EMPLOYEE HEALTH SCREENINGS	400.00			
	AP	DUE: 10/08/2015 DISC: 10/08/2015		1099: N		
		EMPLOYEE HEALTH SCREENINGS		01 5-10-7502	PROFESSIONAL SE	400.00
	=== VENDOR TOTALS ===		400.00			
=====						
01-0096	ERIC HARTENSTEIN					
I-201510223413	10/13/2015	PUBLIC DEFENDER SERVICES	150.00			
	AP	DUE: 10/13/2015 DISC: 10/13/2015		1099: N		
		PUBLIC DEFENDER SERVICES		12 5-00-7908	PUBLIC DEFENDER	150.00
I-201510223414	10/13/2015	PUBLIC DEFENDER SERVICES	150.00			
	AP	DUE: 10/13/2015 DISC: 10/13/2015		1099: N		
		PUBLIC DEFENDER SERVICES		12 5-00-7908	PUBLIC DEFENDER	150.00
	=== VENDOR TOTALS ===		300.00			

*Citycode*  
*Larry's PBC fee 9975<sup>00</sup>*  
*S&P RATING 9025<sup>00</sup>*  
*Larry files/registers City Fin 377<sup>00</sup>*

-----ID-----	ITM DATE BANK CODE	DESCRIPTION	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0107	GALLS INCORPORATED					
I-004201496	10/09/2015 AP	UNIFORM BOOTS-PD DUE: 10/09/2015 DISC: 10/09/2015 UNIFORM BOOTS-PD	151.94	1099: N 01 5-20-8007	UNIFORMS	151.94
=== VENDOR TOTALS ===			151.94			
=====						
01-0317	GERALD GIEBLER					
I-201510223422	10/06/2015 AP	MILEAGE REIMBURSEMENT DUE: 10/06/2015 DISC: 10/06/2015 MILEAGE REIMBURSEMENT	17.83	1099: N 01 5-10-6305	MILEAGE/TRAVEL	17.83
=== VENDOR TOTALS ===			17.83			
=====						
01-0108	GILMORE & BELL					
I-6031663	10/14/2015 AP	GO REFUNDING BONDS 2015B DUE: 10/14/2015 DISC: 10/14/2015 <u>GO REFUNDING BONDS 2015B</u>	7,005.99	1099: N 16 5-00-7503	LEGAL SERVICES	7,005.99
=== VENDOR TOTALS ===			7,005.99			
=====						
01-0120	ICE MASTERS					
I-4087236	9/25/2015 AP	ICE MACHINE RENTAL DUE: 9/25/2015 DISC: 9/25/2015 ICE MACHINE RENTAL	80.00	1099: N 01 5-40-8603	COMMODITIES	80.00
=== VENDOR TOTALS ===			80.00			
=====						
01-0349	JENSBY BUG & PEST CONTROL					
I-1016	10/14/2015 AP	PEST CONTROL-CITY HALL DUE: 10/14/2015 DISC: 10/14/2015 PEST CONTROL-CITY HALL	125.00	1099: N 01 5-40-7502	PROFESSIONAL SE	125.00
=== VENDOR TOTALS ===			125.00			
=====						
01-0130	JOCELYN REID					
I-201510223412	10/19/2015 AP	TRAVEL REIMBURSEMENT-KGFOA DUE: 10/19/2015 DISC: 10/19/2015 TRAVEL REIMBURSEMENT-KGFOA TRAVEL REIMBURSEMENT-KGFOA	448.74	1099: N 01 5-10-6305 01 5-20-6304	MILEAGE/TRAVEL MEAL/LODGING AL	210.68 238.06
I-201510223417	10/19/2015 AP	CAFE PLAN REIMBURSEMENT DUE: 10/19/2015 DISC: 10/19/2015 CAFE PLAN REIMBURSEMENT	84.00	1099: N 38 5-00-9300	DEPENDENT CARE	84.00
=== VENDOR TOTALS ===			532.74			

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0143	KANSAS DEPT OF REVENUE					
I-201510223428	10/22/2015	SALES TAX - SEPTEMBER 2015	333.53			
	AP	DRAFT CK# 102315 10/23/2015		1099: N		
		SALES TAX - SEPTEMBER 2015		21 5-00-9200	WATER TAX EXPEN	333.53
	=== VENDOR TOTALS ===		333.53			
=====						
01-0146	KANSAS FIRE EQUIPMENT					
I-0417294-IN	10/09/2015	FIRE EXTINGUISHERS-EMS STATIO	29.50			
	AP	DUE: 10/09/2015 DISC: 10/09/2015		1099: N		
		FIRE EXTINGUISHERS-EMS STATION		01 5-40-7502	PROFESSIONAL SE	29.50
	=== VENDOR TOTALS ===		29.50			
=====						
01-0154	KANSAS RURAL WATER ASSOCIATION					
I-201510223419	10/07/2015	BACKFLOW PREVENTION TRAINING	225.00			
	AP	DUE: 10/07/2015 DISC: 10/07/2015		1099: N		
		BACKFLOW PREVENTION TRAINING		21 5-00-6302	CONFERENCES/WOR	225.00
	=== VENDOR TOTALS ===		225.00			
=====						
01-0158	KANSASLAND TIRE					
I-084788	10/15/2015	OIL CHANGE-CAR #414	27.95			
	AP	DUE: 10/15/2015 DISC: 10/15/2015		1099: N		
		OIL CHANGE-CAR #414		01 5-20-8304	OIL CHANGES	27.95
	=== VENDOR TOTALS ===		27.95			
=====						
01-0165	KWIK SHOP, INC.					
I-201510223425	10/15/2015	UNLEADED FUEL	1,031.02			
	AP	DUE: 10/15/2015 DISC: 10/15/2015		1099: N		
		UNLEADED FUEL		01 5-20-8306	UNLEADED FUEL	1,031.02
	=== VENDOR TOTALS ===		1,031.02			
=====						
01-0174	LEAGUE OF KANSAS MUNICIPALITIES					
I-15-2897	10/09/2015	REGIONAL SUPPER-CLASEN	17.00			
	AP	DUE: 10/09/2015 DISC: 10/09/2015		1099: N		
		REGIONAL SUPPER-CLASEN		01 5-01-6302	CONFERENCES/WOR	17.00
I-15-2898	10/09/2015	REGIONAL SUPPER-DONNELLY	17.00			
	AP	DUE: 10/09/2015 DISC: 10/09/2015		1099: N		
		REGIONAL SUPPER-DONNELLY		01 5-01-6302	CONFERENCES/WOR	17.00

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0174		LEAGUE OF KANSAS MUNICIPALITIES ( ** CONTINUED ** )				
I-15-2899	10/09/2015 AP	REGIONAL SUPPER-FITZMIER DUE: 10/09/2015 DISC: 10/09/2015 REGIONAL SUPPER-FITZMIER	17.00	1099: N 01 5-01-6302	CONFERENCES/WOR	17.00
		=== VENDOR TOTALS ===	51.00			
01-0238		MABCD				
I-201510213411	10/14/2015 AP	SEPTEMBER PERMITS DUE: 10/14/2015 DISC: 10/14/2015 SEPTEMBER PERMITS	4,123.97	1099: N 01 5-80-7971	BUILDING INSPEC	4,123.97
		=== VENDOR TOTALS ===	4,123.97			
01-0180		MAIZE HOTEL, LLC				
I-201510223426	10/22/2015 AP	GUEST TAX REBATE-3RD QUARTER DUE: 10/22/2015 DISC: 10/22/2015 GUEST TAX REBATE-3RD QUARTER	39,908.11	1099: N 01 5-80-9020	TRANSIENT GUEST	39,908.11
		=== VENDOR TOTALS ===	39,908.11			
01-0183		MAUGHAN LAW GROUP				
I-201510213406	10/21/2015 AP	CITY PROSECUTOR-SEPTEMBER DUE: 10/21/2015 DISC: 10/21/2015 CITY PROSECUTOR-SEPTEMBER	1,200.00	1099: N 01 5-30-7502	PROFESSIONAL SE	1,200.00
		=== VENDOR TOTALS ===	1,200.00			
01-1		MISCELLANEOUS VENDOR				
I-150005814	9/23/2015 AP	D&R ELECTRONICS:RADIO PLATES DUE: 9/23/2015 DISC: 9/23/2015 D&R ELECTRONICS:RADIO PLATES	29.00	1099: N 01 5-20-8111	TOOLS/EQUIPMENT	29.00
I-201510213407	10/21/2015 AP	MARY BELTON:TREE REIMBURSEMEN DUE: 10/21/2015 DISC: 10/21/2015 MARY BELTON:TREE REIMBURSEMENT	89.28	1099: N 01 5-90-7982	TREE BOARD EXPE	89.28
I-201510223418	10/19/2015 AP	CONNIE BISHOP:REFUND DUE: 10/19/2015 DISC: 10/19/2015 CONNIE BISHOP:REFUND CONNIE BISHOP:REFUND	52.05	1099: N 20 5-00-9910 21 5-00-9910	REFUND OF OVERP REFUND OF OVERP	31.25 20.80
I-IN150005974	10/02/2015 AP	D&R ELECTRONICS:LIGHTS/SIREN DUE: 10/02/2015 DISC: 10/02/2015 D&R ELECTRONICS:LIGHTS/SIREN	335.00	1099: N 01 5-20-8111	TOOLS/EQUIPMENT	335.00
		=== VENDOR TOTALS ===	505.33			

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0439		MOTOROLA SOLUTIONS, INC.				
I-13081278	9/26/2015 AP	PD RADIOS DUE: 9/26/2015 DISC: 9/26/2015 PD RADIOS	6,509.00	1099: N 10 5-00-9102	POLICE DEPT EQU	6,509.00
=== VENDOR TOTALS ===			6,509.00			
01-0194		NAVRAT'S OFFICE PRODUCTS				
I-0084666-001	10/08/2015 AP	CODE ENFORCEMENT FORMS DUE: 10/08/2015 DISC: 10/08/2015 CODE ENFORCEMENT FORMS	249.15	1099: N 01 5-10-8004	PRE-PRINTED FOR	249.15
=== VENDOR TOTALS ===			249.15			
01-0514		NICK VESTERING				
I-201510223423	10/08/2015 AP	MILEAGE-AERO MOD TRAINING DUE: 10/08/2015 DISC: 10/08/2015 MILEAGE-AERO MOD TRAINING	212.18	1099: N 20 5-00-6305	MILEAGE/TRAVEL	212.18
=== VENDOR TOTALS ===			212.18			
01-0312		OMEGA RAIL MANAGEMENT				
I-15-550748	9/28/2015 AP	LEASE AGREEMENT #550748 DUE: 9/28/2015 DISC: 9/28/2015 LEASE AGREEMENT #550748	300.00	1099: N 20 5-00-7502	PROFESSIONAL SE	300.00
I-15-550749	9/28/2015 AP	LEASE AGREEMENT #550749 DUE: 9/28/2015 DISC: 9/28/2015 LEASE AGREEMENT #550749	300.00	1099: N 20 5-00-7502	PROFESSIONAL SE	300.00
I-15-550750	9/28/2015 AP	LEASE AGREEMENT #550750 DUE: 9/28/2015 DISC: 9/28/2015 LEASE AGREEMENT #550750	300.00	1099: N 20 5-00-7502	PROFESSIONAL SE	300.00
I-15-550751	9/28/2015 AP	LEASE AGREEMENT #550751 DUE: 9/28/2015 DISC: 9/28/2015 LEASE AGREEMENT #550751	300.00	1099: N 20 5-00-7502	PROFESSIONAL SE	300.00
=== VENDOR TOTALS ===			1,200.00			

*Replacing school radios \$6,500  
 Sold old to Butler Co Appleton \$6,400  
 diff \$100*

*Annual Paymt - Lines  
 go unken track*

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0206	PEREGRINE CORPORATION					
I-989180	10/13/2015	DELINQUENT NOTICES	379.30			
	AP	DUE: 10/13/2015 DISC: 10/13/2015		1099: N		
		DELINQUENT NOTICES		20 5-00-8004	PRE-PRINTED FOR	189.65
		DELINQUENT NOTICES		21 5-00-8004	PRE-PRINTED FOR	189.65
		=== VENDOR TOTALS ===	379.30			
=====						
01-0208	PFAFF SIGNS					
I-5661	10/19/2015	"NO PARKING" SIGNS	151.50			
	AP	DUE: 10/19/2015 DISC: 10/19/2015		1099: N		
		"NO PARKING" SIGNS		02 5-00-8702	PERMANENT SIGNS	151.50
		=== VENDOR TOTALS ===	151.50			
=====						
01-0209	PITNEY BOWES, INC.					
I-1017193-OT15	10/13/2015	POSTAGE MACHINE RENTAL	159.00			
	AP	DUE: 10/13/2015 DISC: 10/13/2015		1099: N		
		POSTAGE MACHINE RENTAL		01 5-10-7601	EQUIPMENT RENTAL	159.00
		=== VENDOR TOTALS ===	159.00			
=====						
01-0219	REBECCA BOUSKA					
I-201510213409	10/19/2015	CAFE PLAN REIMBURSEMENT	575.01			
	AP	DUE: 10/19/2015 DISC: 10/19/2015		1099: N		
		CAFE PLAN REIMBURSEMENT		38 5-00-9301	MEDICAL EXPENSE	575.01
		=== VENDOR TOTALS ===	575.01			
=====						
01-0403	ROASTER JOE'S					
I-2064:1493651	10/16/2015	COFFEE SERVICE-ADMIN	90.37			
	AP	DUE: 10/16/2015 DISC: 10/16/2015		1099: N		
		COFFEE SERVICE-ADMIN		01 5-10-8603	COMMODITIES	90.37
		=== VENDOR TOTALS ===	90.37			
=====						
01-0230	SAM'S CLUB					
I-201510223421	10/02/2015	SUPPLIES-CITY HALL	322.32			
	AP	DUE: 10/02/2015 DISC: 10/02/2015		1099: N		
		SUPPLIES-CITY HALL		01 5-40-8601	CUSTODIAL SUPPL	230.29
		SUPPLIES-CITY HALL		01 5-20-8603	COMMODITIES	92.03
		=== VENDOR TOTALS ===	322.32			

*WTR/Sewer*

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0245	SOUTHWEST NATIONAL BANK					
I-201510223427	10/22/2015	INTEREST - CITY HALL BONDS	57,324.70			
	AP	DUE: 10/22/2015 DISC: 10/22/2015		1099: N		
		INTEREST - CITY HALL BONDS		01 5-80-9904	INTEREST ON BON	57,324.70
	===	VENDOR TOTALS ===	57,324.70			
=====						
01-0253	THE RADAR SHOP					
I-RS-8914	10/08/2015	RADAR REPAIR & CERT	134.00			
	AP	DUE: 10/08/2015 DISC: 10/08/2015		1099: N		
		RADAR REPAIR & CERT		01 5-20-8111	TOOLS/EQUIPMENT	134.00
I-RS-8915	10/08/2015	RADAR REPAIR & CERT	199.00			
	AP	DUE: 10/08/2015 DISC: 10/08/2015		1099: N		
		RADAR REPAIR & CERT		01 5-20-8111	TOOLS/EQUIPMENT	199.00
	===	VENDOR TOTALS ===	333.00			
=====						
01-0261	TRU GREEN					
I-39827408	9/29/2015	WEED CONTROL-CITY HALL/EMS	259.00			
	AP	DUE: 9/29/2015 DISC: 9/29/2015		1099: N		
		WEED CONTROL-CITY HALL/EMS		01 5-40-7701	BUILDING/GROUND	259.00
	===	VENDOR TOTALS ===	259.00			
=====						
01-0262	TRUCK PARTS & EQUIPMENT, INC.					
I-1252667	10/08/2015	PARTS FOR DUMP TRUCK	25.44			
	AP	DUE: 10/08/2015 DISC: 10/08/2015		1099: N		
		PARTS FOR DUMP TRUCK		02 5-00-8105	TRUCKS/HEAVY EQ	25.44
	===	VENDOR TOTALS ===	25.44			
=====						
01-0266	UNI FIRST					
I-2400582753	10/13/2015	UNIFORMS AND MATS	413.70			
	AP	DUE: 10/13/2015 DISC: 10/13/2015		1099: N		
		UNIFORMS AND MATS		01 5-40-7804	UNIFORMS/MATS C	103.43
		UNIFORMS AND MATS		02 5-00-7804	UNIFORMS/MATS C	103.43
		UNIFORMS AND MATS		20 5-00-7804	UNIFORMS/MATS C	103.43
		UNIFORMS AND MATS		21 5-00-7804	UNIFORMS/MATS C	103.41
I-2400584236	10/20/2015	UNIFORMS AND MATS	360.25			
	AP	DUE: 10/20/2015 DISC: 10/20/2015		1099: N		
		UNIFORMS AND MATS		01 5-40-7804	UNIFORMS/MATS C	90.07
		UNIFORMS AND MATS		02 5-00-7804	UNIFORMS/MATS C	90.07
		UNIFORMS AND MATS		20 5-00-7804	UNIFORMS/MATS C	90.07
		UNIFORMS AND MATS		21 5-00-7804	UNIFORMS/MATS C	90.04
	===	VENDOR TOTALS ===	773.95			

2011A PBC

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
=====						
01-0269	UNUM PROVIDENT					
I-201510223420	10/12/2015 AP	LIFE, STD & AD & D PREMIUMS DUE: 10/12/2015 DISC: 10/12/2015 LIFE, STD & AD & D PREMIUMS	686.00	1099: N 01 5-80-5211	HEALTH/DENTAL/L	686.00
		=== VENDOR TOTALS ===	686.00			
=====						
01-0270	USA BLUE BOOK					
I-769550	10/06/2015 AP	WATER/SEWER SUPPLIES DUE: 10/06/2015 DISC: 10/06/2015 WATER/SEWER SUPPLIES WATER/SEWER SUPPLIES WATER/SEWER SUPPLIES	130.54	1099: N 20 5-00-8310 21 5-00-8310 20 5-00-8503	OTHER SUPPLIES OTHER SUPPLIES SAFETY EQUIPMEN	31.30 29.70 69.54
		=== VENDOR TOTALS ===	130.54			
=====						
01-0278	WALMART COMMUNITY					
I-201510223424	10/16/2015 AP	SUPPLIES-FALL FEST/CITY HALL DUE: 10/16/2015 DISC: 10/16/2015 SUPPLIES-FALL FEST/CITY HALL SUPPLIES-FALL FEST/CITY HALL	79.78	1099: N 01 5-10-8603 01 5-90-7982	COMMODITIES TREE BOARD EXPE	50.00 29.78
		=== VENDOR TOTALS ===	79.78			
=====						
01-0288	WICHITA TRACTOR CO.					
I-WI35630	10/08/2015 AP	PARTS FOR BACKHOE DUE: 10/08/2015 DISC: 10/08/2015 PARTS FOR BACKHOE	275.50	1099: N 02 5-00-8105	TRUCKS/HEAVY EQ	275.50
		=== VENDOR TOTALS ===	275.50			
=====						
01-0289	WICHITA WINWATER WORKS					
I-208008	10/16/2015 AP	2" WATER METERS & SETTERS DUE: 10/16/2015 DISC: 10/16/2015 2" WATER METERS & SETTERS 2" WATER METERS & SETTERS	6,005.00	1099: N 04 5-00-9929 21 5-00-8402	PARK IMPROVEMEN EQUIPMENT	3,370.00 2,635.00
I-208577	10/16/2015 AP	PROBE FOR WWTP DUE: 10/16/2015 DISC: 10/16/2015 PROBE FOR WWTP	52.74	1099: N 20 5-00-8310	OTHER SUPPLIES	52.74
		=== VENDOR TOTALS ===	6,057.74			

*C.I.P.  
 CAPITAL Imp  
 Operations  
 equip*

-----ID-----	ITM DATE BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	--ACCOUNT NAME--	DISTRIBUTION
01-0291		WILLIAM MCKINLEY				
I-201510213410	10/20/2015 AP	MILEAGE REIMBURSEMENT DUE: 10/20/2015 DISC: 10/20/2015 MILEAGE REIMBURSEMENT	134.55	1099: N 01 5-10-6305	MILEAGE/TRAVEL	134.55
	===	VENDOR TOTALS ===	134.55			
	===	PACKET TOTALS ===	156,147.46			

*Donna Classen*  
*10/23/2015*

**BOND AGREEMENT**

**between**

**CITY OF MAIZE, KANSAS**

**and**

**UNION STATE BANK  
WICHITA, KANSAS**

**and**

**1735 S. MAIZE ROAD, LLC**

**Dated as of December 1, 2015**

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**City of Maize, Kansas  
\$4,000,000  
Taxable Industrial Revenue Bonds  
Series 2015B  
(Reiloy USA Project)**

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**BOND AGREEMENT**

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## BOND AGREEMENT

**THIS BOND AGREEMENT**, dated as of December 1, 2015, between the City of Maize, Kansas an incorporated city of the third class, duly organized under the laws of the State of Kansas (the "Issuer"), Union State Bank, Wichita, Kansas, a banking corporation or association organized under the laws of the United States of America or one of the states thereof (the "Bank"), having a commercial banking office in Wichita, Kansas, as depository, fiscal and paying agent, and 1735 S. Maize Road, LLC, a Kansas limited liability company (the "Tenant").

The Issuer, the Bank and the Tenant hereby agree as follows:

**Section 1. Definitions.** In addition to the words and terms defined elsewhere in this Bond Agreement and the Lease, the following words and terms as used in this Bond Agreement shall have the following meanings, unless some other meaning is plainly intended:

**"Act"** means K.S.A. 12-1740 et seq., as amended.

**"Assignment"** means the Assignment of Lease and Security Agreement, dated as of the date hereof, from the Issuer to the Bank.

**"Authorized Tenant Representative"** means the person designated to act on behalf of the Tenant as provided in *Section 9* of this Bond Agreement.

**"Bank"** means Union State Bank, Wichita, Kansas, as fiscal and paying agent.

**"Bond Agreement"** means this Bond Agreement as from time to time amended and supplemented.

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

**"Bond Fund"** means the Bond Fund created by *Section 5* hereof.

**"Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2015B (Reiloy USA Project), in an aggregate original principal amount of \$4,000,000 issued pursuant to this Bond Agreement.

**"Change of Circumstances"** means the occurrence of any of the following events:

(a) title to, or the temporary use of, all or any substantial part of the Project shall be condemned by any authority exercising the power of eminent domain;

(b) title to such portion of the Land is found to be deficient or nonexistent to the extent that the Project is untenable or the efficient utilization of the Project by the Tenant is substantially impaired;

(c) substantially all of the Improvements are damaged or destroyed by fire or other casualty; or

(d) as a result of: (i) changes in the constitution of the State; or (ii) any legislative or administrative action by the State or any political subdivision thereof, or by the United States; or (iii) any action instituted in any court, the Lease shall become void or unenforceable, or impossible of performance without

unreasonable delay, or in any other way by reason of such changes of circumstances, unreasonable burdens or excessive liabilities are imposed upon Issuer or Tenant.

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

**"Completion Date"** means the date the Project is completed as certified in accordance with *Section 5.5* of the Lease.

**"Costs of Issuance"** means any and all expenses of whatever nature incurred in connection with the issuance and sale of Bonds, including, but not limited to, underwriting fees and expenses, underwriting discount, initial fees of the Bank, appraisal fees, administrative fees or expenses of the Issuer, bond and other printing expenses and legal fees and expenses of Bond Counsel, Issuer's counsel, Bank counsel and counsel for the Tenant.

**"Event of Default"** means, with respect to this Bond Agreement, an "Event of Default" as defined in *Section 7* hereof and, with respect to the Lease, an "Event of Default" as defined in *Section 1* thereto.

**"Government Securities"** means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

**"Guarantor"** means any signatory to the Guaranty Agreement.

**"Guaranty Agreement"** means the Guaranty Agreement, dated as of December 1, 2015, from the Guarantor to the Bank as fiscal and paying agent for the benefit of all Owners of the Bonds, as from time to time amended and supplemented.

**"Improvements"** means all real property improvements and personal property purchased in whole or in part with the proceeds of the Bonds and any additional Improvements as contemplated by *Article XIII* of the Lease.

**"Interest Payment Date"** means any date on which any interest is payable on any Bonds.

**"Issue Date"** means the date on which the initial Bond certificates representing the Bonds are authenticated by the Bank and delivered in exchange for payment of their purchase price.

**"Issuer"** means the City of Maize, Kansas an incorporated city of the third class duly organized under the laws of the State of Kansas, and its successors and assigns.

**"Lease"** means the Lease, dated as of December 1, 2015, between the Issuer and the Tenant, as from time to time amended or supplemented.

**"Net Proceeds"** means the gross proceeds from the insurance (including without limitation title insurance) or condemnation award with respect to which that term is used remaining after the payment of all expenses (including without limitation attorneys' fees and any expenses of the Issuer, the Tenant, the Bank or any other Owner of the Bonds) incurred in the collection of such gross proceeds.

**"Outstanding"** means, as of a particular date, all Bonds issued, authenticated and delivered under this Bond Agreement, except:

(a) Bonds canceled by the Bank or delivered to the Bank as fiscal and paying agent for cancellation pursuant to this Bond Agreement;

(b) Bonds for the payment or redemption of which moneys or investments have been deposited in trust and irrevocably pledged to such payment or redemption; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Bond Agreement.

**"Owner"** means the Owner of any Bond as shown on the registration books of the Bank maintained as provided in this Bond Agreement.

**"Permitted Encumbrances"** means Permitted Encumbrances as defined in the Lease.

**"Permitted Investments"** means any of the following securities, which are permitted for investment of funds held by the depository pursuant to this Bond Agreement:

(a) Government Securities;

(b) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, National Bank for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(c) savings or other depository accounts or certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Bank and its affiliates), provided that such deposits shall be either of a bank, trust company or national banking association continuously and fully insured by the Federal Deposit Insurance Corporation, or continuously and fully insured by a guarantee deposit bond issued by an acceptable insurance carrier which carrier would include Kansas Bankers Surety of Topeka, Kansas which shall have an insured amount (exclusive of accrued interest) at all times at least equal to the principal amount of such deposits and shall be lodged with the Bank, as custodian, by the bank, trust company or national banking association accepting such deposit or issuing such certificate of deposit, and the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured shall furnish the Bank an undertaking satisfactory to it that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit and the Bank shall be entitled to rely on each such undertaking;

(d) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Bank) or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities described in clauses (a) or (b) above, and

(e) investments in shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in clauses (a), (b) or (c) above or repurchase agreement related thereto.

**"Project"** means the Project described in *Schedule I* to the Lease and any additions, modifications, improvements, replacements, repairs, renewals, reconstruction or restoration thereof, therefor or thereto made pursuant to *Section 11.1 or 12.1* of the Lease.

**"Project Costs"** means (a) all costs and expenses incurred in or necessary or incident to the purchase, construction and installation of the Improvements; (b) interest accruing on the Bonds prior to the Completion Date; (c) expenses incurred by the Tenant for preliminary plans, surveys, soil borings and other items necessary to the commencement of construction; (d) the cost of any insurance or construction bonds related to the Project prior to the Completion Date; (e) the cost of the title evidence required by *Section 6.4* of the Lease; and (f) Costs of Issuance.

**"Project Fund"** means the Project Fund created by *Section 5* hereof.

**"Tenant"** means 1735 S. Maize Road, LLC, a Kansas limited liability company, and its successors or assigns and any surviving, resulting or succeeding business entity, as provided in *Sections 9.2 and 9.4* of the Lease.

**Section 2. Reserved.**

**Section 3. Owner's Representations.** The Owner of the Bonds represents that: (a) it is purchasing the Bonds solely for its own account for investment purposes only, and not with a view to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof (subject to the understanding that disposition of its property will remain at all times within its control); (b) it has had access to, and has examined to the extent it deems necessary (1) information concerning the Project and the Bonds, (2) copies of the Ordinance, this Bond Agreement, the Lease and the Guaranty Agreement relating to the authorization of and security for payment of the Bonds, and (3) financial statements and other data of the Tenant which it considers sufficient to enable it to form a decision concerning such purchase; (c) it has had all questions answered by appropriate officers and employees of the Tenant, and it has received all information necessary for it to evaluate the merits and risks of purchasing the Bonds; (d) it has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, to enable it to evaluate the risks involved in an investment in the Bonds, and it confirms that its investment in the Bonds constitutes an investment that is suitable for and consistent with its investment program and that it is able to bear the economic risk of an investment in the Bonds, including a complete loss of such investment; (e) it understands that the Bonds have not been registered under the Securities Act of 1933, as amended (the "1933 Act") or the securities laws of any state and will be sold to it in reliance upon certain exemptions from registration and in reliance upon its representations and warranties set forth herein; (f) it will only offer, sell, pledge, transfer or exchange any of the Bonds it purchases (1) in accordance with an available exemption from the registration requirements of Section 4 of the 1933 Act, (2) in accordance with any applicable state securities law and (3) in accordance with the provisions of the Bonds and this Bond Agreement; and (g) it acknowledges and understands that the Issuer, Bond Counsel, Tenant's Counsel, and the Tenant are each relying and will continue to rely on the representations made herein.

**Section 4. The Bonds.** The Bonds are described as follows:

(a) *Principal Amount; Purchase Price; Form of Bonds; Source of Repayments.* The Bonds shall be issued by the Issuer in "the aggregate principal amount of \$4,000,000 and shall be purchased by the Owner of the Bonds at their par principal amount for the purpose of providing funds to pay, or reimburse the Tenant for payment of, Project Costs. They shall be in substantially the form attached hereto as *Exhibit A*. All Bonds must be issued, if at all, by the Completion Date.

The Bonds shall be payable as set forth in *Exhibit A* and shall be dated, bear interest, and be subject to redemption and transfer as set forth in such form. All of the terms and provisions of the Bonds as set forth in *Exhibit A* are incorporated into this Bond Agreement by reference. The Bonds and the interest and redemption premium, if any, thereon will not be a general obligation of the Issuer, but shall be payable solely out of the revenues derived by the Issuer pursuant to the Lease (except to the extent payable from proceeds of sale or re-letting of the Project or from moneys paid pursuant to the Guaranty Agreement). Payment of principal, redemption premium, if any, and interest on the Bonds is secured by a pledge of the Project and the net rentals therefrom pursuant to the Ordinance.

(b) *Execution and Authentication of Bonds.* The Bonds shall be executed as specified in *Exhibit A*. If any officer of the Issuer whose signature appears on the Bonds shall cease to be such officer before delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery. The Bonds may be executed by such persons as shall be the proper officers to sign the Bonds at the actual time of execution of the Bonds although at the date of such Bonds such person may not have been such officer. The Bonds shall have endorsed thereon a Certificate of Authentication which shall be manually executed by the Bank as fiscal and paying agent for the Issuer upon the initial delivery of the certificate. No Bonds shall be entitled to any security or benefit under this Bond Agreement or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed. The Certificate of Authentication on any Bond certificate shall be deemed to have been duly executed when signed by any authorized officer or employee of the Bank.

(c) *Appointment of Fiscal and Paying Agent; Transfer of Bonds; Annual Report to Issuer.* The Bank is hereby appointed by the Issuer as the Issuer's fiscal and paying agent. Ownership of the Bonds may be transferred as set forth in the form of the Bonds attached hereto as *Exhibit A*. If ownership of any Bonds is transferred, the assigned Bond certificates shall be reissued to the transferee by the Bank as fiscal and paying agent for the Issuer, and shall be authenticated as of the payment date immediately preceding the effective date of the transfer. The Bank shall annually within 90 days after the end of each calendar year report to the Issuer the principal balance outstanding on the Bonds as of the preceding December 31, and the amount of principal and interest paid on the Bonds during that year, in order to enable the Issuer to timely report such information to the State of Kansas as required by law.

(d) *Negative Covenant Regarding Issuance of Additional Bonds.* The Issuer will not issue any other obligations payable out of the revenues derived by the Issuer pursuant to the Lease or secured by an assignment, security interest in or other lien upon any of the rights of the Issuer in the Project and under the Lease without the written consent of all Owners of the Bonds.

(e) *Guaranty Agreement.* Concurrently with the initial issuance of the Bonds, the Tenant will execute and deliver to the Bank the Guaranty Agreement, pursuant to which the Tenant will unconditionally guarantee to the Bank, acting on behalf of all Owners of the Bonds from time to time, payment of all principal, redemption premium, if any, and interest on the Bonds. Performance of the obligations of the Tenant under the Guaranty Agreement will be secured by a collateral assignment to the Bank of the Tenant's leasehold interest in the Lease.

(f) *Security for Bonds.* The Issuer has by Ordinance pledged the Project and the net revenues generated by the Issuer under the Lease as security for payment of the principal of, redemption premium, if any, and interest on the Bonds.

(g) *Provision for Payment of Bonds.* Bonds shall be deemed to be paid when payment of the principal, redemption premium, if any, and interest to the due date thereof (whether by reason of maturity or earlier redemption, or otherwise), either (i) has actually been made in accordance with the terms thereof, or

(ii) has been provided for by depositing with a bank or trust company, including the Bank, if eligible, in trust and irrevocably set aside exclusively for such payment (1) cash sufficient to make such payment or (2) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payments when due. Bonds shall also be deemed paid if the Bond certificate(s) are surrendered to the Bank as paying agent, accompanied by a written communication from the registered Owner waiving payment and directing that they be cancelled without actual payment. At such time as a Bond shall be deemed to be paid as provided in this paragraph, it shall no longer be secured by the pledge of the Project or the revenues generated under the Lease or entitled to benefit from this Bond Agreement or the Guaranty Agreement, except for the purpose of receiving payment from such moneys or Government Securities.

**Section 5. Project Fund, Bond Fund and Other Funds.** The following funds and accounts shall be established:

(a) *Project Fund.* There is hereby established with the Bank, as depositary, a separate special fund designated "City of Maize, Kansas Project Fund (Reiloy USA Project)" which shall be held, invested and disbursed by the Bank, as depositary, as hereinafter provided in this Section and *Article V* of the Lease. All moneys that will remain on deposit in the Project Fund for over 10 days shall be invested in Permitted Investments as directed in writing by the Tenant (or in the absence of Tenant's written direction, in Permitted Investments described in paragraph (c) of the definition). The proceeds of the Bonds and any investment earnings accruing thereof shall be deposited in the Project Fund. The Bank shall disburse moneys in the Project Fund to pay Project Costs in accordance with the provisions of *Article V* of the Lease. If any moneys remain in the Project Fund on the Completion Date, they shall be deposited in the Bond Fund and used as provided in Section 5(b) below.

(b) *Bond Fund.* There is also hereby established with the Bank, as paying agent, a separate special fund designated "City of Maize, Kansas Bond Fund (Reiloy USA Project)", which shall be held, invested in Permitted Investments and disbursed by the Bank, as paying agent, as hereinafter provided in this Section and in *Section 3.1* of the Lease. All payments of Basic Rent received by the Bank, as paying agent and assignee of the Issuer's interest in the Lease, shall be deposited in the Bond Fund. On each date on which interest or principal is payable on the Bonds as provided therein, the Bank shall withdraw moneys from the Bond Fund sufficient to make such payments on the Bonds, and shall transmit such moneys by check or draft mailed to each Owner of the Bonds at the address as shown on the Bank's records. All moneys on deposit or to be deposited in the Bond Fund from time to time shall be deemed pledged exclusively to payment of principal and interest on the Bonds, and the Issuer hereby grants to all Owners of the Bonds a security interest in the Bond Fund and the moneys on deposit or to be deposited therein from time to time to secure payment of the Bonds. If after the Bonds have been fully paid and discharged moneys remain on deposit in the Bond Fund, such moneys shall be returned to the Tenant.

(c) *Additional Special Funds.* Any Net Proceeds of insurance, condemnation awards or other moneys paid to the Bank, as depositary or as paying agent, under this Agreement or the Lease shall be deposited in one or more special funds held by the Bank, as depositary or as paying agent, and applied, with accrued interest, to the purposes specified in the Lease for which such moneys were deposited. The Bank agrees to pay to the Issuer, upon receipt, any Additional Rent due to the Issuer under the Lease and paid to the Bank under this Section.

(d) *Investment Fees and Expenses.* The Bank may charge the Tenant, the Bond Fund, the Project Fund, or any other special fund from which an investment is made, for any fees and expenses incurred in making such investment and the Bank, as depositary or as fiscal and paying agent, may make any investment pursuant to this Section through its money management or short-term investment department.

(e) *Tenant as Sole Owner of the Bonds.* If the Tenant is the sole Owner of the Bonds, payments of Basic Rent made by the Tenant under the Lease which coincide with payments of principal and interest on the Bonds may be entered directly on the books of the Tenant as Owner of the Bonds without being deposited in the Bond Fund. Such payments shall be credited against the Tenant's obligation to make payments of Basic Rent under the Lease, against the Guarantor's obligations to make payments of principal and interest on the Bonds under the Guaranty Agreement, and against the Issuer's obligation to make payments of principal and interest on the Bonds. If the Bonds are at any time held by more than one Owner, then payments of Basic Rent shall be received and disbursed in accordance with the provisions of *subsection (b)* of this Section.

**Section 6. The Bank.** The Bank's duties as a depository and as fiscal and paying agent shall be subject to the following provisions:

(a) *Limitations on Duty of Care.* The Bank is not under any duty to give the property held in the Bond Fund, the Project Fund or any special fund any greater degree of care than it gives its own similar property and is not liable or responsible for any action or omission to act by it under this Section except for its own negligence or willful misconduct.

(b) *Reliance.* The Bank may act in reliance upon any instrument or signature reasonably believed by it to be genuine and authorized.

(c) *No Representation.* The Bank makes no representation as to the validity, genuineness or collectibility of any security held in the Bond Fund, the Project Fund or any other special fund.

(d) *Liability Limitation.* The Bank is not bound by any agreement or contract not signed by it, other than as assignee of the Issuer under the Lease. Its only duties or responsibilities as depository are to deal with the Bond Fund, the Project Fund and any other special fund in accordance with this Bond Agreement.

(e) *Agents; Attorneys-Reliance.* The Bank may execute or perform any of its powers or duties either directly or through agents, attorneys or receivers and is not responsible for any misconduct or negligence on the part of any agent, attorney or receiver chosen by it with due care, and the Bank is entitled to act upon and may conclusively rely upon the opinion or advice of counsel, who may be counsel to the Issuer, the Tenant or the Bank, concerning all matters and duties related hereto, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as are employed in connection herewith. The Bank is not responsible for any loss or damage resulting from any action or nonaction taken or omitted to be taken in good faith reliance upon such opinion or advice of counsel.

(f) *Recitals, Filings, Investment Losses.* The Bank shall not be responsible for any recital herein or in the Bonds (except with respect to the certificate of authentication of the Bank as fiscal and paying agent endorsed on the Bonds), or for the recording, rerecording, filing or refiling of any security agreement or instrument in connection herewith, or for insuring the Project or collecting any insurance moneys, or for the validity of execution by any party of this Bond Agreement, any supplement or amendment hereto, any other instrument related hereto, or for the sufficiency of security for the Bonds. The Bank shall not be responsible for any loss suffered in connection with any investment of funds made in accordance with *Section 5* hereof.

(g) *Bond Ownership; Use.* The Bank, in its individual or any other capacity, may become the Owner or pledgee of Bonds with the same rights which it would have if it were not serving as depository, fiscal and paying agent hereunder.

(h) *Consents or Requests Binding on Future Owners.* Any action taken by the Bank upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(i) *Proof of Certain Facts.* As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper, or proceeding, or whenever in the administration of its functions hereunder or related hereto the Bank shall deem it advisable that a matter be proved or established prior to taking, suffering or omitting any action, the Bank shall be entitled to rely upon a certificate signed by the Authorized Tenant Representative or a representative of the Issuer as sufficient evidence of the facts therein contained, and prior to the occurrence of an Event of Default of which the Bank has been notified as provided in *subsection (k)* of this *Section 6* or of which by said subsection it is deemed to have notice, the Bank shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(j) *Further Liability Limitation.* The permissive right of the Bank to do things enumerated shall not be construed as a duty, and the Bank shall not be answerable for other than its negligence or willful misconduct.

(k) *Notice.* The Bank shall not be required to take notice or be deemed to have notice of any default or Event of Default except failure by the Tenant to timely deliver Basic Rent for deposit to the Bond Fund, unless the Bank shall be specifically notified in writing of such default or Event of Default by the Issuer or by the Owners of at least 25% of the aggregate principal amount of all Bonds Outstanding.

(l) *No Bond or Surety.* The Bank shall not be required to give any bond or surety with respect to the execution of its duties and powers or otherwise in respect to the Bonds or the Project.

(m) *Required Proof of Entitlement.* The Bank shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Bond Agreement or related instruments, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof deemed desirable by the Bank to establish the right to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Bank.

(n) *Indemnity Prior to Action.* Notwithstanding anything otherwise provided in this Bond Agreement or other instrument related hereto, before taking any action (other than the application of available moneys in the Bond Fund to payments on the Bonds) the Bank may require that satisfactory indemnity be provided to it for the reimbursement of all fees, costs and expenses (including, without limitation attorney's fees and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action, including, without limitation, liability in connection with environmental contamination and the cleanup thereof, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(o) *Bank Action Authorized.* Notwithstanding any other provision in this Bond Agreement or other instrument related hereto, the rights, privileges and immunities provided to the Bank by this *Section 6* and any other provision of this Bond Agreement or any related instrument intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification of the Bank shall be interpreted to include any action of the Bank whether it is deemed to be in its capacity as depositary, fiscal and paying agent, assignee of Issuer pursuant to the Assignment, beneficiary of the

Guaranty Agreement or other related capacity. The provisions of this *Section 6* shall be applicable to the Bank with respect to any function which it performs with respect to the Bonds.

(p) *Limitation on Directed Action.* The Bank may elect not to proceed in accordance with the directions of the Owners of the Bonds without incurring any liability to them if, in the opinion of the Bank, such direction would result in environmental or other liability to the Bank, in its individual capacity, for which the Bank has not received indemnity pursuant to this Section, and the Bank may rely conclusively upon an opinion of counsel in determining whether any action directed may result in such liability.

(q) *Environmental Hazards.* The Bank may inform the Owners of the Bonds of environmental hazards that the Bank has reason to believe exist, and the Bank has the right to take no further action with respect to the Project if the Bank, in its individual capacity, determines that any such action could materially and adversely subject the Bank to environmental or other liability for which the Bank has not received indemnity satisfactory to it.

(r) *Reasonable Fees and Expenses.* The Bank shall be entitled to payment of and/or reimbursement for reasonable fees and expenses for its ordinary services and all advances, agent and counsel fees and other ordinary expenses reasonably and necessary made or incurred by the Bank in connection with such ordinary services and, in the event that it should become necessary that the Bank perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith. Pursuant to *Section 3.2* of the Lease, the Tenant has agreed to pay the reasonable fees, charges and expenses of the Bank. Upon the occurrence of an Event of Default and during its continuance, the Bank shall have a first lien, with right of payment prior to payment of principal or interest on the Bonds, upon all moneys in its possession under any of the provisions hereof for the foregoing reasonable fees, advances, costs and expenses incurred.

(s) *Resignation; Successor.* The Bank may resign from its duties as depository, fiscal and paying agent hereunder, or under any other related instrument, upon giving 60 days' advance written notice to Issuer and Tenant. Such resignation shall become effective at the end of such 60 days or upon the earlier appointment of a successor by the Owners of a majority in principal amount of the Bonds outstanding, provided, however, that, in the case of a vacancy, the Issuer may appoint a temporary successor to serve until a permanent successor shall be appointed by the Owners of the Bonds as above provided. If no successor shall have been appointed and have accepted such appointment within said 60-day period, the Bank or any Owner of the Bonds may petition any court of competent jurisdiction for the appointment of a successor. The Bank shall deliver assets held hereunder to the successor appointed and accepting such appointment pursuant to this subsection, and thereupon the obligations and duties of the Bank hereunder shall cease and terminate.

(t) *Bank's Enforcement Obligation.* Notwithstanding anything in this Bond Agreement to the contrary, the Bank, as assignee of the Issuer's interest under the Lease, in its name or in the name of the Issuer, shall enforce all rights of the Issuer and all obligations of the Tenant under and pursuant to the Lease, whether or not the Issuer is in default under this Bond Agreement.

## **Section 7. Events of Default and Remedies.**

(a) *Definition of Events of Default.* An "Event of Default" under this Bond Agreement shall mean any one or more of the following events:

(1) *Payment Default.* Default in the payment when due of any installment of principal of or any interest or premium on any Bond (which constitutes a default under the Guaranty Agreement) or default in any payment of any amount payable to the Bank, as depository or as paying agent under this Bond Agreement and expiration of any applicable right to cure;

(2) *Non-Payment Default.* A breach or failure of performance by the Tenant of any of its covenants under the Guaranty Agreement, or by the Tenant or the Issuer of any provision of this Bond Agreement (other than as referred to in (1) above) that is not remedied within 30 days after the Tenant or the Issuer, as the case may be, has received written notice thereof from the Bank or any Owner of the Bonds;

(3) *Breach of Material Representation or Warranty.* Any material representation or warranty of the Issuer or the Tenant contained herein, in the Lease, the Guaranty Agreement or in any certificate or other instrument or document delivered hereunder or thereunder or in connection with the financing of the Project shall prove to have been false or incorrect or breached in any material respect on the date on which it is made;

(4) *Lease Default.* The occurrence of an "Event of Default" under the Lease.

(5) *Guaranty Default.* The occurrence of an event of default under the Guaranty Agreement.

(b) *Default Remedies.* Upon the occurrence of an Event of Default under this Bond Agreement and upon written notice to the Issuer and the Tenant, the Bank may:

(1) *Acceleration of Maturity.* Declare the unpaid principal of any Bonds to be, and the same, together with the accrued interest thereon, shall forthwith become due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived; provided that upon the occurrence of any Event of Default as mentioned in (c) or (d) of the definition of "Event of Default" in the Lease, the unpaid principal of the Bonds, together with the accrued interest thereon, shall forthwith become due and payable without any further act or action on the part of any Owner of the Bonds.

(2) *Legal Action to Enforce Bonds and Lease.* As assignee of the Issuer's interests under the Lease, commence legal action against the Tenant to obtain (A) a judgment against the Tenant for all sums owing under the Lease or the Guaranty Agreement; and/or (B) judgment against the Tenant for possession and sale of the Project, with the proceeds of any sale applied to pay the Bonds and interest and any other sums owing by the Tenant under the Lease or the Guaranty Agreement, as provided in the Lease and this Bond Agreement.

(3) *Recovery of Attorney Fees.* Recover attorney fees and related costs incurred in pursuing any remedies under the Bonds, this Bond Agreement, the Lease, the Guaranty Agreement, any document creating a pledge or security agreement securing the Tenant's obligations, or available at law, in equity or by statute.

(4) *Exercise of Remedies Under the Lease.* As assignee of the Issuer's interests under the Lease, undertake any of the remedies on default specified in *Article XX* of the Lease. Any net proceeds of any action under this Section shall be applied as provided in the Lease and this Bond Agreement.

(c) *Action by Owner(s) of the Bonds.* Any Owner(s) of the Bonds may also pursue any other remedy available to it at law or in equity or by statute or contemplated by the Bonds, this Bond Agreement, the Lease, the Guaranty Agreement, or the Assignment.

(d) *Remedies Cumulative.* No such remedy is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to any other remedy now or hereafter existing at law or in equity or by statute.

(e) *Waivers of Default.* No delay or omission to exercise any right or power accruing upon any Event of Default under this Bond Agreement shall impair any such right or power or be a waiver thereof or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient. The Owners of the Bonds may waive any Event of Default under this Bond Agreement and the breach of any requirement contained in this Bond Agreement or the Bonds, but such waiver must be in writing. Any such waiver shall be limited to such particular Event of Default or breach.

**Section 8. Notices.** Except as otherwise expressly provided, all notices, certificates or other communications hereunder or under the Assignment, the Guaranty or the Lease shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, addressed as follows:

- (i) If to the Issuer: City of Maize, Kansas  
10100 Grady Avenue, P.O. Box 245  
Maize, Kansas 67101  
Attention: City Clerk
- (ii) If to the Bank: Union State Bank  
2327 N. Ridge Road  
Wichita, Kansas 67205  
Attention: Commercial Loan Department
- (iii) If to the Tenant or Guarantor: 1735 S. Maize Road, LLC  
1735 S. Maize Road  
Maize, Kansas 67209  
Attention: David Larson

(iv) If to any Owner(s) of the Bonds other than the Bank, at its address as it appears on the records kept by the Bank as fiscal and paying agent for the Bonds.

The Bonds, this Bond Agreement, the Lease, the Guaranty Agreement (except to the extent otherwise provided in the Lease or Guaranty Agreement) and the Assignment may not be amended or terminated unless such amendment is executed or consented to in writing by the Issuer, the Bank, the Tenant and Owners of the Bonds owning at least 51% of the principal amount of all Bonds Outstanding. It shall not be necessary to note any such amendment on any Bond unless the amendment is to the Bond itself.

Neither this Bond Agreement, the Lease nor the Bond shall constitute, give rise to, nor impose a pecuniary liability upon, or a charge upon the general credit of, the Issuer. The Bonds shall not constitute an indebtedness of the Issuer for any constitutional or statutory purpose, and shall not be payable in any manner from taxation.

**Section 9. Miscellaneous Provisions.**

(a) *Severability.* The invalidity or unenforceability of any one or more of the provisions of this Bond Agreement shall not affect the validity or enforceability of the remaining provisions hereof.

(b) *Authorized Tenant Representative.* Except as otherwise specified, any action to be taken by the Tenant under this Bond Agreement or the Lease may be taken by any person designated to act on behalf of the Tenant as Authorized Tenant Representative by a written certificate furnished to the Issuer and the Bank and signed by the President or any Vice President of the Tenant.

(c) *Execution and Counterparts.* This Bond Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

(d) *Section Headings.* The table of contents and section headings in this Bond Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions hereof.

(e) *Governing Law.* This Bond Agreement shall be governed by, and construed in accordance with, the laws of the State of Kansas.

(f) *Binding Effect.* This Bond Agreement shall inure to the benefit of and shall be binding upon the parties hereto and any subsequent Owners of the Bonds and their respective successors and assigns.

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**IN WITNESS WHEREOF**, the parties hereto have caused this Bond Agreement to be duly executed by their duly authorized officials or officers.

**CITY OF MAIZE, KANSAS**

[SEAL]

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

**1735 S. MAIZE ROAD, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**UNION STATE BANK,  
Wichita, Kansas**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT A**

No. R-\_\_

\$4,000,000

**UNITED STATES OF AMERICA  
STATE OF KANSAS**

**CITY OF MAIZE, KANSAS**

**TAXABLE INDUSTRIAL REVENUE BOND  
SERIES 2015B  
(REILOY USA PROJECT)**

The City of Maize, Kansas (the "Issuer"), hereby promises to pay, solely out of the sources hereinafter specified, \_\_\_\_\_, the registered Owner hereof, or registered assigns (an "Owner"), the principal sum of

\_\_\_\_\_ DOLLARS

plus interest on the unpaid balance hereof accruing from the Issue Date until paid, in lawful money of the United States of America, at the rates and payable as follows:

- a. From the Issue Date of this Bond to the Final Maturity Date (herein defined), interest shall be paid in arrears at the Fixed Rate (herein defined) on the Final Maturity Date.
- b. One final payment in the amount of the entire unpaid principal balance hereunder (including all accrued and unpaid interest) shall be paid on the Final Maturity Date.

A "Business Day" shall mean a day on which the Bank is open for business at its commercial bank office in Wichita, Kansas.

The "Final Maturity Date" shall be January 15, 2026.

The "Fixed Rate" shall mean 1.00% per annum, computed on the basis of 30 days per month for 360 days per year.

The "Issue Date" shall mean the date endorsed by the fiscal and paying agent on the Certificate of Authentication on this Bond.

The "Payment Date" shall be the Final Maturity Date.

Payments of principal of and redemption premium, if any, and interest on this Bond shall be made on the Payment Date, upon surrender of this certificate at Union State Bank (the "Bank") at its commercial banking office in Wichita, Kansas or such other place as the Bank may from time to time designate in writing, in lawful money of the United States of America. If the principal of or interest on this Bond falls due on a day other than a Business Day, then such due date shall be extended to the next succeeding full

Business Day. If payment is made by check, the check must be delivered to the Bank at least 3 Business Days prior to the Payment Date.

If there is a default in the payment of any item or installment when due, the item or installment so in default shall continue as an obligation hereunder until the same shall be fully paid, and such item or installment shall be payable upon demand with interest thereon.

This Bond is issued pursuant to an Ordinance of the governing body of the Issuer and a Bond Agreement dated as of December 1, 2015 (the "Bond Agreement"), between the Issuer, the Bank, and 1735 S. Maize Road, LLC (the "Tenant"), for the purpose of providing funds for the acquisition, construction and equipping of a manufacturing facility located in the City of Maize, Kansas (the "Project"), to be leased to the Tenant pursuant to a Lease, dated as of December 1, 2015 (the "Lease"), between the Issuer and the Tenant by the authority of and in conformity with the constitution and statutes of the state of Kansas, including particularly K.S.A. 12-1740 *et seq.*, as amended, and all other laws of said state applicable thereto. The Tenant will sublease the Project to Reiloy USA Corporation, a Kansas corporation (the "Subtenant") under a Sublease delivered concurrently with the Lease.

This Bond and the interest and redemption premium, if any, hereon are payable solely out of the revenues derived by the Issuer from the Project and pursuant to the Lease. This Bond and the interest and redemption premium, if any, hereon do not constitute a debt of the Issuer, or of the State of Kansas, and neither the Issuer nor said state shall be liable thereon, and this Bond shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Tenant's obligations under the Lease are secured by a Collateral Assignment of Lease (the "Collateral Assignment") dated as of the Issue Date of this Bond, from the Tenant to the Bank. To secure the payment of the principal of and redemption premium, if any, and interest on this Bond, the Issuer has assigned to the Bank substantially all its rights under the Lease pursuant to an Assignment of Lease and Security Agreement, dated as of the Issue Date of this Bond (the "Assignment"). In addition, the payment of the principal of and redemption premium, if any, and interest on this Bond has been unconditionally guaranteed by the Tenant pursuant to a Guaranty Agreement, dated as of the Issue Date of this Bond (the "Guaranty Agreement"). Performance of the obligations of the Tenant as a guarantor under the Guaranty Agreement is secured by the Collateral Assignment. Reference is hereby made to the Bond Agreement, the Lease, the Assignment, the Collateral Assignment and the Guaranty Agreement for a further description of the Project, the rights, duties and obligations of the Issuer, the Tenant, the Bank and any other Owners of the Bonds, the security for this Bond and such obligations hereunder.

This Bond is subject to redemption in whole or in part, in even multiples of \$100 by the Issuer, at the option of and upon instructions from the Tenant to the Issuer, on any date, at the par value of the principal amount thereof, without premium, plus interest accrued to the date of redemption.

This Bond shall be redeemed in part, in order to exhaust any money that may remain in the Project Fund after the Completion Date and after payment in full of all Project Costs (as said terms are defined in the Bond Agreement) as soon as practicable after such Completion Date at a price equal to the principal amount of this Bond to be redeemed, plus accrued interest thereon to the redemption date, without premium.

This Bond shall be redeemed in part, in order to exhaust any Net Proceeds (as defined in the Lease) of insurance or condemnation awards paid into the Bond Fund as soon as practicable after receipt at a price equal to the principal amount of this Bond to be redeemed, plus accrued interest thereon to the redemption date, without premium.

Unless waived by the applicable Owner of the Bonds, notice of any call for redemption at the option of the Tenant shall be given by the Issuer or the Tenant on behalf of the Issuer to each Owner of the Bonds

at its address as it appears on the records maintained by the Bank as fiscal and paying agent by first class mail, postage prepaid, mailed not less than ten (10) days prior to the redemption date.

All portions of this Bond so called for redemption will cease to bear interest on the specified redemption date, provided funds or securities in which such funds are invested for their redemption are on deposit with the paying agent on or prior to the redemption date, and shall no longer be entitled to the benefits and protection of the Bond Agreement and shall not be deemed to be outstanding.

If this Bond is redeemed in part, notice need not be delivered to the Bank or the Issuer to note such partial redemption, but the Owner of the Bonds shall note such partial redemption by endorsing the acknowledgment provided on this Bond. Any redemption in part of this Bond shall be applied to reduce the installments of principal hereof in inverse order of their maturity.

This Bond is issuable in the form of a fully registered Bond without coupons. This Bond shall be transferable by the Owner of this Bond upon the surrender of the certificate or certificates representing this Bond for transfer or exchange at the offices of the Bank as fiscal and paying agent, accompanied, in the case of a transfer, by a written instrument of transfer executed by the Owner of this Bond or its attorney in fact duly authorized in writing. Upon such surrender, the Bank shall cause the Issuer to execute and deliver in the name of the transferee a new registered Bond certificate or certificates in an aggregate principal amount equal to the unpaid principal amount hereof. The Issuer, the Bank, the Tenant and the Guarantor may deem and treat the person in whose name this Bond certificate is registered as the absolute Owner of the principal amount of the Bonds represented by this certificate for the purpose of receiving payment of, or on account of, the principal or interest due hereon and for all other purposes. Transfer of this Bond certificate is subject to certain further conditions and restrictions as further endorsed hereon.

In certain events, on the conditions, in the manner and with the effect set forth in the Bond Agreement, the principal of this Bond may be declared due and payable before the stated maturity hereof, together with interest accrued hereon. Modifications or alterations of this Bond may be made only to the extent and in the circumstances permitted by the Bond Agreement.

*[balance of this page intentionally left blank]*

**IN WITNESS WHEREOF**, the Issuer has caused this Bond to be executed in its name by the facsimile signature of the Mayor and attested by the manual signature of the City Clerk and its official seal to be affixed hereto or imprinted hereon, and has caused this Bond to be dated as of the Issue Date of this Bond.

**CITY OF MAIZE, KANSAS**

By: \_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

By: \_\_\_\_\_  
City Clerk

**CERTIFICATE OF AUTHENTICATION**

This Bond certificate evidences ownership of the City of Maize, Kansas Taxable Industrial Revenue Bonds, Series 2015B (Reiloy USA Project), as described herein and in the Bond Agreement described herein. The Issue Date of this Bond is \_\_\_\_\_, 2015.

**UNION STATE BANK  
Wichita, Kansas,  
as fiscal and paying agent**

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

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
Print or Type Name and Address of Transferee

the Bonds represented by this certificate and all rights thereunder, and hereby authorizes the transfer of the within Bond on the books kept by the Bank for the registration and transfer of Bonds.

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

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

[Seal of Owner of the Bonds]

\_\_\_\_\_  
(Name of Eligible Guarantor Institution)

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature must be guaranteed by an eligible guarantor institution as defined by S.E.C. Rule 17 Ad-15 (17 C.F.R. 240. 17-Ad-15).

**THIS BOND MAY NOT BE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, OR IN A TRANSACTION EXEMPT FROM THE APPLICATION OF FEDERAL AND STATE SECURITIES LAWS.**

**ACKNOWLEDGMENT OF PARTIAL REDEMPTION  
RECORD OF PAYMENTS**

Partial prepayments of the principal of this Bond may be made directly to the registered Owner hereof without surrender hereof to the Bank, and each registered Owner hereof may record such prepayment on the table set forth below. Accordingly, any purchaser or other transferee of this Bond should verify with the Bank the principal hereof outstanding prior to such purchase or transfer, and the records of the Bank shall be conclusive for such purposes.

<u>Payment</u> <u>Date</u>	<u>Amount</u> <u>Paid</u>	<u>Signature</u>	<u>Payment</u> <u>Date</u>	<u>Amount</u> <u>Paid</u>	<u>Signature</u>
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**COLLATERAL ASSIGNMENT OF LEASE**

**THIS COLLATERAL ASSIGNMENT OF LEASE**, made as of the delivery of the Lease described herein from 1735 S. Maize Road, LLC (the "Assignor") to Union State Bank, Wichita, Kansas (the "Assignee"),

**WITNESSETH:**

**WHEREAS**, the City of Maize, Kansas (the "Issuer") has issued its Taxable Industrial Revenue Bonds, Series 2015B (Reiloy USA Project), in the original principal amount of \$4,000,000 (the "Bonds"); and

**WHEREAS**, in connection with the issuance of the Bonds the Issuer has entered into a lease of the Project, as hereinafter described, to Assignor as lessee; and

**WHEREAS**, Assignee has made a loan to Assignor evidenced by a Business Loan Agreement dated [REDACTED], 2015 and certain other loan documents related thereto (the "Loan Obligation"), and Assignee has required Assignor to assign to Assignee all of its interest in the Lease (hereinafter defined) as collateral to secure repayment by the Assignor of its obligations thereunder;

**THEREFORE**, Assignor by these presents GRANTS and ASSIGNS unto Assignee, and unto its successors and assigns, as collateral to secure payment to Assignee of all sums due from time to time under the Loan Obligation, that certain leasehold estate, which said leasehold estate embraces and encumbers certain land, buildings, machinery and equipment (the "Project") situated in Sedgwick County, Kansas, and more particularly described as follows:

The leasehold estate created by that certain Lease dated as of December 1, 2015, by and between the City of Maize, Kansas, as Issuer, and 1735 S. Maize Road, LLC, as Tenant, for a basic term ending January 16, 2026, and covering the Project described on *Schedule I* attached hereto and incorporated herein by this reference (the "Lease");

and together with and including all right, title and interest of Assignor therein, including without limitation:

- (a) All rents, profits, issues and revenues of said leasehold estate from time to time accruing, whether under licenses, subleases or tenancies now existing or hereafter created, including without limitation the Commercial Lease Agreement dated January 12, 2015 with Reiloy USA Corporation (the "Sublease"); and
- (b) All right, title and interest which Assignor now has or may hereafter acquire in and to the Project including, without limitation, the option to purchase the Project as set forth in *Article XVII* of the Lease;

**TO HAVE AND TO HOLD THE SAME**, together with all privileges, immunities and appurtenances whatsoever in any way belonging, relating or appertaining to the Assignor's leasehold estate in the Project, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now or hereafter acquired by Assignor, subject, however, to the following:

1. The covenants, agreements, terms and conditions set forth in the Lease;
2. Rights of lawful occupants or subtenants, and the condition and state of repair of the Project on the date hereof; and
3. Taxes and assessments, general and special, not delinquent on the date hereof.

Assignor, for itself and its successors and assigns, hereby covenants and agrees to and with Assignee, its successors and assigns, as follows:

1. The Lease is in full force and effect and unmodified, and there is no existing default under the provisions of the Lease or in the performance of any terms, covenants, conditions or warranties thereof on the part of Assignor to be observed and performed.

2. All rents (including Basic Rent and Additional Rent and other charges) reserved in the Lease have been paid to the extent they were payable prior to the date hereof.

3. Assignor will warrant and defend the leasehold estate created under the Lease for the entire remainder of the Term set forth therein against all and every person or persons lawfully claiming, or who may claim the same or any part thereof, subject only to the payment of the rentals in the Lease reserved and to the performance and observance of all the terms, covenants, conditions and warranties thereof.

4. Assignor will pay or cause to be paid all Basic Rent, Additional Rent, Impositions (as defined in the Lease), taxes, assessments and other charges mentioned in and made payable by the Lease when and as often as the same shall become due and payable.

5. Assignor will at all times promptly and faithfully keep and perform, or cause to be kept and performed, all of the covenants and conditions contained in the Lease by the Tenant therein to be kept and performed (including the covenants regarding insurance with respect to the Project), and in all respects conform to and comply with the terms and conditions of the Lease, and Assignor further covenants that it will not do or permit anything to be done, the doing of which, or refrain from doing anything, the omission of which, will impair or tend to impair the security of this Assignment or will be grounds for declaring a forfeiture of the Lease.

6. Assignor will not modify, amend or in any way alter the terms of the Lease or cancel or surrender the Lease, or waive, excuse, condone or in any way release or discharge the Issuer of and from the obligations, covenants, conditions and agreement by the Issuer to be done and performed without the written consent of Assignee.

7. Assignor will request that notice of any default or Event of Default under the Lease be given to Assignee in the same manner and at the same time as is given to Assignor. Any amounts advanced by Assignee and any costs incurred by Assignee in performing on behalf of Assignor any covenant on the part of Assignor to be observed and performed under the Lease, or the curing by Assignee on behalf of Assignor of any default or Event of Default under the Lease shall be repayable by Assignor without demand, with interest thereon, and shall be secured by this Assignment.

8. No right, power, or remedy conferred upon or reserved to Assignee by this Assignment is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

KAB\600422.70048\COLLATERAL ASSIGN OF LEASE (11-11-15)

9. Neither this Assignment nor any terms hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the charge, waiver, discharge or termination is sought. Any agreement hereafter made by Assignor and Assignee relating to this Assignment shall be superior to the rights of the holder of any intervening lien or encumbrance.

**NOW, THEREFORE**, if the Loan Obligation secured hereby shall be paid according to its terms and provisions, then this Assignment shall be released at the request and cost of Assignor;

But if default is made in the payment of the Loan Obligation, then Assignee, its successors and assigns shall be entitled to (a) judgment for all sums due under the Loan Obligation hereby secured, and all costs and expenses, including reasonable attorney's fees, of enforcing the same, (b) immediate possession of the Project pending sale to satisfy said judgment, either directly or through a court-appointed receiver; and (c) a decree for the sale of the Assignor's leasehold interest in the Project foreclosing all rights and equities therein of Assignor, its successors, assigns and legal representatives and all persons claiming under it, and Assignor does hereby waive any rights of redemption provided by the laws of Kansas, reserving only the right to any excess proceeds from the rental and/or sale of the Project remaining after satisfaction of all the obligations hereby secured; and (d) the right to exercise in its own name Assignor's option to purchase the Project pursuant to *Section 17.1* of the Lease.

**IN WITNESS WHEREOF**, Assignor has executed this Collateral Assignment of Lease the day and year first above written.

**1735 S. MAIZE ROAD, LLC**

By: \_\_\_\_\_  
Name:  
Title:

STATE OF KANSAS                    )  
  ) SS.  
COUNTY OF SEDGWICK            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_ as \_\_\_\_\_ of 1735 S. Maize Road, LLC, a Kansas limited liability company.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:  
\_\_\_\_\_

**CONSENT OF SUBTENANT**

The undersigned Reiloy USA Corporation, sublessee under the Commercial Lease Agreement referenced herein, hereby consents to the Collateral Assignment of Assignor's rights under the Lease, subject to the terms and conditions contained therein.

**REILOY USA CORPORATION**

By: \_\_\_\_\_  
Authorized Signature

**ACKNOWLEDGMENT**

STATE OF KANSAS                    )  
  ) SS.  
COUNTY OF SEDGWICK            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_, as \_\_\_\_\_ of Reiloy USA Corporation, a Kansas corporation.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

***SCHEDULE I***

[Here copy *Schedule I* from the Lease being assigned]

**GUARANTY AGREEMENT**

**BETWEEN**

**1735 S. MAIZE ROAD, LLC  
A KANSAS LIMITED LIABILITY COMPANY**

**AS GUARANTOR**

**AND**

**UNION STATE BANK  
WICHITA, KANSAS  
AS FISCAL AND PAYING AGENT**

**DATED AS OF DECEMBER 1, 2015**

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# GUARANTY AGREEMENT

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## **GUARANTY AGREEMENT**

**THIS GUARANTY AGREEMENT** made and entered into as of December 1, 2015 (the "Guaranty"), by and between 1735 S. Maize Road, LLC, a Kansas limited liability company (the "Guarantor"), and Union State Bank, Wichita, Kansas, acting as fiscal and paying agent (the "Bank") under a Bond Agreement dated as of December 1, 2015 (the "Bond Agreement") between the City of Maize, Kansas, as Issuer (the "Issuer"), the Bank and the Guarantor, as authorized by ordinance of the Issuer (the "Ordinance");

### **WITNESSETH:**

**WHEREAS**, the Issuer, an incorporated city of the third class, duly organized and existing under the laws of the State of Kansas (the "State"), intends to issue its Taxable Industrial Revenue Bonds, Series 2015B (Reiloy USA Project), in an aggregate principal amount of \$4,000,000 (the "Bonds"); and

**WHEREAS**, the Bonds are to be issued under and pursuant to the Ordinance and the Bond Agreement; and

**WHEREAS**, the proceeds derived from the issuance of the Bonds are to be applied to pay the costs of the acquisition, construction and equipping of A certain manufacturing facility (the "Project") to be leased by Issuer to the Guarantor, pursuant to a Lease dated as of December 1, 2015 (the "Lease"); and

**WHEREAS**, the Guarantor desires that Issuer issue the Bonds and apply the proceeds as aforesaid and is willing to enter into this Guaranty in order to enhance the marketability of the Bonds and thereby achieve interest cost savings to the Guarantor and as an inducement to the purchase of the Bonds by all who shall at any time become owners of the Bonds.

**NOW, THEREFORE**, in consideration of the foregoing, the Guarantor does hereby covenant and agree with the Bank as follows:

## **ARTICLE I**

### **REPRESENTATIONS OF GUARANTOR**

**Section 1.01. Representations and Warranties.** The Guarantor does hereby represent that:

(a) It is a Kansas limited liability company duly organized and existing under the laws of said State, and is in good standing under the laws of the State, is not in material violation of any provision of its Articles of Organization or its Operating Agreement, has not received notice and has no reasonable grounds to believe that it is in material violation of any of the laws of the State or of Kansas, has power to enter into this Guaranty, has duly authorized the execution and delivery of this Guaranty by proper corporate action, and neither this Guaranty nor the agreements herein contained contravene or constitute a material default under any agreement, instrument or indenture by which it is bound or any provision of its Articles of Organization; and

(b) As long as the Bonds are Outstanding, and thereafter until Guarantor's obligations under the Lease are satisfied, Guarantor will maintain its existence, will not dissolve or otherwise dispose of all or substantially all of its assets unless its successor shall assume in writing all of its obligations under this Guaranty and shall have a net worth at least equal to that of such Guarantor immediately prior to such sale or transfer, determined in accordance with generally accepted accounting principles consistently applied; and

(c) The assumption by Guarantor of its obligations hereunder will result in direct financial benefit to Guarantor.

## ARTICLE II

### THE GUARANTY

**Section 2.01. Undertaking by Guarantor.** Guarantor hereby unconditionally guarantees to the Bank for the benefit of the owner(s) from time to time of the Bonds:

(a) The full and prompt payment of the principal of and premium, if any, on each of the Bonds when and as the same shall become due in accordance with the terms and provisions of each such Bond and the Bond Agreement, whether at the stated maturity of any Bond, by acceleration, call for redemption or otherwise; and

(b) The full and prompt payment of the interest on each of the Bonds when and as the same shall become due in accordance with the terms and provisions of each such Bond and the Bond Agreement.

(c) The full and prompt payment of all costs of collection and enforcement of the Bonds, including, but not limited to, reasonable attorneys' fees and costs.

All payments by Guarantor shall be paid in lawful money of the United States of America. Each and every default in the payment of the principal of, premium, if any, or interest on any Bond, and each and every other default hereunder, shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

**Section 2.02. Guarantor's Obligations Absolute.** The obligations of the Guarantor under this Guaranty shall be absolute and unconditional and shall remain in full force and effect until the entire principal of, premium, if any, and interest on the Bonds shall have been paid or such payment provided for, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, Guarantor:

(a) The compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of Issuer under the Bond Agreement or Guarantor under the Lease;

(b) The failure to give notice to Guarantor of the occurrence of an event of default under the terms and provisions of this Guaranty, the Bond Agreement or the Lease;

(c) The assignment or mortgaging or the purported assignment or mortgaging of all or any part of the interest of Issuer or Guarantor in the Project or any failure of title with respect to Issuer's or Guarantor's interests in the Project;

(d) Except as provided in Section 4.04 hereof, the waiver of the payment, performance or observance by Issuer or Guarantor, of any of the obligations, covenants or agreements of either of them contained in the Bond Agreement, the Lease or this Guaranty;

(e) The extension of the time for payment of any principal of, premium, if any, or interest on any Bond or under this Guaranty or of the time for performance of any other obligations, covenants or agreements under or arising out of the Bond Agreement, the Lease or this Guaranty or the extension or the renewal thereof;

(f) The modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Bond Agreement or the Lease, provided that the obligations of Guarantor are not thereby increased or expanded without its prior written consent;

(g) The taking or the omission of any of the actions referred to in the Bond Agreement, the Lease or any action under this Guaranty;

(h) Any failure, omission, delay or lack on the part of Issuer or the Bank to enforce, assert or exercise any right, power or remedy conferred on the Issuer or the Bank in this Guaranty, the Lease or the Bond Agreement, or any other act or acts on the part of the Issuer, the Bank or any of the owners from time to time of the Bonds;

(i) The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting Issuer or Guarantor or any of the assets of either of them, or any contest of the validity of the Bond Agreement, the Lease or this Guaranty or the interest of the Bank in the rentals under the Lease in any such proceeding;

(j) To the extent permitted by law, the release or discharge of Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty by operation of law;

(k) The default or failure of Issuer or Guarantor to perform fully any of their respective obligations set forth in the Bond Agreement, the Lease or this Guaranty;

(l) Any invalidity or irregularity in any statutory or other proceedings relating to the performance or existence of Issuer, to the issuance of the Bonds or the execution or delivery of the Bond Agreement or the Lease;

(m) Any impossibility or illegality of performance on the part of Issuer or Guarantor of any of their respective obligations under or in connection with the Bonds, the Bond Agreement or the Lease; or

(n) Any other circumstances, occurrence or condition, whether similar or dissimilar to any of the foregoing, that might be raised in avoidance of or in defense against any action to enforce the obligations of Guarantor under the provisions hereof.

**Section 2.03. Waiver of Defenses.** The Guarantor waives (1) all defenses based on suretyship or impairment of collateral and (2) any defenses that Guarantor may assert on the underlying debt.

**Section 2.04. Enforcement of Guaranty; Counterclaims.** The rights of the Bank to enforce the obligations of Guarantor under this Guaranty by any proceedings, whether by action at law, suit in equity or otherwise, shall not be impaired by any right, counterclaim or defense of any character whatsoever. This Guaranty and the several obligations of Guarantor hereunder are separate and independent of Guarantor's obligations under the Lease and the Bond Agreement, and it is specifically understood and agreed by Guarantor that any payment now or hereafter made by or on behalf of it under or pursuant to the Lease or the Bond Agreement shall not, except to the extent paid to the owners of the Bonds directly by Issuer or Guarantor, or by the Bank, affect, impair or diminish, in any manner whatsoever, the several obligations of Guarantor hereunder. Further, the Guarantor specifically understands and agrees that payment by it under the Lease or the Bond Agreement (whether voluntary or involuntary, or pursuant to court order or otherwise) shall not, except to the extent paid to the owners of the Bonds directly by Issuer or Guarantor, or by the Bank as paying agent, under any circumstances or in any manner whatsoever, constitute a defense against the Guarantor's several obligations hereunder. Nothing contained herein shall prohibit Guarantor from asserting any separate or related claim against either Issuer or the Bank in a separate proceeding, which proceeding shall in no way delay the prompt performance by Guarantor of its obligations hereunder. Nothing contained herein shall prohibit Guarantor from asserting any claim against the Bank related to the Bonds provided that:

- (a) such claim is based on the negligence or willful misconduct of the Bank; and
- (b) such claim is brought before the earlier of (1) payment being made by Guarantor under this Guaranty or (2) final judgment being rendered against Guarantor in the legal proceeding in which the Bank seeks to enforce this Guaranty against Guarantor, it being agreed by Guarantor that any such claim against the Bank can be raised only in such legal proceeding.

In the event that Guarantor or any successor tenant or assignee under the Lease should fail to perform any such agreement on its part, Guarantor may institute such action as it deems necessary to compel performance so long as such action does not abrogate the Guarantor's obligations herein.

## **ARTICLE III**

### **REMEDIES ON DEFAULT**

**Section 3.01. Payment Default; Exercise of Remedies.** In the event of a default in the payment of principal of or premium, if any, on any Bond when and as the same shall become due, whether at the stated maturity thereof, by acceleration, call for redemption or otherwise, or in the event of a default in the payment of any interest on any Bond when and as the same shall become due, the Bank may, and if requested so to do by the owners of not less than 25% in aggregate principal amount of the Bonds then outstanding and upon provision being made for its fees and expenses and indemnification as hereinafter provided, shall be obligated to proceed hereunder, and the Bank, in its sole discretion, shall have the right to proceed first and directly against Guarantor under this Guaranty to the extent of its obligations hereunder without proceeding against or exhausting any other remedies which it may have and without resorting to any other security held by Issuer or the Bank. Before taking any action hereunder, the Bank may require that indemnity satisfactory to it be furnished for the reimbursement of all expenses it may incur and to protect it against all liability except liability which is adjudicated to have resulted from its negligence or willful default, by reason of any action so taken.

**Section 3.02. Waiver of Condition of Exercise of Remedies; Attorneys' Fees.** Guarantor hereby expressly waives notice from the Bank or the owners from time to time of any of the Bonds of their

acceptance and reliance on this Guaranty. Guarantor agrees to pay all reasonable costs, expenses and fees, including all reasonable attorneys' fees, to the extent permitted by law, which may be incurred by the Bank in enforcing or attempting to enforce this Guaranty following any default hereunder, whether the same be enforced by suit or otherwise.

**Section 3.03. Remedies Cumulative; Delay; Waiver of Breach.** No remedy herein conferred upon or reserved to the Bank is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default, omission or failure of performance hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bank to exercise any remedy reserved to it in this Guaranty, it shall not be necessary to give any notice, other than such notice as may expressly be required herein or in the Lease or Bond Agreement. In the event any provision contained in this Guaranty should be breached by Guarantor and thereafter duly waived by the Bank, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver, amendment, release or modification of this Guaranty shall be established by conduct, custom or course of dealing, but solely by an instrument in writing duly executed by the Bank.

## ARTICLE IV

### GENERAL COVENANTS AND AGREEMENTS

**Section 4.01. Agreement to Benefit Bank and Bondowners.** This Guaranty is entered into by the Guarantor for the benefit of the Bank and the owner(s) from time to time of the Bonds, and any owner of Bonds and any successor shall be entitled to enforce performance and observance of this Guaranty to the same extent as if it was a signatory hereto.

**Section 4.02. Discharge of Guarantor's Obligations.** Guarantor shall be discharged of its obligations hereunder upon (1) the payment of the principal of, premium, if any, and interest on the Bonds to the Bank, or (2) upon satisfaction of all obligations of Guarantor under the Lease, or (3) the Guarantor shall have been released pursuant to the provisions of *Sections 9.3 or 9.4* of the Lease (relating to assignment of its interest in the Project or merger with another entity). Notwithstanding the foregoing, any payment which is required under bankruptcy or similar law to be repaid by the Bank or owners of the Bonds as a preference or similar item shall automatically become an undischarged obligation of the Guarantor under this Guaranty.

**Section 4.03. Guarantor's Obligations Upon Delivery of Bonds.** The obligations of Guarantor hereunder shall arise absolutely and unconditionally when the Bonds shall have been issued, sold and delivered by Issuer and the proceeds thereof paid to the Bank.

**Section 4.04. Maintenance of Corporate Existence; Mergers.** The Guarantor will maintain its legal existence, will continue to be a limited liability company in good standing under the laws of the State, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it, provided, that the Guarantor may, without violating the agreement contained in this subsection, consolidate with or merge into another domestic corporation or limited liability company (that is, a corporation or limited liability company organized and existing under the laws of one of the states of the United States of America), or permit one or more corporations or limited liability companies to consolidate with or merge

into it, or sell or otherwise transfer to another entity all or substantially all of its assets as an entirety and thereafter dissolve, provided that the surviving, resulting or transferee entity, as the case may be, (i) shall be a corporation, limited liability company or partnership organized and existing under the laws of one of the states of the United States of America, as aforesaid, (ii) shall be qualified to do business in the State, if applicable and (iii) shall assume in writing all of its obligations under this Guaranty.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 5.01. Binding Effect.** The agreements contained herein on the part of Guarantor shall inure to and be binding upon its successors and assigns, including without limitation any successor or assign in any transaction expressly permitted by this Guaranty.

**Section 5.02. Integration.** This Guaranty constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between Guarantor and the Bank with respect to the subject matter hereof (other than the Bond Agreement and the Lease) and may be executed simultaneously in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

**Section 5.03. Severability.** The invalidity or unenforceability of any one or more phrases, sentences, clauses or Sections in this Guaranty shall not affect the validity or enforceability of the remaining portions of this Guaranty, or any part thereof.

**Section 5.04. Governing Law.** This Guaranty shall be governed by and construed and interpreted in accordance with the laws of the State.

**Section 5.05. Execution of Counterparts; Electronic Transactions.** This Guaranty may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

**IN WITNESS WHEREOF**, Guarantor has caused this Guaranty Agreement to be signed by an authorized officer, as of the date first above written.

**1735 S. MAIZE ROAD, LLC**

By: \_\_\_\_\_  
Title:

"GUARANTOR"

**ACCEPTANCE OF BANK**

This Guaranty Agreement and the obligations undertaken in it by the Guarantor are hereby accepted by the Bank as of the date first above written.

**IN WITNESS WHEREOF**, the Bank has caused this Guaranty Agreement to be signed in its name and behalf by its duly authorized officer, all as of the date first above written.

**UNION STATE BANK**  
Wichita, Kansas  
as fiscal and paying agent

By: \_\_\_\_\_  
Name:  
Title:

GILMORE & BELL, P.C.  
11/11/2015

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**CITY OF MAIZE, KANSAS**

**AS ISSUER**

**AND**

**1735 S. MAIZE ROAD, LLC**

**AS TENANT**

**LEASE**

**DATED AS OF DECEMBER 1, 2015**

**\$4,000,000**  
**TAXABLE INDUSTRIAL REVENUE BONDS**  
**SERIES 2015B**  
**(REILOY USA PROJECT)**

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**LEASE**

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## LEASE

**THIS LEASE**, made and entered into as of December 1, 2015 between the City of Maize, Kansas (the "Issuer"), and 1735 S. Maize Road, LLC, a Kansas limited liability company (the "Tenant").

### WITNESSETH:

**WHEREAS**, the Issuer is a municipal corporation incorporated as a city of the third class, duly organized and existing under the laws of the State, with full lawful power and authority to enter into this Lease by and through its governing body; and

**WHEREAS**, the Issuer, in furtherance of the purposes and pursuant to the provisions of the laws of the State, particularly K.S.A. 12-1740 *et seq.* (the "Act"), and in order to provide for the economic development and welfare of the Issuer and its environs and to provide employment opportunities for its citizens and to promote the economic stability of the State, has proposed and does hereby propose that it shall:

(a) Acquire the Project;

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

(c) Issue, for the purpose of paying Project Costs, the Bonds under and pursuant to and subject to the provisions of the Act and the Bond Agreement, said Bond Agreement being incorporated herein by reference and authorized by an Ordinance of the governing body of the Issuer; and

**WHEREAS**, the Tenant, pursuant to the foregoing proposals of the Issuer, desires to lease the Project from the Issuer for the rentals and upon the terms and conditions hereinafter set forth;

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

## ARTICLE I

**Section 1.1. Definitions.** Capitalized terms not otherwise defined in this Lease shall have the meanings set forth in the Bond Agreement. In addition to the words, terms and phrases defined in the Bond Agreement and elsewhere in this Lease, the capitalized words, terms and phrases as used herein shall have the meanings set forth below, unless some other meaning is plainly intended:

**"Additional Rent"** means all fees, charges, costs and expenses of the Bank or the Issuer (including reasonable attorney's fees), all Impositions, all Default Administration Costs, all other payments of whatever nature payable or to become payable pursuant to the Bond Agreement or which the Tenant has agreed to pay or assume under the provisions of this Lease and any and all expenses (including reasonable attorney's fees) incurred by the Issuer or the Bank in connection with the issuance of the Bonds or the administration or enforcement of any rights under this Lease or the Bond Agreement. The fees, charges, costs and expenses of the Bank shall include all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds and the administration or enforcement of any rights or obligations under this Lease, the Bond Agreement or the Guaranty Agreement except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any tax or other government charge imposed on the Bank in relation to the transfer, exchange, registration,

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redemption or payment of the Bonds. The fees, charges, costs and expenses of the Issuer shall include, but not be limited to, any and all costs incurred by the Issuer in connection with the administration or enforcement of any rights, duties, or obligations under this Lease, the exercise or pursuit of any remedy upon an Event of Default, the amendment of this Lease, the granting of consents, easements or similar actions or any other action required of or available to the Issuer under the terms of this Lease.

**"Additional Term"** shall mean that term commencing on the last day of the Basic Term and terminating 5 years thereafter.

**"Authorized Tenant Representative"** means David Larson, or such other person as is designated to act on behalf of the Tenant as evidenced by written certificate furnished to the Bank, containing the specimen signature of such person and signed on behalf of the Tenant by any Member of the Tenant. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Tenant Representative.

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

**"Basic Rent"** means the amount which, when added to Basic Rent Credits, will be sufficient to pay, on each Payment Date, all principal of, redemption premium, if any, and interest on all Outstanding Bonds which is due and payable on such Payment Date. If for any reason on any Payment Date the Bank does not have on deposit in the Bond Fund sufficient moneys to pay all principal and interest due on the Bonds on such Payment Date, then the Tenant shall pay, as Basic Rent, on such Payment Date, the amount of such deficiency.

**"Basic Rent Credits"** means all funds on deposit in the Bond Fund and available for the payment of principal of, redemption premium, if any, and interest on the Bonds on any Basic Rent Payment Date.

**"Basic Rent Payment Date"** means each Payment Date until the principal of, redemption premium, if any, and interest on all Outstanding Bonds have been fully paid or provision made for their payment in accordance with the provisions of the Bond Agreement.

**"Basic Term"** means that term commencing as of the delivery of this Lease and ending on January 15, 2026, subject to prior termination as specified in this Lease, but ending, in any event, when all of the principal of, redemption premium, if any, and interest on all Outstanding Bonds shall have been paid in full or provision made for their payment in accordance with the provisions of the Bond Agreement.

**"Bond Agreement"** means the Bond Agreement delivered concurrently with this Lease, as from time to time amended and supplemented by Supplemental Bond Agreements in accordance with the provisions of *Section 9* of the Bond Agreement.

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

**"Certificate of Completion"** means a written certificate signed by the Authorized Tenant Representative stating that (1) the Improvements have been substantially completed in accordance with the plans and specifications prepared or approved by the Issuer or the Tenant, as the case may be; (2) the Improvements have been substantially completed in a good and workmanlike manner; (3) no mechanic's or materialmen's liens have been filed, nor is there any basis for the filing of such liens, with respect to the Project; (4) all Improvements constituting a part of the Project are located or installed upon the Land; and (5) if required by ordinances duly adopted by the Issuer or by applicable building codes, that an appropriate

certificate of occupancy has been issued with respect to the Improvements. A form of Certificate of Completion is attached as *Appendix B*.

**"Completion Date"** means the date on which the Improvements are certified as substantially completed in accordance with *Section 5.5* of this Lease.

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

**"Default Administration Costs"** means the reasonable fees, charges, costs, advances and expenses of the Owner(s) of Bonds incurred in anticipation of an Event of Default, or after the occurrence of an Event of Default, including, but not limited to, counsel fees, litigation costs and expenses, the expenses of maintaining and preserving the Project and the expenses of re-letting or selling the Project.

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

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

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

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

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

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

(c) An Event of Bankruptcy; or

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(d) Abandonment of the Project by the Tenant.

**"Full Insurable Value"** means full actual replacement cost less physical depreciation.

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

**"Impositions"** means all taxes and assessments, general and special, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or payable for or in respect of the Project or any part thereof, or any improvements at any time thereon or the Tenant's interest therein, including any new lawful taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, which, if not paid when due, would encumber the Issuer's title to the Project.

**"Land"** means the real property (or interests therein) described in *Schedule I* hereto.

**"Lease"** means this Lease between the Issuer and the Tenant, as from time to time supplemented and amended in accordance with the provisions hereof.

**"Net Proceeds"** means the gross proceeds from the insurance (including without limitation title insurance) or condemnation award with respect to which that term is used remaining after the payment of all expenses (including without limitation attorneys' fees and any expenses of the Issuer, the Tenant, the Bank or any other owner of the Bonds) incurred in the collection of such gross proceeds.

The term **"Notice Address"** shall mean:

(1) With respect to the Tenant:

1735 S. Maize Road, LLC  
1735 S. Maize Road  
Maize, Kansas 67209  
Attn: David Larson

(2) With respect to the Issuer:

City of Maize, Kansas  
10100 Grady Avenue  
P.O. Box 245  
City of Maize, Kansas 67101  
Attn: City Clerk

(3) With respect to the Bank:

Union State Bank  
2327 N. Ridge Bank  
Wichita, Kansas 67205  
Attn: Commercial Loan Department

**"Original Proceeds"** means all sale proceeds, including accrued interest, from sale of the Bonds to the Purchaser and any investment earnings credited to the Project Fund prior to the Completion Date.

**"Owner's Title Policy"** means that certain owner's policy of title insurance insuring the Issuer's fee simple title in the Project as required by *Section 6.4* of the Lease.

**"Permitted Encumbrances"** easements and rights-of-way of record at the time of conveyance of the Land to the Issuer, and any mortgages, liens or other encumbrances or title exceptions referenced in the Owner's Title Policy.

**"Project Contracts"** means a contract or contracts with respect to the acquisition and/or construction of the Improvements entered into by the Tenant or the Issuer.

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

**"State"** means the State of Kansas.

**"Sublease"** means that certain Commercial Lease Agreement dated as of January 12, 2015 between the Tenant, as lessor, and the Subtenant, as lessee, for the use and operation of the Project.

**"Subtenant"** means Reiloy USA Corporation (formerly Reiloy Westland Corporation), a Kansas corporation, as lessee under the Sublease.

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

**Section 1.2. Representations and Covenants by the Tenant.** The Tenant makes the following covenants and representations as the basis for the undertakings on its part herein contained:

(a) The Tenant is a Kansas limited liability company, duly organized and existing under the laws of said state, and is duly authorized and qualified to do business in the State, with lawful power and authority to enter into this Lease, acting by and through its duly authorized officers.

(b) Except as otherwise permitted herein, the Tenant shall (1) maintain and preserve its existence and organization as a limited liability company and its authority to do business in the State and to operate the Project; and (2) not initiate any proceedings of any kind whatsoever to dissolve or liquidate without (A) securing the prior written consent thereto of the Bank and Issuer and (B) making provision for the payment in full of the principal of and interest and redemption premium, if any, on the Bonds. If, at any time during the term of this Lease or the Bond Agreement, the Tenant changes its state of organization, changes its form of organization, changes its name, or takes any other action which could affect the proper location for filing Uniform Commercial Code financing statements or continuation statements or which could render existing filings seriously misleading or invalid, the Tenant shall immediately provide written notice of such change to the Bank, and thereafter promptly deliver to the Bank such amendments and/or replacement financing statements, together with an Opinion of Counsel to the effect that such amendments and/or replacement financing statements have been properly filed so as to create a perfected security interest in the collateral securing the Bond Agreement, and such additional information or documentation regarding such change as the Bank may reasonably request.

(c) Neither the execution and/or delivery of this Lease, the consummation of the transactions contemplated hereby or by the Bond Agreement, nor the fulfillment of or compliance with the terms and conditions of this Lease contravenes in any material respect any provisions of its articles of organization or

operating agreement, or conflicts in any material respect with or results in a material breach of the terms, conditions or provisions of any mortgage, debt, agreement, indenture or instrument to which the Tenant is a party or by which it is bound, or to which it or any of its properties is subject, or would constitute a material default (without regard to any required notice or the passage of any period of time) under any of the foregoing, or would result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of the Tenant under the terms of any mortgage, debt, agreement, indenture or instrument, or violates in any material respect any existing law, administrative regulation or court order or consent decree to which the Tenant is subject.

(d) This Lease constitutes a legal, valid and binding obligation of the Tenant enforceable against the Tenant in accordance with its terms.

(e) The Tenant agrees to operate and will operate the Project, or cause the Project to be operated as a "facility," as that term is contemplated in the Act, from the date of the Issuer's acquisition of the Project to the end of the Term.

(f) The Tenant has obtained or will obtain any and all permits, authorizations, licenses and franchises necessary to construct the Improvements and to enable it to operate and utilize the Project for the purposes for which it was leased by the Tenant under this Lease.

**Comment [SLS1]:** Will there be any construction of improvements?

(g) The estimated total cost of the Improvements to be financed by the proceeds of the Bonds, plus interest on the Bonds during acquisition, construction and installation of the Improvements, and Costs of Issuance of the Bonds, will not be less than the original aggregate principal amount of the Bonds.

(g) After reasonable inquiry and investigation, the Tenant is not aware of (i) any Hazardous Substances generated from or located on the Project; (ii) any prior use of the Land which might reasonably involve Hazardous Substances; or (iii) any investigations, complaints or inquiries of any kind, from any source, concerning Hazardous Substances with respect to the Project or properties adjoining the Project.

(h) The Tenant will not use or permit the Project to be used by any other person or entity in any manner which would involve the generation, storage, disposal or transportation of Hazardous Substances, except in strict compliance with applicable Environmental Laws.

(i) The proceeds of the Bonds are to be used to acquire, construct, install, equip and furnish the Project.

**Section 1.3. Representations and Covenants by the Issuer.** The Issuer represents, covenants and warrants, to the best of its knowledge and belief, as follows:

(a) It is a municipal corporation duly incorporated and existing as a city of the third class under the constitution and laws of the State. Under the provisions of the Act and the Ordinance, the Issuer has the power to enter into and perform the transactions contemplated by this Lease and the Bond Agreement and to carry out its obligations hereunder and thereunder.

(b) It has not, in whole or in part, assigned, leased, hypothecated or otherwise created any other interest in, or disposed of, or caused or permitted any lien, claim or encumbrance to be placed against, the Project, except for this Lease, the assignment of this Lease to the Bank as the Issuer's fiscal and paying agent, any Permitted Encumbrances, any Impositions, and the pledge of the Project pursuant to the Ordinance and the Bond Agreement.

(c) Except as otherwise provided herein or in the Bond Agreement, it will not during the Term, in whole or in part, assign, lease, hypothecate or otherwise create any other interest in, or dispose of, or cause or permit any lien, claim or encumbrance to be placed against, the Project, except Permitted Encumbrances, this Lease, any Impositions and the pledge of the Project pursuant to the Ordinance and the Bond Agreement.

(d) It has pledged the Project and the net rentals therefrom generated under the Lease to payment of the Bonds in the manner prescribed by the Act, and has duly authorized the execution and delivery of this Lease and the Bond Agreement and the issuance, sale and delivery of the Series 2015B Bonds.

(e) It has notified or obtained the consent to and/or approval of the issuance of the Series 2015B Bonds by each municipal corporation and political subdivision the notification, consent or approval of which is required by the provisions of the Act.

## ARTICLE II

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

## ARTICLE III

**Section 3.1. Basic Rent.** The Issuer reserves and the Tenant covenants and agrees to pay Basic Rent to the Bank, as assignee of the Issuer, for the account of the Issuer, for deposit in the Bond Fund, on each Basic Rent Payment Date. Basic Rent shall be payable by check or draft of the Tenant due at the principal office of the Bank on each Basic Rent Payment Date.

**Section 3.2. Additional Rent.** Within 30 days after receipt of written notice thereof, the Tenant shall pay any Additional Rent required to be paid pursuant to this Lease not already paid.

**Section 3.3. Rent Payable Without Abatement or Setoff.** The Tenant covenants and agrees with and for the express benefit of the Issuer and the Owner(s) of Bonds that all payments of Basic Rent and Additional Rent shall be made by the Tenant as the same become due, and that the Tenant shall perform all of its obligations, covenants and agreements hereunder without notice or demand and without abatement, deduction, setoff, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Improvements shall have been acquired, started or completed, or whether the Issuer's title to the Project or any part thereof is defective or non-existent, and notwithstanding any failure of consideration or commercial frustration of purpose, the eviction or constructive eviction of the Tenant or any subtenant, any Change of Circumstances, any change in the tax or other laws of the United States of America, the State, or any municipal corporation of either, any change in the Issuer's legal organization or status, or any default of the Issuer hereunder, and regardless of the invalidity of any action of the Issuer or any other event or condition whatsoever, and regardless of the invalidity of any portion of this Lease, and the Tenant hereby waives the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Lease or which releases or purports to release the Tenant therefrom. Nothing in this Lease shall be construed as a waiver by the Tenant of any rights or claims the Tenant may have against the Issuer under this Lease or otherwise, but any recovery upon such rights and claims shall be had from the Issuer separately, it being the intent of this Lease that the Tenant shall be unconditionally and

absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owner(s) of Bonds.

**Section 3.4. Prepayment of Basic Rent.** The Tenant may at any time prepay all or any part of the Basic Rent. Prepayments of Basic Rent will be applied to redemption of Bonds (other than mandatory sinking fund redemption), including payment of redemption premium, as directed in writing by the Tenant, to the extent that Bonds are subject to optional redemption at the time of prepayment. Otherwise, prepayments of Basic Rent will be deposited in the Bond Fund to be applied to purchase of Bonds, or to optional redemption of Bonds (including redemption premium and interest) at the earliest date on which Bonds are subject to optional redemption. Prepayments of Basic Rent which are not sufficient to redeem all Bonds Outstanding at the time of the prepayment will be applied to redeem the principal amounts of Bonds Outstanding in inverse order of maturity, unless otherwise directed by the Tenant.

**Section 3.5. Deposit of Rent by the Bank.** As assignee of the Issuer's rights hereunder, the Bank shall deposit, use and apply all payments of Basic Rent and Additional Rent in accordance with the provisions of this Lease and the Bond Agreement.

**Section 3.6. Acquisition of Bonds.** If the Tenant acquires any Outstanding Bonds, it may present the certificate(s) representing such part of the Bonds to the Bank for cancellation, and upon such cancellation, the Tenant's obligation to pay Basic Rent shall be reduced in the same manner as provided for prepayments by the Tenant of Basic Rent. In no event, however, shall the Tenant's obligation to pay Basic Rent be reduced in such a manner that the Bank shall not have on deposit in the Bond Fund, on the next succeeding Payment Date, funds sufficient to pay the maturing principal of, redemption premium, if any, and interest on Outstanding Bonds as and when the same shall become due and according to the terms of the Bonds.

#### ARTICLE IV

**Section 4.1. Disposition of Original Proceeds; Project Fund.** The Original Proceeds shall be paid over to the Bank for the account of the Issuer and applied as set forth in *Section 5* of the Bond Agreement.

#### ARTICLE V

**Section 5.1. Acquisition of Land and Improvements.** The Tenant shall prior to or concurrently with the issuance of the Bonds, assign or cause to be conveyed to the Issuer by warranty deed, subject to Permitted Encumbrances, the Land as described in *Schedule I* and such of the Improvements as are then completed, installed or in progress. The Tenant shall also concurrently with such conveyance make provisions for the discharge or subordination to the interests acquired by the Issuer of any liens or encumbrances incurred by it in connection with the construction, installation or development of the Improvements, other than Permitted Encumbrances.

**Section 5.2. Project Contracts.** Prior to the delivery of this Lease, the Tenant may have entered into a contract or contracts with respect to the acquisition and/or construction of the Improvements. Those contracts, and any such contracts entered into by the Tenant or the Issuer after delivery of this Lease, are hereinafter referred to as the "Project Contracts." Prior to the delivery hereof, certain work has been or may have been performed on the Improvements pursuant to said Project Contracts or otherwise. The Tenant hereby covenants with the Issuer to perform the Project Contracts for the benefit of the Issuer as holder of title to the Project as well as its own benefit as tenant under this Lease, and the Issuer hereby designates the

Tenant as the Issuer's agent for the purpose of executing and performing the Project Contracts. After the execution hereof, the Tenant shall cause the Project Contracts to be fully performed by the contractor(s), subcontractor(s) and supplier(s) thereunder in accordance with the terms thereof, and the Tenant covenants to cause the Improvements to be acquired, constructed, installed and/or completed in accordance with the Project Contracts. The Tenant warrants that the construction and/or acquisition of the Improvements in accordance with said Project Contracts will result in the Project being suitable for use by the Tenant as a manufacturing facility. Any and all amounts received by the Issuer, the Bank or the Tenant from any of the contractors or other suppliers by way of breach of contract, refunds or adjustments shall become a part of and be deposited in the Project Fund. The Bank may, at its option, appoint an agent to review the Project Contracts, and make periodic inspections of the Improvements during construction to determine the satisfactory progress and completion of the work. The reasonable fees and expenses of such agent shall be paid by the Tenant as Additional Rent.

**Section 5.3. Payment of Project Costs for Buildings and Improvements.** The Issuer hereby agrees to pay for the acquisition or construction of the Improvements or any repairs or replacements to be made pursuant to *Article XVIII* of this Lease, but solely from Original Proceeds of the Bonds (or Net Proceeds, as applicable) as deposited in the Project Fund, and hereby authorizes and directs the Bank to pay for the same, but solely from the Project Fund, from time to time, after issuance of the Bonds while the Tenant is in compliance with the requirements of *Section 6.1* hereof, upon receipt by the Bank of a requisition certificate signed by the Authorized Tenant Representative in the form set forth as *Appendix A* hereto which is incorporated herein by reference. With regard to materials and/or labor furnished to the Project at the order of the Tenant without formal contract, or by subcontract with the Tenant acting as general contractor, which could form the basis of a statutory mechanic's or subcontractor's lien, the Bank may disburse payment therefor only upon receipt of releases or waivers of statutory mechanic's or subcontractor's liens by all vendors or subcontractors receiving payment or furnishing labor or materials as a subcontractor of the vendor or subcontractor receiving payment.

The sole obligation of the Issuer under this paragraph shall be to cause the Bank to make such disbursements upon receipt of such certificates and releases or waivers. The Bank may rely fully on any such certificates and shall not be required to make any investigation in connection therewith, except that the Bank shall investigate requests for reimbursements directly to the Tenant and shall require such supporting evidence as would be required by a reasonable and prudent fiduciary.

**Section 5.4. Payment of Project Costs for Machinery and Equipment.** The Issuer hereby agrees to pay for the purchase and acquisition of any machinery and equipment constituting a part of the Improvements, but solely from the Project Fund, from time to time, upon receipt by the Bank of a certificate signed by the Authorized Tenant Representative in the form provided by *Appendix A* hereto which is incorporated herein by reference and accompanied by the following specific information:

- (a) Name of seller;
- (b) Name of the manufacturer;
- (c) A copy of the seller's invoice, purchase order or other like document evidencing the purchase by the Tenant of such machinery and/or equipment;
- (d) Common descriptive name of machinery or equipment;
- (e) Manufacturer's or seller's technical description of machinery or equipment;
- (f) Capacity or similar designation;

- (g) Serial number, if any;
- (h) Model number, if any; and
- (i) A written statement by the Seller that the machinery or equipment purchased is not subject to any liens or security interest, or, in the alternative, a bill of sale warranting title to be free of all liens, encumbrances or security interests.

The sole obligation of the Issuer under this Section shall be to cause the Bank to make such disbursements upon receipt of said certificates and proof of mechanic's or subcontractor's lien waiver or release, if the item is to become a fixture on the Land. The Bank may rely fully on any such certificate and supporting documentation and shall not be required to make any independent investigation in connection therewith. All machinery, equipment and/or personal property acquired, in whole or in part, from funds deposited in the Project Fund pursuant to this Section will be considered a part of the Project. With respect to items of machinery and equipment constituting a part of the Improvements, the Tenant shall maintain a running master list of such machinery and equipment, and within 30 days after the Completion Date, the Tenant shall prepare an accurate detailed final list of machinery and equipment constituting a part of the Improvements (but not installed as fixtures therein or thereon), which list shall be filed with the Bank, and shall constitute a part of this Lease by reference. All machinery and equipment constituting a part of the Improvements shall be appropriately identified by separate schedule or other means acceptable to the Bank.

**Section 5.5. Completion of Project.** The Tenant warrants that the Project, when completed, will be occupied and used by the Tenant for its lawful business purposes. The Tenant covenants and agrees to proceed diligently to complete or acquire the Improvements. Upon completion of the Improvements, the Tenant shall cause the Authorized Tenant Representative to deliver a Certificate of Completion, in the form substantially as attached hereto as *Appendix B*, to the Bank. In the event funds remain on hand in the Project Fund on the date the Certificate of Completion is furnished to the Bank, such remaining funds shall be transferred by the Bank to the Bond Fund on the Completion Date and shall be applied in accordance with the provisions of the Bonds and the Bond Agreement.

**Section 5.6. Deficiency of Project Fund.** If Bond Proceeds in the Project Fund are insufficient to pay fully all Project Costs (including reimbursements to the Tenant for Project Costs advanced by the Tenant prior to issuance of the Bonds) and to fully complete the Improvements, lien free (except for Permitted Encumbrances), the Tenant covenants to pay the full amount of any such deficiency by making payments directly to the contractors and to the suppliers of materials, machinery, equipment, property and services as the same become due, and the Tenant shall save the Issuer and the Bank whole and harmless from any obligation to pay such deficiency.

**Section 5.7. Right of Entry by the Issuer and the Bank.** The duly authorized agents of the Issuer and/or the Bank shall have the right (but shall not be required) at any reasonable time and upon reasonable notice to the Tenant prior to the completion of the Improvements to have access to the Project or any part thereof for the purpose of inspecting the acquisition, installation or construction thereof.

**Section 5.8. Machinery and Equipment Purchased by the Tenant.** If no part of the purchase price of an item of machinery, equipment or personal property is paid from Original Proceeds deposited in the Project Fund pursuant to the terms of this Lease, then such item of machinery, equipment or personal property will not be considered a part of the Project.

**Section 5.9. Project Property of the Issuer.** All Improvements, all work and materials on Improvements as such work progresses, any Project Additions, anything under this Lease which becomes, is

deemed to be, or constitutes a part of the Project, and the Project as fully completed, repaired, rebuilt, rearranged, restored or replaced by the Tenant under the provisions of this Lease, except as otherwise specifically provided herein, shall immediately when erected or installed become the absolute property of the Issuer. Any Improvements which become a part of the real estate as fixtures shall remain separate from the Tenant's property unless and until purchased by the Tenant from the Issuer as provided in this Lease.

**Section 5.10. Kansas Retailers' Sales Tax.** The parties have entered into this Lease in contemplation that, under the existing provisions of K.S.A. 79-3606, subsections (b) and (d) and other applicable laws, sales of tangible personal property or services purchased in connection with construction of the Improvements are entitled to exemption from the tax imposed by the Kansas Retailers' Sales Tax Act. The parties agree that the Issuer shall, upon the request of and with the Tenant's assistance, promptly obtain from the State and furnish to the contractors and suppliers a project exemption certificate for the construction of the Improvements. The Tenant covenants that said exemption certificate shall be used only in connection with the purchase of tangible personal property or services becoming a part of the Project. The Issuer shall not be responsible for any failure on the part of the State to issue such project exemption certificate.

## ARTICLE VI

**Section 6.1. Insurance as a Condition to Disbursement.** As a condition precedent to payment of Costs of Issuance or disbursement of Project Costs (other than Costs of Issuance) from the Project Fund pursuant to *Article V* hereunder, the following policies of insurance shall be in full force and effect:

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

(b) Statutory workers' compensation insurance; and

(c) With regard to new buildings and improvements constituting a part of the Improvements and under construction as of the date hereof, insurance insuring the Improvements while under construction against fire, lightning and all other risks covered by the broadest form extended coverage endorsement then and from time to time thereafter in use in the State to the Full Insurable Value of such Improvements. Such insurance coverage shall name the Tenant as insured and the Issuer and the Bank as additional insureds or mortgagees and loss payees, as their respective interests appear, and all Net Proceeds received under such policy or policies by the Issuer or the Tenant shall be paid over to the Bank and be applied as set forth in *Article XVIII* hereof; and

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

liability insurance required pursuant to *Section 6.1(a)*, all of which policies shall name the Tenant, the Issuer, and the Bank as insureds or mortgagees, as their interests appear.

**Section 6.3. General Insurance Provisions.**

(a) Within 30 days of renewal dates of expiring policies, certificates of the insurance provided for in this Article shall be delivered by the Tenant to the Bank. All policies of such insurance and all renewals thereof shall name the Tenant as insured and the Issuer and the Bank as additional insureds or mortgagees and loss payees as their respective interests may appear, shall contain a provision that such insurance may not be canceled or amended by the issuer thereof without at least 30 days' written notice to the Issuer, the Tenant and the Bank and shall be payable to the Issuer, the Tenant and the Bank as their respective interests appear. The Issuer and the Tenant each hereby agree to do anything necessary, be it the endorsement of checks or otherwise, to cause any payment of insurance proceeds to be made to the Bank, as long as such payment is required by this Lease to be made to the Bank. Any charges made by the Bank for its services in connection with insurance payments shall be paid by the Tenant.

(b) Each policy of insurance hereinabove referred to shall be issued by a nationally recognized responsible insurance company authorized under the laws of the State to assume the risks covered therein, except that the Tenant may be self-insured as to any required insurance coverages under a program of self-insurance approved by the State Commissioner of Insurance or other applicable State regulatory authority.

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

(d) Each policy of insurance hereinabove referred to may be subject to a reasonable deductible or self-insured retention.

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

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

**Section 6.4. Evidence of Title.** The Tenant shall furnish evidence of title in the form of a policy of owner's title insurance, insuring the Issuer's fee simple title to the Land, as of the date and time immediately prior to conveyance to the Issuer, subject to Permitted Encumbrances, in an amount equal to \$4,000,000. Such title insurance policy shall contain no exceptions, other than the title insurance company's standard printed exceptions, Permitted Encumbrances, and the encumbrance created by this Lease. The Issuer and the Tenant agree that any and all proceeds therefrom during the Basic Term (a) if received before the completion of the building Improvements shall be paid into and become a part of the Project Fund, (b) if received thereafter but before the Bonds and interest thereon have been paid in full, shall be paid into and become a part of the Bond Fund, and (c) if received after the Bonds, redemption premium, if any, and interest thereon have been paid in full, shall belong and be paid to the Tenant.

**ARTICLE VII**

**Section 7.1. Impositions.** The Tenant shall, during the Term of this Lease, bear, pay and discharge, before the delinquency thereof, any and all Impositions. In the event any Impositions may be

lawfully paid in installments, the Tenant shall be required to pay only such installments thereof as become due and payable during the term of this Lease as and when the same become due and payable.

**Section 7.2. Receipted Statements.** Unless the Tenant exercises its right to contest any Impositions in accordance with *Section 7.3* hereof, the Tenant shall, within 30 days after the last day for payment without penalty or interest of an Imposition which the Tenant is required to bear, pay and discharge pursuant to the terms hereof, deliver to the Bank a copy of the statement issued therefor duly receipted to show the payment thereof.

**Section 7.3. Contest of Impositions.** The Tenant shall have the right, in its own or the Issuer's name or both, to contest the validity or amount of any Imposition by appropriate legal proceedings instituted before the Imposition complained of becomes delinquent if, and provided, the Tenant (i) before instituting any such contest, shall give the Issuer and the Bank written notice of its intention to do so and, if requested in writing by the Issuer or the Bank, shall deposit with the Bank a surety bond of a surety company acceptable to the Issuer as surety, in favor of the Issuer and the Bank, as their interests may appear, or cash, in a sum of at least the amount of the Imposition so contested, assuring the payment of such contested Impositions together with all interest and penalties to accrue thereon and court costs, (ii) diligently prosecutes any such contest and at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (iii) promptly pays any final judgment enforcing the Imposition so contested and thereafter promptly procures record release or satisfaction thereof. The Tenant shall indemnify and hold the Issuer whole and harmless from any costs and expenses the Issuer may incur related to any such contest.

**Section 7.4. Ad Valorem Taxes.** The parties acknowledge that under the existing provisions of K.S.A. 79-201a, as amended, the property acquired, constructed or purchased with the proceeds of the Bonds (except such property used for certain retail uses) is eligible to receive exemption from *ad valorem* taxation for a period up to 10 calendar years after the calendar year in which the Bonds are issued, provided the Issuer has complied with certain notice, hearing and procedural requirements established by law, and proper application has been made. The Issuer represents that such notice, hearing and procedural requirements will have been complied with at the Issue Date. The Issuer will, at the Tenant's request, with information furnished by Tenant and the Bank, make all necessary filings regarding the application for 100% *ad valorem* tax exemption for the full 10-year period in the calendar year following the calendar year in which the Bonds were issued, and will renew said application from time to time and take any other action as may be necessary to maintain such *ad valorem* tax exemption in full force and effect, in accordance with K.S.A. 79-201a, 79-210 *et seq.* and the requirements of the State Board of Tax Appeals. If it becomes necessary to litigate the issue of availability or applicability of the *ad valorem* tax exemption, the Issuer will cooperate fully with Tenant in pursuing such litigation, but all litigation costs and reasonable attorney fees must be paid by Tenant, either directly or as Additional Rent.

## ARTICLE VIII

**Section 8.1. Use of Project.** Subject to the provisions of this Lease, the Tenant shall have the right to use the Project for any and all purposes allowed by law and contemplated by the constitution of the State and the Act. The Tenant shall comply in all material respects with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Project or to any adjoining public ways, as to the manner of use or the condition of the Project or of adjoining public ways. The Tenant shall comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of this Lease. The Tenant shall pay all costs, expenses, claims,

finances, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the Tenant to comply with the provisions of this Article.

**Section 8.2. Environmental Matters.**

(a) The Tenant hereby covenants that it will not cause and will use reasonable efforts and take such reasonable action as may be necessary so as to not permit any Hazardous Substances (as defined herein) to be placed, held, located or disposed of, on, under or at the Facility, other than in the ordinary course of business and in compliance with all applicable Environmental Laws.

(b) In furtherance and not in limitation of any indemnity elsewhere provided to the Issuer hereunder and in the Indenture, the Tenant hereby agrees to indemnify and hold harmless the Issuer, the Bank and the Owner(s) of Bond(s) from time to time from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment, costs of investigation, consultants, testing, sampling, cleanup, or defense, and claims of any and every kind paid, incurred or suffered, with respect to, or as a direct or indirect result of, the actual or alleged presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Facility of any Hazardous Substance (including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under any federal, state or local Environmental Law or so-called "Superfund" or "Super lien" law, or any other applicable Environmental Law, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standard of conduct concerning, any Hazardous Substance) regardless of whether or not caused by or within the control of the Tenant.

(c) The provisions of this *Section 8.2* shall survive the termination of this Lease or exercise of the Tenant's option to purchase the Facility, except with respect to obligations which arise solely and exclusively as a result of the use, spill, release, leak, seepage or discharge of Hazardous Substances on the Facility after the Facility is no longer occupied by the Tenant.

**ARTICLE IX**

**Section 9.1. Sublease by the Tenant.** The Tenant may sublease the Project to a single party or entity, with the prior written consent of the Issuer. The Tenant may sublease portions of the Project for use by others in the normal course of its business without the Issuer's prior consent or approval. In the event of any such subleasing, the Tenant shall remain fully liable for the performance of its duties and obligations hereunder, and no such subleasing and no dealings or transactions between the Issuer or the Bank and any such subtenant shall relieve the Tenant of any of its duties and obligations hereunder. Any such sublease shall be subject and subordinate in all respects to the provisions of this Lease. The Sublease with the Subtenant is hereby approved.

**Section 9.2. Assignment by the Tenant.** The Tenant may assign, mortgage, sell or otherwise transfer its interest in this Lease only with the prior written consent of the Bank as assignee of the Issuer. Collateral assignment by the Tenant of its leasehold interest in this Lease to the Owner(s) of Bonds is hereby acknowledged and approved by the Issuer. In the event of any such assignment, the Tenant shall remain fully liable for the performance of its duties and obligations hereunder, except to the extent hereinafter provided, and no such assignment and no dealings or transactions between the Issuer or the Bank and any such assignee shall relieve the Tenant of any of its duties and obligations hereunder, except as may be otherwise provided in the following Section.

**Section 9.3. Release of the Tenant.** If, in connection with an assignment by the Tenant of its interest in this Lease, (a) the Issuer, the Bank and the Owners of at least seventy-five percent (75%) in aggregate principal amount of the Outstanding Bonds (including any Additional Bonds) shall file their prior written consent to such assignment, and (b) the proposed assignee shall expressly assume and agree to perform all of the obligations of the Tenant under this Lease and the Guaranty Agreement with regard to the Bonds; then the Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment.

**Section 9.4. Mergers and Consolidations.** Notwithstanding the provisions of *Sections 9.2 and 9.3* above, if the Tenant shall assign or transfer, by operation of law or otherwise, its interests in this Lease in connection with a transaction involving the merger or consolidation of the Tenant with or into, or a sale, lease or other disposition of all or substantially all of the property of the Tenant as an entirety to another person, association, corporation or other entity, and (a) the Issuer and the Bank shall file their prior written consent to such assignment, transfer or merger, and (b) the proposed assignee, transferee or surviving entity shall expressly assume and agree to perform all of the obligations of the Tenant under this Lease and the Guaranty Agreement with regard to the Bonds; then and in such event the Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment, transfer or merger.

**Section 9.5. Covenant Against Other Assignments.** The Tenant will not assign or in any manner transfer its interests under this Lease, nor will it suffer or permit any assignment thereof by operation of law, except in accordance with the limitations, conditions and requirements set forth in this *Article IX*.

## ARTICLE X

**Section 10.1. Repairs and Maintenance.** The Tenant covenants and agrees that it will, during the Term of this Lease, at its own expense, keep and maintain the Project and all parts thereof in good condition and repair (ordinary wear and tear excepted), including but not limited to the furnishing of all parts, mechanisms and devices required to keep the machinery, equipment and personal property constituting a part of the Project in good mechanical and working order (ordinary wear and tear excepted).

**Section 10.2. Removal, Disposition and Substitution of Machinery or Equipment.** The Tenant shall have the right, provided the Tenant is not in Default, to remove and sell or otherwise dispose of any machinery or equipment which constitutes a part of the Project and which is no longer used by the Tenant or, in the opinion of the Tenant, is no longer useful to the Tenant in its operations (whether by reason of changed processes, changed techniques, obsolescence, depreciation or otherwise), subject, however, to the following conditions:

(1) Prior to any such removal, the Tenant shall deliver to the Bank a certificate signed by the Authorized Tenant Representative (A) containing a complete description, including the make, model and serial numbers, if any, of any machinery and equipment constituting a part of the Project which it proposes to remove, (B) stating the reason for such removal, (C) stating what disposition, if any, of the machinery or equipment is to be made by the Tenant after such removal and the names of the party or parties to whom such disposition is to be made and any consideration to be received by the Tenant therefor, if any, and (D) setting forth the original cost and the current fair market value of such machinery and equipment.

(2) Prior to any such removal, the Tenant shall pay the current fair market value of such machinery or equipment as set forth in said certificate to the Bank, provided, however, that in no event shall the amount paid be less than the consideration to be received by the Tenant upon the

disposition thereof and the Bank shall deposit such amount in the Bond Fund. Any money deposited in the Bond Fund pursuant to this Section shall be used to redeem Outstanding Bonds at their earliest optional redemption date.

(3) The Tenant may remove any machinery or equipment constituting a part of the Project without first complying with the provisions of subparagraph (2) above if the Tenant promptly replaces any such machinery or equipment so removed with machinery or equipment of the same or a different kind but which is capable of performing the same function, efficiently, as the machinery or equipment so removed. The machinery or equipment so acquired by the Tenant to replace such machinery or equipment thereafter shall be deemed a part of the Project. Within 30 days after any such replacement by the Tenant, the Tenant shall deliver to the Bank a certificate of the Authorized Tenant Representative setting forth a complete description, including make, model and serial numbers, if any, of the machinery or equipment which the Tenant has acquired to replace the machinery or equipment so removed by the Tenant, the cost thereof and that said machinery and equipment have been installed.

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

## ARTICLE XI

**Section 11.1. Alteration of Project.** The Tenant shall have and is hereby given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Project as the Tenant from time to time may deem necessary or advisable, provided however, the Tenant shall not make any major addition, change or alteration which will adversely affect the intended use or structural strength or value of any part of the Improvements. All additions, changes and alterations made by the Tenant pursuant to the authority of this Article shall (a) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, shall be deemed a part of the Project; provided, however, that additions of machinery, equipment and/or personal property of the Tenant, not purchased or acquired from proceeds of the Bonds and not constituting a part of the Project shall remain the separate property of the Tenant and may be removed by the Tenant prior to or as provided in *Section 22.1* hereof.

## ARTICLE XII

**Section 12.1. Additional Improvements.** The Tenant shall have and is hereby given the right, at its sole cost and expense, to construct on the Land or within areas occupied by the Improvements, or in airspace above the Project, such additional buildings and improvements as the Tenant from time to time may deem necessary or advisable. All additional buildings and improvements constructed by the Tenant pursuant to the authority of this Article shall, during the Term, remain the property of the Tenant and may be added to, altered or razed and removed by the Tenant at any time during the Term hereof. The Tenant covenants and agrees (a) to make all repairs and restorations, if any, required to be made to the Project

because of the construction of, addition to, alteration or removal of, said additional buildings or improvements, (b) to keep and maintain said additional buildings and improvements in good condition and repair, ordinary wear and tear excepted, (c) to promptly and with due diligence either raze and remove from the Land, in a good, workmanlike manner, or repair, replace or restore such of said additional buildings or improvements as may from time to time be damaged by fire or other casualty, and (d) that all additional buildings and improvements constructed by the Tenant pursuant to this Article which remain in place after the termination of this Lease for any cause other than the purchase of the Project pursuant to *Article XVII* hereof shall, upon and in the event of such termination, become the separate and absolute property of the Issuer.

### ARTICLE XIII

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

**Section 13.2. Mechanic's Liens.** The Tenant shall not do or suffer anything to be done whereby the Project, or any part thereof, is encumbered by any mechanic's or other similar lien. Should any mechanic's or other similar lien ever be filed against the Project, or any part thereof, the Tenant shall discharge the same of record within 30 days after the date of filing. Notice is hereby given that the Issuer does not authorize or consent to and shall not be liable for any labor or materials furnished to the Tenant or anyone claiming by, through or under the Tenant upon credit, and that no mechanic's or similar liens for any such labor, services or materials shall attach to or affect the reversionary or other estate of the Issuer in and to the Project, or any part thereof.

**Section 13.3. Contest of Liens.** The Tenant, notwithstanding the above, shall have the right to contest any such mechanic's or other similar lien if within said 30-day period stated above it (a) notifies the Issuer and the Bank in writing of its intention so to do, and if requested by the Bank or the Issuer, deposits with the Bank a surety bond issued by a surety company acceptable to the Issuer as surety, in favor of the Issuer, or cash, in the amount of the lien claim so contested, indemnifying and protecting the Issuer from and against any liability, loss, damage, cost and expense of whatever kind or nature growing out of or in any way connected with said asserted lien and the contest thereof, (b) diligently prosecutes such contest, at all times effectively staying or preventing any official or judicial sale of the Project or any part thereof or interest therein, under execution or otherwise, and (c) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and thereafter promptly procures record release or satisfaction thereof.

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

## ARTICLE XIV

**Section 14.1. Indemnity.** The Tenant agrees, whether or not the transactions contemplated by this Lease, the Bonds or the Indenture are consummated, to indemnify and hold harmless the Issuer and its officers, directors, officials, employees and agents, including the Bank as assignee of the Issuer's rights under this Lease, and the Original Purchaser and each of its officers, directors, employees and agents (any or all of the foregoing referred to hereafter as "Indemnified Persons"), from and against all claims, actions, suits, proceedings, expenses, judgments, damages, penalties, fines, assessments, liabilities, charges or other costs (including, without limitation, all attorneys' fees and expenses incurred in connection with enforcing this Lease or collecting any sums due hereunder and any claim or proceeding or any investigations undertaken hereunder) relating to, resulting from, or in connection with (a) any cause in connection with the Project, including, without limitation, the acquisition, design, construction, installation, equipping, operating, maintenance or use thereof; (b) any act or omission of the Tenant or any of its agents, contractors, servants, employees or licenses in connection with the use or operation of the Project; (c) any cause in connection with the issuance and sale of the Bonds, (d) a misrepresentation or breach of warranty by the Tenant hereunder or under any of the documents executed by the Tenant in connection with this Lease, or (e) any violation by the Tenant of any of its covenants hereunder or under any of the other documents executed by the Tenant in connection with the Bonds or this Lease. This indemnity is effective only with respect to any loss incurred by any Indemnified Person not due to willful misconduct, gross negligence, or bad faith on part of such Indemnified Person. In case any action or proceeding shall be brought against one or more Indemnified Person and with respect to which such Indemnified Person may seek indemnity as provided herein, such Indemnified Person shall promptly notify the Tenant in writing and the Tenant shall promptly assume the defense thereof, including the employment of counsel reasonable satisfactory to such Indemnified Person or Indemnified Persons, the payment of all expenses and the right to negotiate and consent to settlement; but the failure to notify the Tenant as provided shall not relieve Tenant from any liability of duty under this Section, so long as Tenant is given reasonable opportunity to defend such claim.

## ARTICLE XV

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

## ARTICLE XVI

**Section 16.1. Option to Extend Basic Term.** The Tenant shall have and is hereby given the right and option to extend the Basic Term of this Lease for the Additional Term provided that (a) the Tenant shall give the Issuer written notice of its intention to exercise the option at least 30 days prior to the expiration of the Basic Term and (b) the Tenant is not in Default hereunder at the time it gives the Issuer such notice or at the time the Additional Term commences. In the event the Tenant exercises such option, the terms, covenants, conditions and provisions set forth in this Lease shall be in full force and effect and binding upon the Issuer and the Tenant during the Additional Term except that the Basic Rent during any extended term

herein provided for shall be the sum of \$100.00 per year, payable in advance on the first Business Day of such Additional Term.

## ARTICLE XVII

**Section 17.1. Option to Purchase Project.** Subject to the provisions of this Article, the Tenant shall have the right and option to purchase the Project at any time during the Term hereof and for 120 days thereafter. The Tenant shall exercise its option by giving the Issuer written notice of the Tenant's election to exercise its option and specifying the date, time and place of closing, which date (the "Purchase Date") shall neither be earlier than 30 days nor later than 180 days after the notice is given. The Tenant may not, however, exercise such option if the Tenant is in Default hereunder on the Purchase Date unless all Defaults are cured upon payment of the purchase price specified in *Section 17.2*.

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

(1) The full amount which is required to provide the Issuer and the Bank with funds sufficient, in accordance with the provisions of the Indenture, to pay at maturity or to redeem and pay in full (A) the principal of all of the Outstanding Bonds, (B) all interest due thereon to date of maturity or redemption, whichever first occurs, and (C) all costs, expenses and premiums incident to the redemption and payment of said Bonds in full, plus

(2) \$100.00.

Nothing in this Article shall release or discharge the Tenant from its duty or obligation under this Lease to make any payment of Basic Rent or Additional Rent which, in accordance with the terms of this Lease, becomes due and payable prior to the Purchase Date, or its duty and obligation to fully perform and observe all covenants and conditions herein stated to be performed and observed by the Tenant prior to the Purchase Date.

**Section 17.3. Closing of Purchase.** On the Purchase Date the Issuer shall deliver to the Tenant its special warranty deed and/or other appropriate instrument or instruments of conveyance or assignment, properly executed and conveying the Project to the Tenant free and clear of all liens and encumbrances except as set forth in the preceding section above, or conveying such other title to the Project as may be acceptable to the Tenant, and the Tenant shall pay the full purchase price for the Project as follows: (a) the amount specified in clause (1) of *Section 17.2* shall be paid to the Bank for deposit in the Bond Fund to be used to pay or redeem Bonds and the interest thereon as provided in the Bond Agreement, and (b) the amount specified in clause (2) of said *Section 17.2* shall be paid to the Issuer; provided, however, nothing herein shall require the Issuer to deliver its appropriate instrument or instruments of assignment or conveyance to the Tenant until after all duties and obligations of the Tenant under this Lease to the date of such delivery have been fully performed and satisfied or adequate provision made for such performance and satisfaction. Upon the delivery to the Tenant of the Issuer's appropriate instrument or instruments of

assignment or conveyance, payment of the purchase price by the Tenant and legal defeasance of the Bonds, this Lease shall *ipso facto* terminate, subject to the provisions of *Section 20.2* hereof.

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

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

**Section 17.6. Option to Purchase Unimproved Portions of Land.** The Tenant shall have the option to purchase at any time and from time to time during the Term any vacant part or vacant parts of the unimproved Land constituting a part of the Project; provided, however, the Tenant shall furnish the Issuer and the Bank with a certificate of an Authorized Tenant Representative, dated not more than thirty (30) days prior to the date of the purchase and stating that, in the opinion of the Authorized Tenant Representative, (a) the portion of said Land with respect to which the option is exercised is not needed for the operation of the Project for the purposes herein stated, (b) the purchase will not impair the usefulness or operating efficiency or materially impair the value of the Project and will not destroy or materially impair the means of ingress thereto and egress therefrom, and (c) the purchase will not materially adversely affect compliance of the remaining Land and any Improvements with applicable zoning laws or regulations. The Tenant shall exercise this option by giving the Issuer and the Bank written notice of the Tenant's election to exercise its option and specifying (i) the legal description, (ii) the date, time and place of closing, which date shall neither be earlier than 45 days nor later than 60 days after the notice is given, (iii) the appraised current fair market value of the portions of the Land with respect to which the Tenant's option is exercised as determined by an independent, qualified appraiser whose report shall be furnished to the Bank together with the Tenant's notice of election to purchase, and (iv) a certificate signed by the chief executive or chief financial officer of the Tenant stating that no event has occurred and is continuing which, with notice or lapse of time or both, would constitute an Event of Default; provided, however, that the Tenant may not exercise this option if there has occurred and is continuing any event which, with notice or lapse of time or both, would constitute an Event of Default at the time said notice is given and may not purchase said real property on the specified closing date if any such event has occurred and is continuing on said date unless all defaults are cured. The option hereby given shall include the right to purchase a perpetual easement for right-of-way to and from the public roadway and the right to purchase such land as is necessary to assure that there will always be access between the real property purchased pursuant to these *Sections 17.6* through *17.10* and the public roadway.

**Section 17.7. Quality of Title - Purchase Price.** If said notice of election to purchase is given as provided in *Section 17.6* the Issuer shall convey the real property described in the Tenant's notice to the

Tenant on the specified date free and clear of all liens and encumbrances except (a) Permitted Encumbrances, (b) those to which the title was subject on the date of conveyance to the Issuer of the Land, or to which title became subject with the Tenant's written consent, or which resulted from any failure of the Tenant to perform any of its covenants or obligations under this Lease, (c) taxes and assessments, general and special, if any, and (d) the interests of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the real property described in the Tenant's notice. The purchase price shall be \$100.

**Section 17.8. Closing of Purchase.** If the Issuer has title to such vacant real property free and clear of all liens and encumbrances except as stated above or has such other title to the such real property as may be acceptable to the Tenant, then on the specified date, the Issuer shall deliver to the Tenant its special warranty deed, properly executed and conveying such real property to the Tenant free and clear of all liens and encumbrances except as stated above, and the Tenant shall pay the purchase price for such real property, said purchase price to be paid to the Bank for the account of the Issuer and deposited by the Bank in the Bond Fund and shall be used to redeem Bonds on any date the Bonds are subject to optional redemption as provided in the Bond Agreement. Nothing herein shall require the Issuer to deliver its special warranty deed to the Tenant until after all duties and obligations of the Tenant under this Lease to the date of such delivery have been fully performed and satisfied.

**Section 17.9. Effect of Purchase on Lease.** The exercise by the Tenant of the option granted under these *Sections 17.6 to 17.10* and the purchase and sale and conveyance of a portion or portions of the Land constituting a part of the Project pursuant hereto shall in no way whatsoever affect this Lease, and all the terms and provisions hereof shall remain in full force and effect the same as though no notice of election to purchase had been given, and specifically, but not in limitation of the generality of the foregoing, exercise of such option shall not affect, alter, diminish, reduce or abate the Tenant's obligations to pay all Basic Rent and Additional Rent required hereunder.

**Section 17.10. Effect of Failure to Complete Purchase.** If, for any reason whatsoever, the purchase by the Tenant of the real property described in said notice is not effected on the specified date, this Lease shall be and remain in full force and effect according to its terms the same as though no notice of election to purchase had been given.

## ARTICLE XVIII

### Section 18.1. Damage and Destruction.

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

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

(c) If the Tenant shall reasonably determine that rebuilding, repairing, restoring or replacing the Improvements is not practicable and desirable, any Net Proceeds of property and/or casualty insurance required by this Lease and received with respect to any such damage or loss to the Project shall be paid into the Bond Fund. Such moneys shall be used to redeem Bonds at their earliest optional redemption date. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection (c).

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

#### **Section 18.2. Condemnation.**

(a) If, during the Term title to, or the temporary use of, all or any part of the Project shall be condemned by any authority exercising the power of eminent domain (other than the Issuer), the Tenant shall, within 30 days after the date of entry of a final order in any eminent domain proceedings granting condemnation, notify the Issuer and the Bank in writing as to the nature and extent of such condemnation and whether it is practicable and desirable to acquire substitute land or construct substitute Improvements.

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

(c) If the Tenant and Bank shall reasonably determine that it is not practicable and desirable to acquire or construct substitute Improvements, any Net Proceeds of condemnation awards received by the Tenant shall be paid into the Bond Fund. Such moneys shall be used to redeem Bonds at their earliest optional redemption date. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection.

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

(e) The Issuer shall cooperate fully with the Tenant in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any part thereof so long as the Issuer is not the condemning authority. In no event will the Issuer voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Tenant and the Bank.

**Section 18.3. Effect of Tenant's Defaults.** Anything in this Article to the contrary notwithstanding, the Issuer and the Bank shall have the right at any time and from time to time to withhold payment of all or any part of the Net Proceeds from the Project Fund attributable to damage, destruction or condemnation of the Project to the Tenant or any third party if an Event of Default has occurred and is

continuing, or the Issuer or the Bank has given notice to the Tenant of any Default which, with the passage of time, will become an Event of Default. In the event the Tenant shall cure any Defaults specified herein, the Bank shall make payments from the Net Proceeds to the Tenant in accordance with the provisions of this Article. However, if this Lease is terminated or the Issuer or the Bank otherwise re-enters and takes possession of the Project without terminating this Lease, the Bank shall pay all the Net Proceeds held by it into the Bond Fund and all rights of the Tenant in and to such Net Proceeds shall cease.

## ARTICLE XIX

**Section 19.1. Change of Circumstances.** If at any time during the Basic Term, a Change of Circumstances occurs, then the Tenant shall have the option to purchase the Project pursuant to *Article XVII* or the option to terminate this Lease by giving the Issuer notice of such termination within 90 days after the Tenant has actual knowledge of the event giving rise to such option. Such termination shall become effective when all of the Bonds Outstanding are paid or payment is provided for in the manner described in *Section 3(f)* of the Bond Agreement.

## ARTICLE XX

**Section 20.1. Remedies on Default.** Whenever any Event of Default shall have happened and be continuing, the Bank (acting on behalf of the Issuer, as assignee of the Issuer's rights hereunder) may take any legal action, including but not limited to, one or more of the following remedial actions:

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

(b) The Bank acting on behalf of the Issuer may give the Tenant written notice of intention to terminate this Lease on a date specified therein, which date shall not be earlier than 30 days after such notice is given and, if all Events of Default have not then been cured on the date so specified, the Tenant's rights to possession of the Project shall cease, and this Lease shall thereupon terminate. The Bank acting on behalf of the Issuer may thereafter re-enter and take possession of the Project and pursue all its available remedies, including sale of the Project and judgment against the Tenant for possession of the Project and/or all Basic Rent and Additional Rent then owing, including costs and attorney fees.

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

(d) Without terminating the Term, the Bank acting on behalf of the Issuer may relet the Project, or parts thereof, for such term or terms and at such rental and upon such other terms and conditions as are deemed advisable, with the right to make alterations and repairs to the Project, and no such re-entry or taking of possession of the Project shall be construed as an election to terminate this Lease, and no such re-entry or taking of possession shall relieve the Tenant of its obligation to pay Basic Rent or Additional Rent (at the time or times provided herein), or of any of its other obligations under this Lease, all of which

shall survive such re-entry or taking of possession. The Tenant shall continue to pay the Basic Rent and Additional Rent provided for in this Lease until the end of the Term, whether or not the Project shall have been relet, less the net proceeds, if any, of reletting the Project.

(e) Having elected to reenter or take possession of the Project pursuant to subsection 20.1(c), the Bank acting on behalf of the Issuer may, by notice to the Tenant given at any time thereafter while the Tenant is in Default in the payment of Basic Rent or Additional Rent or in the performance of any other obligation under this Lease, elect to terminate this Lease in accordance with subsection 20.1(b) and thereafter proceed to exercise any remedies lawfully available.

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

(g) Net proceeds of any reletting or sale of the Project shall be deposited in the Bond Fund for application to pay the Bonds and interest thereon. "Net proceeds" shall mean the receipts obtained from reletting or sale after deducting all expenses incurred in connection with such reletting or sale, including without limitation, all repossession costs, brokerage commissions, legal fees and expenses, expenses of employees, alteration costs and expenses of preparation of the Project for reletting or sale.

(h) The Issuer or the Bank acting on behalf of the Issuer may recover from the Tenant any attorney fees or other expense incurred in exercising any of its remedies under this Lease.

**Section 20.2. Survival of Obligations.** The Tenant covenants and agrees with the Issuer, the Bank and the Owner(s) of Bonds that until all Bonds and the interest thereon and redemption premium, if any, are paid in full or provision is made for the payment thereof, its obligations under this Lease shall survive the cancellation and termination of this Lease for any cause and/or sale of the Project, and that the Tenant shall be obligated to pay Basic Rent and Additional Rent (reduced by any net income the Issuer or the Bank may receive from the Project after such termination) and perform all other obligations provided for in this Lease, all at the time or times provided in this Lease. Notwithstanding any provision of this Lease or the Bond Agreement, the Tenant's obligations under *Sections 8.2 and 14.1* hereof shall survive any termination, release or assignment of this Lease, the Bond Agreement or Guaranty Agreement and payment or provision for payment of the Bonds.

**Section 20.3. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute, subject to the provisions of the Bond Agreement. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice required herein.

## ARTICLE XXI

**Section 21.1. Performance of the Tenant's Obligations by the Issuer.** If the Tenant shall fail to keep or perform any of its obligations as provided in this Lease, then the Issuer may (but shall not be

obligated to do so) upon the continuance of such failure on the Tenant's part for 90 days after notice of such failure is given the Tenant by the Issuer or the Bank and without waiving or releasing the Tenant from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and the Tenant shall reimburse the Issuer for all sums so paid by the Issuer and all necessary or incidental costs and expenses incurred by the Issuer in performing such obligations through payment of Additional Rent. If such Additional Rent is not so paid by the Tenant within 10 days of demand, the Issuer shall have the same rights and remedies provided for in *Article XX* in the case of Default by the Tenant in the payment of Basic Rent.

## ARTICLE XXII

**Section 22.1. Surrender of Possession.** Upon accrual of the Issuer's right of reentry as the result of the Tenant's Default hereunder or upon the cancellation or termination of this Lease by lapse of time or otherwise (other than as a result of the Tenant's purchase of the Project), the Tenant shall peacefully surrender possession of the Project to the Bank, as assignee of the Issuer in good condition and repair, ordinary wear and tear excepted; provided, however, the Tenant shall have the right, prior to or within 30 business days after the termination of this Lease, to remove from on or about the Project the buildings, improvements, machinery, equipment, personal property, furniture and trade fixtures which the Tenant owns under the provisions of this Lease and are not a part of the Project. All repairs to and restorations of the Project required to be made because of such removal shall be made by and at the sole cost and expense of the Tenant. All buildings, improvements, machinery, equipment, personal property, furniture and trade fixtures owned by the Tenant and which are not so removed from on or about the Project prior to or within 30 business days after such termination of this Lease shall become the separate and absolute property of the Issuer.

## ARTICLE XXIII

**Section 23.1. Notices.** All notices required or desired to be given hereunder shall be in writing and shall be delivered in person to the Notice Representative or mailed by registered mail to the Notice Address. All notices given by registered mail as aforesaid shall be deemed duly given as of the date three days after they are so mailed. When mailed notices are given, the party giving notice will use reasonable diligence to contact the party being notified by telephone, electronic mail or facsimile on or before the date such notice is mailed.

## ARTICLE XXIV

**Section 24.1. Triple-Net Lease.** The parties hereto agree (a) that this Lease is intended to be a triple-net lease, (b) that the payments of Basic Rent and Additional Rent are designed to provide the Issuer and the Bank with funds adequate in amount to pay all principal of and interest on all Bonds as the same become due and payable and to pay and discharge all of the other duties and requirements set forth herein, and (c) that to the extent that the payments of Basic Rent and Additional Rent are not adequate to provide the Issuer and the Bank with funds sufficient for the purposes aforesaid, the Tenant shall be obligated to pay, and it does hereby covenant and agree to pay, upon demand therefor, as Additional Rent, such further sums of money as may from time to time be required for such purposes.

**Section 24.2. Funds Held by the Bank After Payment of Bonds.** If, after the principal of and interest on all Bonds and all costs incident to the payment of Bonds have been paid in full, the Bank holds

unexpended funds received in accordance with the terms hereof, such unexpended funds shall, except as otherwise provided in this Lease and the Bond Agreement and after payment therefrom to the Issuer of any sums of money then due and owing by the Tenant under the terms of this Lease, be the absolute property of and be paid over forthwith to the Tenant.

## ARTICLE XXV

**Section 25.1. Rights and Remedies.** The rights and remedies reserved by the Issuer and the Tenant hereunder and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The Issuer and the Tenant shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Lease, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

**Section 25.2. Waiver of Breach.** No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the nondefaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such Default or Defaults which were in existence at the time such payment or payments or performance were accepted by it.

**Section 25.3. The Issuer Shall Not Unreasonably Withhold Consents and Approvals.** Wherever in this Lease it is provided that the Issuer shall, may or must give its approval or consent, or execute supplemental agreements, exhibits or schedules, the Issuer shall not unreasonably or arbitrarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements, exhibits or schedules.

## ARTICLE XXVI

**Section 26.1. The Issuer May Not Sell.** The Issuer covenants that unless an Event of Default under this Lease has occurred and is continuing, and the remaining Term of this Lease has been terminated, it will not, without the Tenant's written consent, unless required by law, sell or otherwise part with or encumber its fee title interest in the Project at any time during the Term of this Lease.

**Section 26.2. Quiet Enjoyment and Possession.** The Tenant shall enjoy peaceable and quiet possession of the Project as long as no Event of Default has occurred and is continuing.

**Section 26.3. Financial Report; Furnishing of Financial Information.** So long as any Bonds are Outstanding and unpaid and subject to the terms of the Bond Agreement, the Tenant shall furnish or cause to be furnished to the Bank the financial statements and other financial information required by *Article V* of the Guaranty Agreement.

**Section 26.4. Issuer's Obligations Limited.** Except as otherwise expressly provided in this Lease, no recourse upon any obligation or agreement contained in this Lease or in any Bond or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise under any circumstances, under or independent of the Bond Agreement, shall be had against the Issuer and its officers, employees and agents.

Notwithstanding anything in this Lease to the contrary, it is expressly understood and agreed by the parties hereto that (a) the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Issuer by the Tenant, an Owner(s) of Bonds or the Bank as to the existence of any fact or state of affairs required to be noticed by the Issuer hereunder; (b) the Issuer shall not be under any obligation to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed or provided either by the Tenant, the Bank or the Owner(s) of Bonds; and (c) that none of the provisions of this Lease shall require the Issuer to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless it shall have first been adequately indemnified to its satisfaction against the costs, expenses and liability which may be incurred by such action.

Notwithstanding anything in this Lease to the contrary, any obligation the Issuer may incur under this Lease or under any instrument or document executed by the Issuer in connection with this Lease that entails the expenditure of any money by the Issuer shall be only a limited obligation of the Issuer payable solely from the revenues derived by the Issuer under the Lease and shall not be, under any circumstances, a general obligation of the Issuer.

## ARTICLE XXVII

**Section 27.1. Investment Tax Credit; Depreciation.** The Tenant shall be entitled to claim the full benefit of (1) any investment credit against federal or state income tax allowable with respect to expenditures of the character contemplated hereby under any federal or state income tax laws now or from time to time hereafter in effect, and (2) any deduction for depreciation with respect to the Project from federal or state income taxes. The Issuer agrees that it will upon the Tenant's request execute all such elections, returns or other documents which may be reasonably necessary or required to more fully assure the availability of such benefits to the Tenant.

## ARTICLE XXVIII

**Section 28.1. Amendments.** This Lease may be amended, changed or modified in writing in the following manner:

(a) With respect to an amendment, change or modification which reduces the Basic Rent or Additional Rent, or any amendment which reduces the percentage of Owner(s) of Bonds whose consent is required for any such amendment, change or modification, by an agreement in writing executed by the Issuer and the Tenant and consented to in writing by the Bank and by Owner(s) of Bonds owning at least 90% of the aggregate principal amount of the Bonds then Outstanding;

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

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

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

**Section 28.2. Granting of Easements.** If no Event of Default under this Lease shall have happened and be continuing, the Tenant may, at any time or times, (a) grant easements, licenses and other rights or privileges in the nature of easements with respect to any property included in the Project, free from any rights of the Issuer or the Owner(s) of Bonds, or (b) release existing easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and upon such terms and conditions as the Tenant shall determine, and the Issuer agrees, to the extent that it may legally do so, that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by the Issuer of: (1) a copy of the instrument of grant or release or of the agreement or other arrangement, (2) a written application signed by the Authorized Tenant Representative requesting such instrument, and (3) a certificate executed by the Tenant stating (A) that such grant or release is not detrimental to the proper conduct of the business of the Tenant, and (B) that such grant or release will not impair the effective use or interfere with the efficient and economical operation of the Project and will not materially adversely affect the security of the Owner(s) of Bonds. Any consideration received by the Tenant for the grant or release must be paid to the Bank to be deposited in the Bond Fund and used to redeem Bonds at the earliest practicable date, at their principal amount, plus accrued interest, without premium. If the instrument of grant shall so provide, any such easement or right and the rights of such other parties thereunder shall be superior to the rights of the Issuer and the Owner(s) of Bonds and shall not be affected by any termination of this Lease or default on the part of the Tenant hereunder. If no Event of Default shall have happened and be continuing, any payments or other consideration received by the Tenant for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the Tenant, but, in the event of the termination of this Lease because of an Event of Default, all rights then existing of the Tenant with respect to or under such grant shall inure to the benefit of and be exercisable by the Issuer.

**Section 28.3. Security Interests.** (a) The Issuer and the Tenant agree to execute and deliver all instruments (including financing statements and statements of continuation thereof) necessary for perfection of and continuance of the security interest of the Issuer in and to the Project. The Tenant hereby authorizes the Issuer to file or cause to be filed all such instruments required to be so filed and the Bank to continue or cause to be continued the filings or liens of such instruments for so long as the Bonds shall be Outstanding.

(b) Under the Collateral Assignment of Lease, the Issuer will, as additional security for the Bonds assign, transfer, pledge and grant a security interest in its rights under this Lease to the Bank. The Issuer hereby authorizes the Bank to file financing statements or any other instruments necessary to perfect its security interest. The Bank is hereby given the right to enforce, either jointly with the Issuer or separately, the performance of the obligations of the Tenant, and the Tenant hereby consents to the same and agrees that the Bank may enforce such rights as provided in the Collateral Assignment of Lease and the Tenant will make payments required hereunder directly to the Bank.

**Section 28.4. Construction and Enforcement.** This Lease shall be construed and enforced in accordance with the laws of the State. Wherever in this Lease it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

**Section 28.5. Invalidity of Provisions of Lease.** If, for any reason, any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

**Section 28.6. Covenants Binding on Successors and Assigns.** The covenants, agreements and conditions herein contained shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**Section 28.7. Section Headings.** The section headings hereof are for the convenience of reference only and shall not be treated as a part of this Lease or as affecting the true meaning of the provisions hereof. The reference to section numbers herein or in the Bond Agreement shall be deemed to refer to the numbers preceding each section.

**Section 28.8. Execution of Counterparts; Electronic Transactions.** This Lease may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

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**IN WITNESS WHEREOF**, the Issuer has caused this Lease to be signed by an authorized official, such signature to be attested by an authorized officer, and its official seal to be applied, as of the date first above written.

**CITY OF MAIZE, KANSAS**

By: \_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

By: \_\_\_\_\_  
City Clerk

"ISSUER"

**ACKNOWLEDGMENT**

STATE OF KANSAS            )  
  ) SS:  
COUNTY OF SEDGWICK        )

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2015, by Clair E. Donnelly, Mayor, and Jocelyn Reid, City Clerk, of the City of Maize, Kansas, a municipal corporation.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

KAB\600422.70048\LEASE

(Issuer Signature Page to Lease)

**IN WITNESS WHEREOF**, the Tenant has caused this Lease to be signed by an authorized officer, as of the date first above written.

**1735 S. MAIZE ROAD, LLC**

By: \_\_\_\_\_  
Name:  
Title:

"TENANT"

**ACKNOWLEDGMENT**

STATE OF KANSAS            )  
  ) SS:  
COUNTY OF SEDGWICK    )

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_, \_\_\_\_\_ of 1735 S. Maize Road, LLC, a Kansas limited liability company.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:  
\_\_\_\_\_

KAB\600422.70048\LEASE

(Tenant Signature Page to Lease)

**APPENDIX A**

**FORM OF REQUISITION FOR PAYMENT OF PROJECT COSTS**

**CITY OF MAIZE, KANSAS**  
**Project Fund**  
**(Reiloy USA Project)**  
**Payment Order No. \_\_\_\_\_**

Union State Bank  
Wichita, Kansas  
Attn: Commercial Loan Department

You are hereby authorized and directed by the undersigned, the Authorized Tenant Representative, acting on behalf of 1735 S. Maize Road, LLC (the "Tenant") to disburse funds held by you as fiscal and paying agent in the above mentioned Project Fund for the purposes and in the amounts set forth in the Payment Schedules attached hereto and incorporated herein by reference (the "Payment Schedules").

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

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

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

I further certify that each of the representations and covenants on the part of the Tenant contained in the Lease dated as of December 1, 2015 by and between the City of Maize, Kansas, as the Issuer, and the Tenant are now true and correct in all material respects and are now being materially complied with.

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

DATED \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Authorized Tenant Representative

EXHIBIT A - Payment Order No. \_\_\_\_\_

**PAYMENT SCHEDULE  
FOR BUILDINGS, IMPROVEMENTS AND  
MISCELLANEOUS PROJECT COSTS**

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

PAYMENT SCHEDULE

<u>Payee Name</u>	<u>Payee Address</u>	<u>Purpose or Nature of Payment</u>	<u>Amount</u>
-------------------	----------------------	-------------------------------------	---------------

\_\_\_\_\_  
Initials

KAB\600422.70048\LEASE (11-11-15)

A-2

EXHIBIT B - Payment Order No. \_\_\_\_\_

**PAYMENT SCHEDULE  
FOR MACHINERY AND EQUIPMENT**

I hereby request payment of the amounts specified below to the payees whose names and addresses are stated below. I certify that the description of the purchase or nature of each payment is reasonable, accurate and complete. I further certify that the items described are free and clear of any liens or security interests. I have attached to this schedule a copy of the purchase order or seller's invoice for each item, and, to the extent any payment is a reimbursement to the Tenant, a copy of the check tendered in payment for such item.

PAYMENT SCHEDULE

<u>Payee Name</u>	<u>Description of Equipment</u>	<u>Amount</u>
	(include name and address of seller, manufacturer, descriptive name, technical description, capacity, serial number of model number as appropriate)	

\_\_\_\_\_  
Initials

**APPENDIX B**

**FORM OF CERTIFICATE OF COMPLETION**

**CERTIFICATE OF COMPLETION**

The undersigned, being the Authorized Tenant Representative for 1735 S. Maize Road, LLC (the "Tenant"), as tenant under a certain Lease dated as of December 1, 2015 (the "Lease") between the City of Maize, Kansas (the "Issuer") and the Tenant, and as beneficiary of the Issuer's Taxable Industrial Revenue Bonds, Series 2015B (Reiloy USA Project) issued pursuant to a certain Bond Agreement dated as of December 1, 2015 (the "Bond Agreement"), hereby certifies as follows. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Bond Agreement and Lease.

1. The Improvements have been substantially completed in accordance with the plans and specifications prepared at the Tenant's direction.
2. Such Improvements have been substantially completed in a good and workmanlike manner.
3. There are no mechanic's, materialmen's liens or other statutory liens on file encumbering title to the Land; all bills for labor and materials furnished for the Improvements which could form the basis of a mechanic's, materialmen's or other statutory lien against the Land have been paid in full, and within the past four months no such labor or materials have been furnished which have not been paid for.
4. All Improvements are located or installed upon the Land.
5. All material provisions of applicable building codes have been complied with and, if applicable, a certificate of occupancy has been issued with respect to the Project.
6. All moneys remaining in the Project Fund being held by the Bank under the Bond Agreement should be transferred to the Bond Fund being held by the Bank under the Bond Agreement, to be applied as provided therein.

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

\_\_\_\_\_ )  
STATE OF KANSAS )  
) SS:  
COUNTY OF SEDGWICK )

Subscribed and sworn to or affirmed before me, a notary public, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires: \_\_\_\_\_

***SCHEDULE I***

**PROPERTY SUBJECT TO LEASE**

(A) The following described real estate located in Sedgwick County, Kansas, to wit:

Lot 1 and Lot 3, Maize Industrial Addition to the City of Maize, Sedgwick County, Kansas

said real property constituting the "Land" as referred to in the Lease, subject to Permitted Encumbrances.

(B) The buildings, improvements, equipment, fixtures and personal property now or hereafter acquired, constructed, or installed on the Land and financed or refinanced with proceeds of the Bonds, including but not limited to the following:

A 55,000 leasable square foot custom constructed building.

The property described in paragraphs (A) and (B) of this *Schedule I*, together with any alterations or additional improvements properly deemed a part of the Project pursuant to and in accordance with the provisions of *Sections 10.3* and *10.4* of the Lease, constitute the "Project" as referred to in both the Lease and the Bond Agreement.

**RAW INVESTMENTS, INC.  
AS TENANT**

**CITY OF MAIZE, KANSAS  
AS ISSUER**

**RAW INVESTMENTS, INC.  
AS PURCHASER**

**BOND PURCHASE AGREEMENT**

**\$3,000,000  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES 2015A  
(AERO-TECH ENGINEERING PROJECT)**

---

## BOND PURCHASE AGREEMENT

\$3,000,000  
CITY OF MAIZE, KANSAS  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES 2015A  
(AERO-TECH ENGINEERING PROJECT)

**THIS AGREEMENT** entered into as of December 1, 2015 (the "Sale Date"), between RAW Investments, Inc., Wichita, Kansas, a Kansas corporation, as tenant under the hereinafter described Lease (the "Company"), the City of Maize, Kansas (the "Issuer") and RAW Investments, Inc., Wichita, Kansas, as purchaser of the above-referenced Bonds (the "Purchaser"), collectively referred to herein as the "Parties." All capitalized terms not specifically defined herein shall have the same meaning as defined in the hereinafter referenced Indenture and Lease, unless some other meaning is plainly indicated.

### SECTION 1. RECITALS.

(a) The Issuer proposes to issue and sell the Bonds identified above (the "Bonds") to provide funds for the acquisition and construction of a manufacturing facility (the "Project") located within the corporate limits of the Issuer, to be leased by the Issuer to the Company pursuant to a Lease dated as of December 1, 2015 (the "Lease"). The Project will be subleased by the Company to Aero-Tech Engineering, Inc., a Kansas corporation, pursuant to a [Sublease dated as of \_\_\_\_\_] (the "Sublease").

(b) Pursuant to the constitution and laws of the State of Kansas, including K.S.A. 12-1740 *et seq.* (the "Act"), the Bonds are limited obligations of the Issuer payable solely from the Trust Estate under the Indenture (hereinafter defined), including payments derived by the Issuer from the Lease. The Bonds will be dated as of their issue date, will contain such other terms and provisions as are set forth in an ordinance duly passed by the governing body of the Issuer on November 16, 2015 (the "Ordinance"), and other proceedings and determinations related thereto as authorized and governed by the provisions of a Trust Indenture (the "Indenture") dated December 1, 2015 between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as trustee (the "Trustee").

(c) Pursuant to a Guaranty Agreement dated as of December 1, 2015 (the "Guaranty Agreement") between the Company and the Trustee, the Guarantor unconditionally guarantees the full, prompt, and complete payment of all principal, interest, and redemption premium, if any, on the Bonds.

(d) In order to induce the Purchaser to enter into this Bond Purchase Agreement and to purchase the Bonds at a price and bearing interest at the rate or rates set forth in the Indenture, the Issuer and the Company have joined in this Bond Purchase Agreement.

### SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS.

(a) On the basis of the representations, warranties and covenants contained herein and in the other agreements and documents referred to herein, and subject to the terms and conditions herein set forth, the Purchaser agrees to purchase from the Issuer and the Issuer agrees to sell to the Purchaser the Bonds not later than 12:00 Noon, applicable Central time on December 2, 2015, or such other place, time or date as shall be mutually agreed upon by the Issuer and the Purchaser, at the purchase price set forth on **Exhibit A** attached hereto (the "Purchase Price"). The date of such delivery and payment is herein called the "Closing Date," the hour and date of such delivery and payment is herein called the "Closing Time"

and the transactions to be accomplished for delivery of the Bonds on the Closing Date shall be herein called the "Closing." The Bonds shall be issued under and secured as provided in the Indenture and the Bonds shall have the maturities and interest rates as set forth therein and on *Exhibit A* attached hereto, which also contains a summary of the redemption provisions of the Bonds. The Bonds shall contain such other provisions as are described in the Indenture.

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

(c) Payment of the Purchase Price for the Bonds shall be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds, payable to the order of the Trustee for the account of the Issuer on or before the Closing Time on the Closing Date, or as may otherwise be agreed to by the parties. Upon such payment, the Bonds shall be delivered and released upon the instructions of the Purchaser. The Bonds are purchased by Purchaser under the following conditions: (i) the Bonds are not being registered or otherwise qualified for sale under the "Blue Sky" laws; (ii) Purchaser will hold the Bonds as one single debt instrument, (iii) no CUSIP numbers will be obtained for the Bonds, (iv) no official statement or other similar offering document has been prepared in connection with the private placement of the Bonds, and (v) the Bonds will not close through the DTC or any similar repository and will not be in book entry form.

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

### **SECTION 3. REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PURCHASER**

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

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

(b) Purchaser is purchasing the Bonds as an investment for its own account and not with a view to the sale, redistribution or other disposition thereof in the ordinary course of business in a transaction not amounting to a public offering as contemplated by Section 4(2) of the Securities Act of 1933, as amended. Purchaser acknowledges that (1) the Bonds will not be registered under the Securities Act of 1933, as amended or any applicable state securities law, (2) the Bonds may not be transferred unless, in the opinion of counsel acceptable to the Issuer and the Trustee, such transfer will not cause a violation of the Securities Act of 1933, as amended, or any applicable state securities law and that (3) language consistent with the foregoing restrictions will appear in the registration and transfer provisions of the Indenture.

#### **SECTION 4. ISSUER'S REPRESENTATIONS.**

The Issuer represents, covenants and warrants, to the best of its knowledge and belief, as follows, all of which will continue in effect subsequent to the Closing:

(a) The Issuer is a municipal corporation incorporated as a city of the third class under the laws of the State of Kansas.

(b) The governing body of the Issuer did enact the Ordinance; it has been approved and signed by a duly authorized official of the Issuer, it has been published once in the official city newspaper as required by law, and it is presently in full force and effect and has not been amended or modified.

(c) The Issuer has full power and authority to execute and deliver the Indenture, the Lease, the Bond Purchase Agreement and any and all other documents reasonably necessary in connection with the Indenture, the Lease and the Bond Purchase Agreement (the "Issuer Documents"); the Issuer Documents have been duly executed and delivered by the Issuer in the manner authorized and constitute legal, valid and binding obligations of the Issuer in accordance with their terms, except to the extent limited by or subject to bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights, principles of equity or the exercise of judicial discretion.

(d) The execution, delivery and performance of the Issuer Documents will not conflict with or constitute on the part of the Issuer a material breach or default under any agreement, indenture or instrument known to it to which the Issuer is a party or by which it is bound.

(e) The Issuer has duly and validly authorized the taking on its behalf of any and all actions necessary to carry out and give effect to the transactions contemplated to be performed on its part by the Ordinance and the Issuer Documents.

(f) There is not now pending or, to the knowledge of the officials of the Issuer, threatened any litigation seeking to restrain or enjoin the issuance or delivery of the Bonds, or contesting or questioning (i) the validity of the Bonds, (ii) the proceedings or authority under which they are issued, (iii) the existence of the Issuer, (iv) the authority of the Issuer to enact the Ordinance or enter into the Issuer Documents, or (v) the Issuer's pledge of the Project, the revenues therefrom and the Trust Estate under the Indenture as security for the payment of the Bonds.

(g) Any certificate signed by an official of the Issuer and delivered to the Purchaser shall be deemed a representation by the Issuer to the Purchaser as to the truth of the statements made in such certificate.

## **SECTION 5. REPRESENTATIONS OF THE COMPANY.**

The Company makes the following representations as of the Closing, all of which will continue in effect subsequent to the Closing:

(a) The statements and information relating to the Project, the Company, and the anticipated sources and use of funds to be applied in connection with the issuance of the Bonds are true and correct in all material respects and do not omit any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(b) The Company is a duly formed Kansas corporation, duly authorized to do business under the laws of the State of Kansas.

(c) The Company has full power and authority to enter into, execute and deliver the Lease, the Sublease, the Guaranty Agreement and this Bond Purchase Agreement (the "Company Documents"), and to perform its obligations thereunder, all of which have been duly authorized by all proper and necessary corporate action, and no consent or approval of parties not signatories to this Bond Purchase Agreement or of any public authority other than the Issuer is necessary to carry out the same.

(d) The execution, delivery and performance by the Company of the Company Documents will not conflict with or constitute a material violation or breach of or a default under its articles of incorporation or bylaws, or any mortgage, indenture, deed of trust, contract, instrument or agreement binding on it or affecting its property, or any provision of law or order, rule, regulation, ordinance or decree of any court, government or governmental body having jurisdiction over the Company or any of its property.

(e) To the actual knowledge of the officer of the Company signing this Bond Purchase Agreement, there is no litigation, proceeding or investigation by or before any court, public board or body, pending, or threatened, against or affecting the Company, its officers or property, challenging the validity of the Company Documents, or seeking to enjoin any of the transactions contemplated by such instruments or the performance by the Company of its obligations thereunder, or challenging the acquisition or operation of the Project. Further, no litigation, proceeding, or investigation is pending or, to the knowledge of the officer of the Company signing this Bond Purchase Agreement, threatened, against the Company, its officers or property except (i) that arising in the normal course of the its business operations, and being defended by or on behalf of the Company, in which the probable ultimate recovery and estimated defense costs and expenses, in the opinion of the Company's management will be entirely within applicable insurance policy limits (subject to applicable self-insurance, retentions and deductibles), or (ii) that which, if determined adversely to the Company, would not, in the opinion of the Company's management, materially adversely affect the Company's operations or condition, financial or otherwise.

## **SECTION 6. REPRESENTATIONS TO SURVIVE CLOSING.**

The representations, warranties, agreements, and indemnities of the Issuer, the Company and the Purchaser contained herein will survive the Closing and any investigation made by or on behalf of the Issuer, the Purchaser, or the Company of any matters described in, or related to, the transactions contemplated hereby and by the Lease, the Sublease and Guaranty Agreement.

## SECTION 7. CONDITIONS OF CLOSING.

The Purchaser's obligations to purchase the Bonds are subject to fulfillment of the following conditions at or before Closing:

(a) The representations of the Issuer and the Company hereunder must be true on and as of the Closing date and must be confirmed by certificates dated as of the Closing;

(b) Neither the Issuer nor the Company has defaulted in the performance of any of their respective covenants hereunder;

(c) The Purchaser must receive at the Closing:

- (i) an opinion of Bond Counsel, dated as of the Closing, in form and substance satisfactory to the Purchaser and its counsel.
- (ii) an opinion of counsel for the Company, dated as of the Closing, in form and substance satisfactory to Bond Counsel and to the Purchaser and its counsel confirming the Company's representations as set forth in paragraphs (b) through (e), inclusive, of *Section 5* of this Bond Purchase Agreement.
- (iii) an opinion of counsel for the Issuer, dated as of the Closing, in form and substance satisfactory to Bond Counsel and to the Purchaser and its counsel, confirming the Issuer's representations set forth in paragraphs (a) through (f), inclusive, of *Section 4* of this Bond Purchase Agreement.
- (iv) a certificate or certificates, satisfactory in form and substance to Bond Counsel and the Purchaser and its counsel, of an authorized official of the Issuer dated the date of the Closing to the effect that (A) each of the representations of the Issuer set forth in *Section 4* hereof is true, accurate and complete in all material respects as of the Closing, and each of the agreements of the Issuer set forth in this Bond Purchase Agreement to be complied with at or prior to the Closing has been complied with; and (B) no litigation is pending, or to such official's knowledge, threatened, to restrain or enjoin the issuance or delivery of the Bonds, or contesting or questioning the validity of the Bonds, the proceedings or authority under which they are issued, the existence of the Issuer, the authority of the Issuer to enact the Ordinance or enter into the Indenture, the Lease or the Bond Purchase Agreement, or the Issuer's pledge of the Project, the revenues therefrom and the Trust Estate under the Indenture as security for the payment of the Bonds, and (C) that none of the proceedings authorizing issuance of the Bonds or execution and delivery of the bond documents has been repealed, revoked or rescinded.
- (v) a certificate or certificates, satisfactory in form and substance to Bond Counsel and to the Purchaser and its counsel, of authorized officers of the Company, dated the date of Closing to the effect that each of the representations of the Company set forth in *Section 5* hereof is true, accurate and complete in all material respects as of the Closing, and each of the agreements of the Company set forth in this Bond Purchase Agreement to be complied with at or prior to the Closing has been complied with as of such time;

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

(d) At Closing, there shall not have been any adverse change in the business, property or financial condition of the Company from that furnished to the Purchaser which, in the judgment of the Purchaser, is material and makes it inadvisable to proceed with the sale of the Bonds; and the Purchaser shall have received a certificate from the Company that no material adverse change has occurred or, if such a change has occurred, full information with respect thereto.

### **SECTION 8. THE PURCHASER'S RIGHT TO CANCEL**

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

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

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

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

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

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

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

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

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

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

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

## **SECTION 9. PAYMENT OF EXPENSES**

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

(b) If the Bonds are sold by the Issuer to the Purchaser, except as hereinafter set forth, all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds shall be paid by the Company out of the proceeds of the Bonds or other Company funds. Such expenses and costs shall include, but not be limited to: (1) the fees and disbursements of Bond Counsel; (2) the fees and disbursements of the Issuer's legal counsel; (3) fees and disbursements of the Company's legal counsel; (4) the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, this Bond Purchase Agreement and all other agreements and documents contemplated hereby; (5) fees of the Trustee; and (6) all costs and expenses of the Issuer relating to the issuance of the Bonds.

## **SECTION 10. NOTICES AND OTHER ACTIONS.**

All notices, demands and formal actions hereunder will be in writing mailed, faxed or delivered to:

The Issuer:                      City of Maize, Kansas  
   10100 Grady Avenue  
   P.O. Box 245  
   Maize, Kansas 67101  
   Fax: (316) 722-0346

The Company                      RAW Investments, Inc.  
   2008 W. Harry Court  
   Wichita, Kansas 67213  
   Fax: (316) 264-1627

The Purchaser: RAW Investments, Inc.  
2008 W. Harry Court  
Wichita, Kansas 67213  
Fax: (316) 264-1627

## **SECTION 11. MISCELLANEOUS**

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

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

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

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

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

## **SECTION 12. EFFECTIVE DATE**

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

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Upon your acceptance of the offer, the foregoing agreement will be binding upon you and the Purchaser. Please acknowledge your agreement with the foregoing by executing the enclosed copy of this Bond Purchase Agreement and returning it to the undersigned.

**RAW INVESTMENTS, INC.  
WICHITA, KANSAS, as Purchaser**

By: \_\_\_\_\_  
Richard A. Williams, President

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

**RAW INVESTMENTS, INC.**

By: \_\_\_\_\_  
Richard A. Williams, President

**CITY OF MAIZE, KANSAS**

By: \_\_\_\_\_  
Mayor

ATTEST: (Seal)

By: \_\_\_\_\_  
City Clerk

**EXHIBIT A**

**\$3,000,000**  
**CITY OF MAIZE, KANSAS**  
**TAXABLE INDUSTRIAL REVENUE BONDS**  
**SERIES 2015A**  
**(AERO-TECH ENGINEERING PROJECT)**

**CALCULATION OF PURCHASE PRICE**

Principal Amount	\$3,000,000.00
<b>Total Purchase Price</b>	<b>\$3,000,000.00</b>

**MATURITY SCHEDULE**

Principal Payment Date:	January 15, 2026
Interest Payment Date:	January 15, 2026
Interest Rate:	5.00%

**REDEMPTION OF BONDS**

**Redemption by Issuer.**

*Optional Redemption.* Series 2015A Bonds shall be subject to redemption and payment prior to Stated Maturity, at the option of the Issuer, upon instructions from the Tenant, as a whole or in part on any date, at the redemption price of the par value of the principal amount thereof, without premium.

**GUARANTY AGREEMENT**

**BETWEEN**

**RAW INVESTMENTS, INC.  
A KANSAS CORPORATION**

**AS GUARANTOR**

**AND**

**SECURITY BANK OF KANSAS CITY  
KANSAS CITY, KANSAS  
AS TRUSTEE**

**DATED AS OF DECEMBER 1, 2015**

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**GUARANTY AGREEMENT**

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## GUARANTY AGREEMENT

**THIS GUARANTY AGREEMENT** made and entered into as of December 1, 2015 (the "Guaranty"), by and between RAW Investments, Inc., a Kansas corporation (the "Guarantor"), and Security Bank of Kansas City, Kansas City, Kansas, as Trustee (the "Trustee") under a Trust Indenture dated as of December 1, 2015 between the City of Maize, Kansas, as Issuer (the "Issuer") and the Trustee (the "Indenture"), as authorized by ordinance of the Issuer (the "Ordinance");

### WITNESSETH:

**WHEREAS**, the Issuer, an incorporated city of the third class, duly organized and existing under the laws of the State of Kansas (the "State"), intends to issue its Taxable Industrial Revenue Bonds, Series 2015A (Aero-Tech Engineering Project), dated Issue Date of the Bonds, in an aggregate principal amount of \$3,000,000 (the "Bonds"); and

**WHEREAS**, the Bonds are to be issued under and pursuant to the Ordinance and the Indenture; and

**WHEREAS**, the proceeds derived from the issuance of the Bonds are to be applied to the costs of the acquisition and construction of certain manufacturing facilities (the "Project") to be leased by Issuer to the Guarantor, pursuant to a Lease dated as of December 1, 2015 (the "Lease"); and

**WHEREAS**, the Guarantor desires that Issuer issue the Bonds and apply the proceeds as aforesaid and is willing to enter into this Guaranty in order to enhance the marketability of the Bonds and thereby achieve interest cost savings to the Guarantor and as an inducement to the purchase of the Bonds by all who shall at any time become owners of the Bonds.

**NOW, THEREFORE**, in consideration of the foregoing, the Guarantor does hereby covenant and agree with the Trustee as follows:

## ARTICLE I

### REPRESENTATIONS OF GUARANTOR

**Section 1.01. Representations and Warranties.** The Guarantor does hereby represent that:

(a) It is a Kansas corporation duly organized and existing under the laws of said State, and is in good standing under the laws of the State, is not in material violation of any provision of its Articles of Incorporation or its Bylaws, has not received notice and has no reasonable grounds to believe that it is in material violation of any of the laws of the State, has power to enter into this Guaranty, has duly authorized the execution and delivery of this Guaranty by proper corporate action, and neither this Guaranty nor the agreements herein contained contravene or constitute a material default under any agreement, instrument or indenture by which it is bound or any provision of its Articles of Incorporation; and

(b) As long as the Bonds are Outstanding, and thereafter until Guarantor's obligations under the Lease are satisfied, Guarantor will maintain its existence, will not dissolve or otherwise dispose of

all or substantially all of its assets unless its successor shall assume in writing all of its obligations under this Guaranty and shall have a net worth at least equal to that of such Guarantor immediately prior to such sale or transfer, determined in accordance with generally accepted accounting principles consistently applied; and

(c) The assumption by Guarantor of its obligations hereunder will result in direct financial benefit to Guarantor.

## ARTICLE II

### THE GUARANTY

**Section 2.01. Undertaking by Guarantor.** Guarantor hereby unconditionally guarantees to the Trustee for the benefit of the owner(s) from time to time of the Bonds:

(a) The full and prompt payment of the principal of and premium, if any, on each of the Bonds when and as the same shall become due in accordance with the terms and provisions of each such Bond and the Indenture, whether at the stated maturity of any Bond, by acceleration, call for redemption or otherwise; and

(b) The full and prompt payment of the interest on each of the Bonds when and as the same shall become due in accordance with the terms and provisions of each such Bond and the Indenture; and

(c) The full and prompt payment of all other amounts payable by Issuer under the Indenture.

All payments by Guarantor shall be paid in lawful money of the United States of America. Each and every default in the payment of the principal of, premium, if any, or interest on any Bond, and each and every other default hereunder, shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

**Section 2.02. Guarantor's Obligations Absolute.** The obligations of the Guarantor under this Guaranty shall be absolute and unconditional and shall remain in full force and effect until the entire principal of, premium, if any, and interest on the Bonds shall have been paid or such payment provided for, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, Guarantor:

(a) The compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of Issuer under the Indenture or Guarantor under the Lease;

(b) The failure to give notice to Guarantor of the occurrence of an event of default under the terms and provisions of this Guaranty, the Indenture or the Lease;

(c) The assignment or mortgaging or the purported assignment or mortgaging of all or any part of the interest of Issuer or Guarantor in the Project or any failure of title with respect to Issuer's or Guarantor's interests in the Project;

(d) Except as provided in Section 4.04 hereof, the waiver of the payment, performance or observance by Issuer or Guarantor, of any of the obligations, covenants or agreements of either of them contained in the Indenture, the Lease or this Guaranty;

(e) The extension of the time for payment of any principal of, premium, if any, or interest on any Bond or under this Guaranty or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture, the Lease or this Guaranty or the extension or the renewal thereof;

(f) The modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Lease, provided that the obligations of Guarantor are not thereby increased or expanded without its prior written consent;

(g) The taking or the omission of any of the actions referred to in the Indenture, the Lease or any action under this Guaranty;

(h) Any failure, omission, delay or lack on the part of Issuer or the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Issuer or the Trustee in this Guaranty, the Lease or the Indenture, or any other act or acts on the part of the Issuer, the Trustee or any of the owners from time to time of the Bonds;

(i) The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting Issuer or Guarantor or any of the assets of either of them, or any contest of the validity of the Indenture, the Lease or this Guaranty or the interest of the Trustee in the rentals under the Lease in any such proceeding;

(j) To the extent permitted by law, the release or discharge of Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty by operation of law;

(k) The default or failure of Issuer or Guarantor to perform fully any of their respective obligations set forth in the Indenture, the Lease or this Guaranty;

(l) Any invalidity or irregularity in any statutory or other proceedings relating to the performance or existence of Issuer, to the issuance of the Bonds or the execution or delivery of the Indenture or the Lease;

(m) Any impossibility or illegality of performance on the part of Issuer or Guarantor of any of their respective obligations under or in connection with the Bonds, the Indenture or the Lease; or

(n) Any other circumstances, occurrence or condition, whether similar or dissimilar to any of the foregoing, that might be raised in avoidance of or in defense against any action to enforce the obligations of Guarantor under the provisions hereof.

**Section 2.03. Waiver of Defenses.** The Guarantor waives (1) all defenses based on suretyship or impairment of collateral and (2) any defenses that Guarantor may assert on the underlying debt.

**Section 2.04. Enforcement of Guaranty; Counterclaims.** The rights of the Trustee to enforce the obligations of Guarantor under this Guaranty by any proceedings, whether by action at law, suit in

equity or otherwise, shall not be impaired by any right, counterclaim or defense of any character whatsoever. This Guaranty and the several obligations of Guarantor hereunder are separate and independent of Guarantor's obligations under the Lease and the Indenture, and it is specifically understood and agreed by Guarantor that any payment now or hereafter made by or on behalf of it under or pursuant to the Lease or the Indenture shall not, except to the extent paid to the owners of the Bonds directly by Issuer or Guarantor, or by the Trustee, affect, impair or diminish, in any manner whatsoever, the several obligations of Guarantor hereunder. Further, the Guarantor specifically understands and agrees that payment by it under the Lease or the Indenture (whether voluntary or involuntary, or pursuant to court order or otherwise) shall not, except to the extent paid to the owners of the Bonds directly by Issuer or Guarantor, or by the Trustee as paying agent, under any circumstances or in any manner whatsoever, constitute a defense against the Guarantor's several obligations hereunder. Nothing contained herein shall prohibit Guarantor from asserting any separate or related claim against either Issuer or the Trustee in a separate proceeding, which proceeding shall in no way delay the prompt performance by Guarantor of its obligations hereunder. Nothing contained herein shall prohibit Guarantor from asserting any claim against the Trustee related to the Bonds provided that:

- (a) such claim is based on the negligence or willful misconduct of the Trustee; and
- (b) such claim is brought before the earlier of (1) payment being made by Guarantor under this Guaranty or (2) final judgment being rendered against Guarantor in the legal proceeding in which the Trustee seeks to enforce this Guaranty against Guarantor, it being agreed by Guarantor that any such claim against the Trustee can be raised only in such legal proceeding.

In the event that Guarantor or any successor tenant or assignee under the Lease should fail to perform any such agreement on its part, Guarantor may institute such action as it deems necessary to compel performance so long as such action does not abrogate the Guarantor's obligations herein.

### ARTICLE III

#### REMEDIES ON DEFAULT

**Section 3.01. Payment Default; Exercise of Remedies.** In the event of a default in the payment of principal of or premium, if any, on any Bond when and as the same shall become due, whether at the stated maturity thereof, by acceleration, call for redemption or otherwise, or in the event of a default in the payment of any interest on any Bond when and as the same shall become due, the Trustee may, and if requested so to do by the owners of not less than 25% in aggregate principal amount of the Bonds then outstanding and upon provision being made for its fees and expenses and indemnification as hereinafter provided, shall be obligated to proceed hereunder, and the Trustee, in its sole discretion, shall have the right to proceed first and directly against Guarantor under this Guaranty to the extent of its obligations hereunder without proceeding against or exhausting any other remedies which it may have and without resorting to any other security held by Issuer or the Trustee. Before taking any action hereunder, the Trustee may require that indemnity satisfactory to it be furnished for the reimbursement of all expenses it may incur and to protect it against all liability except liability which is adjudicated to have resulted from its negligence or willful default, by reason of any action so taken.

**Section 3.02. Waiver of Condition of Exercise of Remedies; Attorneys' Fees.** Guarantor hereby expressly waives notice from the Trustee or the owners from time to time of any of the Bonds of their acceptance and reliance on this Guaranty. Guarantor agrees to pay all reasonable costs, expenses and fees, including all reasonable attorneys' fees, to the extent permitted by law, which may be incurred by the

Trustee in enforcing or attempting to enforce this Guaranty following any default hereunder, whether the same be enforced by suit or otherwise.

**Section 3.03. Remedies Cumulative; Delay; Waiver of Breach.** No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default, omission or failure of performance hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Guaranty, it shall not be necessary to give any notice, other than such notice as may expressly be required herein or in the Lease or Indenture. In the event any provision contained in this Guaranty should be breached by Guarantor and thereafter duly waived by the Trustee, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver, amendment, release or modification of this Guaranty shall be established by conduct, custom or course of dealing, but solely by an instrument in writing duly executed by the Trustee.

## ARTICLE IV

### GENERAL COVENANTS AND AGREEMENTS

**Section 4.01. Agreement to Benefit Trustee and Bondowners.** This Guaranty is entered into by the Guarantor for the benefit of the Trustee and the owner(s) from time to time of the Bonds, and any owner of Bonds and any successor trustee under the Indenture.

**Section 4.02. Discharge of Guarantor's Obligations.** Guarantor shall be discharged of its obligations hereunder upon (1) the payment of the principal of, premium, if any, and interest on the Bonds to the Trustee or provision for payment thereof having been made with the Trustee as provided in the Indenture, or (2) upon satisfaction of all obligations of Guarantor under the Lease, or (3) the Guarantor shall have been released pursuant to the provisions of *Sections 9.3 or 9.4* of the Lease (relating to assignment of its interest in the Project or merger with another entity). Notwithstanding the foregoing, any payment which is required under bankruptcy or similar law to be repaid by the Trustee or owners of the Bonds as a preference or similar item shall automatically become an undischarged obligation of the Guarantor under this Guaranty.

**Section 4.03. Guarantor's Obligations Upon Delivery of Bonds.** The obligations of Guarantor hereunder shall arise absolutely and unconditionally when the Bonds shall have been issued, sold and delivered by Issuer and the proceeds thereof paid to the Trustee.

**Section 4.04. Maintenance of Corporate Existence; Merger.** Guarantor will maintain its corporate existence, will continue to be a corporation in good standing under the laws of the State, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, provided, that Guarantor may, without violating the agreement contained in this subsection, consolidate with or merge into another domestic corporation (that is, a corporation organized and existing under the laws of one of the states of the United States of America), or permit one or more corporations to consolidate with or merge into it, or sell or otherwise transfer to another corporation all or substantially all of its assets as an entirety and thereafter dissolve, provided that the surviving, resulting or transferee corporation, as the case may be, (i) shall be a corporation organized and existing under the laws of one of the states of the United

States of America, as aforesaid, (ii) shall be qualified to do business in the State, and (iii) shall assume in writing all of its obligations under this Guaranty.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 5.01. Binding Effect.** The agreements contained herein on the part of Guarantor shall inure to and be binding upon its successors and assigns, including without limitation any successor or assign in any transaction expressly permitted by this Guaranty.

**Section 5.02. Integration.** This Guaranty constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between Guarantor and the Trustee with respect to the subject matter hereof (other than the Indenture and the Lease) and may be executed simultaneously in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

**Section 5.03. Severability.** The invalidity or unenforceability of any one or more phrases, sentences, clauses or Sections in this Guaranty shall not affect the validity or enforceability of the remaining portions of this Guaranty, or any part thereof.

**Section 5.04. Governing Law.** This Guaranty shall be governed by and construed and interpreted in accordance with the laws of the State.

**Section 5.05. Execution of Counterparts; Electronic Transactions.** This Guaranty may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

**IN WITNESS WHEREOF**, Guarantor has caused this Guaranty Agreement to be signed by an authorized officer, as of the date first above written.

**RAW INVESTMENTS, INC.**

[SEAL]

By: \_\_\_\_\_  
Richard A. Williams, President

"GUARANTOR"

**ACCEPTANCE OF TRUSTEE**

This Guaranty Agreement and the obligations undertaken in it by the Guarantor are hereby accepted by the Trustee as of the date first above written.

**IN WITNESS WHEREOF**, the Trustee has caused this Guaranty Agreement to be signed in its name and behalf by its duly authorized officer, all as of the date first above written.

**SECURITY BANK OF KANSAS CITY**  
Kansas City, Kansas  
as Trustee

By: \_\_\_\_\_  
Name: Bonnie Mosher  
Title: Vice President

**CITY OF MAIZE, KANSAS**

**AS ISSUER**

**AND**

**SECURITY BANK OF KANSAS CITY  
KANSAS CITY, KANSAS**

**AS TRUSTEE**

**TRUST INDENTURE**

**DATED AS OF DECEMBER 1, 2015**

**\$3,000,000  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES 2015A  
(AERO-TECH ENGINEERING PROJECT)**

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**TRUST INDENTURE**

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## TRUST INDENTURE

**THIS TRUST INDENTURE**, dated as of December 1, 2015 (the "Indenture"), between the City of Maize, Kansas (the "Issuer"), and Security Bank of Kansas City, Kansas City, Kansas, as Trustee (the "Trustee");

### WITNESSETH:

**WHEREAS**, the Issuer is authorized by K.S.A. 12-1740 *et seq.* (the "Act"), to acquire, construct, improve and equip certain facilities (as defined in the Act) for commercial, industrial and manufacturing purposes, and to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, and to issue revenue bonds for the purpose of paying the cost of any such facilities; and

**WHEREAS**, pursuant to such authorization, the Issuer's governing body has passed an ordinance authorizing the Issuer to issue its Taxable Industrial Revenue Bonds, Series 2015A (Aero-Tech Engineering Project), in the principal amount of \$3,000,000 (the "Series 2015A Bonds"), for the purpose of providing funds for the acquisition and construction of a manufacturing facility (the "Project" as hereinafter more fully described), and authorizing the Issuer to lease the Project to RAW Investments, Inc., a Kansas corporation (the "Tenant"); and

**WHEREAS**, pursuant to such ordinance, the Issuer is authorized (i) to execute and deliver this Indenture for the purpose of issuing and securing the Series 2015A Bonds and any Additional Bonds (collectively the "Bonds"), as hereinafter provided, and (ii) to enter into a Lease Agreement of even date herewith (the "Lease"), between the Issuer and the Tenant, under which the Original Proceeds (as hereinafter defined) shall be used for the acquisition and construction of the Project and pursuant to which Issuer shall lease the Project to the Tenant, in consideration of rentals which are intended to be sufficient to provide for the payment of the principal of, premium, if any, and interest on the Series 2015A Bonds as the same become due; and

**WHEREAS**, all things necessary to make the Series 2015A Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid and legally binding limited obligations of the Issuer, and to make this Indenture a valid and legally binding pledge and assignment of the Trust Estate herein made for the security of the payment of the principal of, premium, if any, and interest on the Bonds issued hereunder, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Series 2015A Bonds, subject to the terms hereof, have in all respects been duly authorized;

### NOW, THEREFORE, THIS INDENTURE WITNESSETH:

### GRANTING CLAUSES

That the Issuer, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Series 2015A Bonds by the Original Purchaser thereof, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on all of the Bonds issued and Outstanding under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the Issuer of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby pledge and assign unto the Trustee and its successors and assigns, and grant to the Trustee and its successors and assigns a security interest in the property described in paragraphs (a), (b) and (c) below (said property being herein referred to as the "Trust Estate"), to wit:

(a) The real property or interests therein situated in Sedgwick County, Kansas, described in *Schedule I* attached to the Lease and constituting the Land (as defined herein), with all Improvements (as defined herein) now or hereafter located thereon, to the extent and subject to the limitations provided in the Lease, with the tenements, hereditaments, appurtenances, rights, privileges and immunities thereunto belonging or appertaining;

(b) All right, title and interest of the Issuer in, to and under the Lease (including, but not limited to, the right to enforce any of the terms thereof but excluding the Unassigned Issuer's Rights), and all rents, revenues and receipts derived by the Issuer from the Project including, without limitation, all Basic Rent derived by the Issuer under and pursuant to and subject to the provisions of the Lease;

(c) All moneys and securities from time to time received by the Trustee pursuant to the Guaranty Agreement, or held by the Trustee under the terms of this Indenture, and any and all other real or personal property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the Issuer, by the Tenant or by anyone in their behalf, or with their written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

**TO HAVE AND TO HOLD**, all and singular, the Trust Estate with all rights and privileges hereby pledged and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and assigns;

**IN TRUST NEVERTHELESS**, upon the terms and subject to the conditions herein set forth, for (i) the equal and proportionate benefit, protection and security of the Series 2015A Bonds and any Additional Bonds issued and Outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds except as expressly provided in or permitted by this Indenture;

**PROVIDED, HOWEVER**, that if the Issuer shall pay, or cause to be paid, the principal of, premium, if any, and interest on all the Bonds, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, or shall provide for the payment thereof (as provided in *Article XII* hereof), and shall pay or cause to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

**THIS INDENTURE FURTHER WITNESSETH**, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer does hereby agree and covenant with the Trustee and with the respective Owners from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.01. Definitions of Words and Terms.** In addition to the words and terms defined elsewhere in this Indenture and the Lease, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

**"Act"** means K.S.A. 12-1740 *et seq.*

**"Additional Bonds"** means any Bonds issued in addition to the Series 2015A Bonds pursuant to *Section 2.09* of this Indenture.

**"Authorized Denomination"** means \$1,000 or any integral multiples thereof.

**"Authorized Tenant Representative"** means the President of the Tenant, or such other person as is designated to act on behalf of the Tenant as evidenced by written certificate furnished to the Trustee, containing the specimen signature of such person and signed on behalf of the Tenant by its President or any Vice President of the Tenant. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Tenant Representative.

**"Bond"** or **"Bonds"** means the Series 2015A Bonds and any Additional Bonds.

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

**"Bond Purchase Agreement"** means the Bond Purchase Agreement dated as of December 1, 2015, between the Issuer and the Original Purchaser.

**"Bond Registrar"** means the Trustee.

**"Business Day"** means a day which is not a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the legislature of the State and on which banks in the State are not authorized to be closed.

**"Change of Circumstances"** means the occurrence of any of the following events:

(a) title to, or the temporary use of, all or any substantial part of the Project shall be condemned by any authority exercising the power of eminent domain;

(b) title to all or any substantial portion of the Land is found to be deficient or nonexistent to the extent that the Project is untenable or the efficient utilization of the Project by the Tenant is substantially impaired;

(c) all or a substantial portion of the Improvements are damaged or destroyed by fire or other casualty; or

(d) as a result of: (i) changes in the constitution of the State; or (ii) any legislative or administrative action by the State or any political subdivision thereof, or by the United States; or (iii) any action instituted in any court, the Lease shall become void or unenforceable, or impossible of performance without unreasonable delay, or in any other way by reason of such changes of circumstances, unreasonable burdens or excessive liabilities are imposed upon Issuer or Tenant.

**"Construction Period"** means the period from the beginning of acquisition or construction of Improvements to their completion.

**"Costs of Issuance"** means any and all expenses of whatever nature incurred in connection with the issuance and sale of Bonds, including, but not limited to, underwriting fees and expenses, underwriting discount, initial fees of the Trustee, administrative fees or expenses of the Issuer, bond and other printing expenses and legal fees and expenses of Bond Counsel, Issuer's counsel and counsel for the Tenant.

**"Dated Date"** means the Issue Date.

**"Debt Service Fund"** means the "City of Maize, Kansas Debt Service Fund (Aero-Tech Engineering Project)" authorized and established with the Trustee pursuant to the Indenture.

**"Default Administration Costs"** means the reasonable fees, charges, costs, advances and expenses of the Trustee incurred in anticipation of an Event of Default, or after the occurrence of an Event of Default, including, but not limited to, counsel fees, litigation costs and expenses, the expenses of maintaining and preserving the Project and the expenses of re-letting or selling the Project.

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

- (a) Default in the due and punctual payment of any interest on any Bond;
- (b) Default in the due and punctual payment of the principal of or premium, if any, on any Bond on the Stated Maturity or upon proceedings for redemption thereof, or upon the maturity thereof by declaration;
- (c) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in this Indenture or in any Bonds contained, and the continuance thereof for a period of 30 days after written notice thereof shall have been given to the Issuer and the Tenant by the Trustee, or to the Trustee, the Issuer and the Tenant by Owner(s) of Bonds owning not less than 25% in aggregate principal amount of Bonds then Outstanding; provided, however, if any default shall be such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the Tenant within such period and diligently pursued until such default is corrected; or
- (d) An "Event of Default" as defined in the Lease.

**"Funds and Accounts"** means funds and accounts created pursuant to or referred to in *Section 5.01* hereof.

**"Government Securities"** means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

**"Guarantor"** means any person or entity (whether one or more) which is a guarantor under the Guaranty Agreement.

**"Guaranty Agreement"** means the separate Guaranty Agreement dated as of December 1, 2015 of the Guarantor or Guarantors named therein and in favor of the Trustee for the benefit of the Owner(s) of Bonds, delivered concurrently with the issuance of the Series 2015A Bonds.

**"Improvements"** means all buildings, building improvements, machinery and equipment purchased in whole or in part from the proceeds of the Bonds.

**"Indenture"** means this Trust Indenture, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of *Article XI* of this Indenture.

**"Interest Payment Date"** means any date on which any interest is payable on any Bond. With respect to the Series 2015A Bonds, it means January 15, 2026.

**"Investment Contract"** means an agreement to deposit all or any portion of the proceeds of the sale of the Bonds with a bank, with the deposits to bear interest at an agreed rate.

**"Investment Securities"** means any of the following securities, and to the extent the same are at the time permitted for investment of funds held by the Trustee pursuant to this Indenture:

(a) Government Securities;

(b) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, National Bank for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(c) savings or other depository accounts or certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee and its affiliates), provided that such deposits shall be either of a bank, trust company or national banking association continuously and fully insured by the Federal Deposit Insurance Corporation, or continuously and fully secured by excess deposit insurance purchased through a private insurer, or such securities as are described above in clauses (a) or (b), which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such deposits and shall be lodged with the Trustee, as custodian, by the bank, trust company or national banking association accepting such deposit or issuing such certificate of deposit;

(d) any Investment Contract or repurchase agreement with any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee) or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities described in clauses (a) or (b) above;

(e) any investment in shares or units of a money market fund or trust rated "AAAm" or "AAAm-G" or better by Standard & Poor's (including one offered, managed or otherwise made available through the Trustee or any affiliate);

(f) investments in shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in clauses (a), (b) or (c) above.

**"Issue Date"** means the date when the Issuer delivers the Bonds to the Original Purchaser in exchange for the Purchase Price.

**"Issuer"** means the City of Maize, Kansas, a city of the third class organized under the laws of the State, and its successors and assigns.

**"Land"** means the real property (or interests therein) described in *Schedule I* to the Lease.

**"Lease"** means the Lease Agreement delivered concurrently with this Indenture between the Issuer and the Tenant, as from time to time amended and supplemented in accordance with the provisions thereof and of *Article XI* of this Indenture.

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

**"Notice Representative"** means:

- (1) With respect to the Tenant, its President at its Notice Address (as defined in the Lease).
- (2) With respect to the Issuer, its duly acting clerk at its Notice Address (as defined in the Lease).
- (3) With respect to the Trustee, any corporate trust officer at its Notice Address (as defined in the Lease).

**"Original Proceeds"** means all sale proceeds, including accrued interest, from sale of the Series 2015A Bonds to the Original Purchaser and all investment earnings credited to the Project Fund prior to completion of the Project.

**"Original Purchaser"** means RAW Investments, Inc., Wichita, Kansas.

**"Outstanding"** means, as of a particular date all Bonds issued, authenticated and delivered under this Indenture (including any Supplemental Indentures), except:

- (a) Bonds canceled by the Trustee or delivered to the Trustee for cancellation pursuant to this Indenture;
- (b) Bonds for the payment or redemption of which moneys or investments have been deposited in trust with the Trustee and irrevocably pledged to such payment or redemption in accordance with the provisions of *Section 12.02* of this Indenture; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

**"Owner"** means the owner of any Bond as shown on the registration books of the Trustee maintained as provided in this Indenture.

**"Paying Agent"** means the Trustee.

**"Payment Date"** means any Interest Payment Date or any Principal Payment Date.

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

**"Principal Payment Date"** means any date on which principal on any Bond is due and payable, whether at the Stated Maturity or earlier required redemption thereof. With respect to the Series 2015A Bonds, the Principal Payment Date is January 16, 2026.

**"Project"** means the Land and the Improvements, together with any Project Additions.

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

**"Project Costs"** means those costs incurred in connection with the Land, and the construction or installation of any Improvements, including:

(a) all costs and expenses necessary or incident to the acquisition of the Land and such of the Improvements as are acquired, constructed or in progress at the date of such issuance of the Series 2015A Bonds;

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

(c) all costs and expenses incurred in constructing, acquiring or installing the Improvements;

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

(e) the cost of the title insurance policies and the cost of any insurance and performance and payment bonds maintained during the Construction Period in accordance with *Article VI* of the Lease, respectively;

(f) interest accruing on the Series 2015A Bonds prior to completion of the Project; and

(g) Costs of Issuance.

**"Project Fund"** means the "City of Maize, Kansas Project Fund (Aero-Tech Engineering Project)" authorized and established with the Trustee pursuant to the Indenture.

**"Purchase Price"** means the amount set forth in the Bond Purchase Agreement.

**"Record Date"** means the first day of the month of each Interest Payment Date, or if such date is not a Business Day, the Business Day immediately preceding such date.

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

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

**"Series 2015A Bonds"** means the City of Maize, Kansas Taxable Industrial Revenue Bonds, Series 2015A (Aero-Tech Engineering Project) dated Issue Date of the Bonds in the aggregate principal amount of \$3,000,000.

**"State"** means the State of Kansas.

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

**"Sublease"** means that certain Sublease dated as of July 27, 2015 between the Tenant, as sublessor, and the Subtenant, as sublessee, for the use and operation of the Project.

**"Subtenant"** means Aero-Tech Engineering, Inc., a Kansas corporation, as Subtenant under the Sublease.

**"Supplemental Indenture"** means any indenture supplementing or amending this Indenture entered into by the Issuer and the Trustee pursuant to *Article XI* of this Indenture.

**"Tenant"** means RAW Investments, Inc., a Kansas corporation, its successors and assigns.

**"Trust Estate"** means the Trust Estate described in the Granting Clauses of this Indenture.

**"Trustee"** means Security Bank of Kansas City, Kansas City, Kansas, a banking corporation or association incorporated under the laws of the United States or one of the states thereof, in its capacity as trustee, bond registrar and paying agent, and its successor or successors serving as Trustee under this Indenture.

**"Unassigned Issuer's Rights"** mean the rights of the Issuer pursuant to the Lease to indemnification, to consent, to receive notice, to receive purchase option payments, to be insured or to receive money for its own account for payment of fees or expenses advanced by the Issuer in connection with the Lease, all in accordance with the terms of the Lease.

#### **Section 1.02. Rules of Interpretation.**

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

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

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

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

## ARTICLE II

### THE BONDS

**Section 2.01. Title and Amount of Bonds.** No Bonds may be issued under this Indenture except in accordance with the provisions of this Article. The Bonds authorized to be issued under this Indenture shall be designated as "City of Maize, Kansas Taxable Industrial Revenue Bonds, Series 2015A (Aero-Tech Engineering Project)," with such other appropriate particular designation added to or incorporated in such title for the Bonds of any particular series of Additional Bonds as the Issuer may determine. The total principal amount of Bonds that may be issued hereunder is hereby expressly limited to the \$3,000,000 principal amount of Series 2015A Bonds and any Additional Bonds permitted hereunder.

#### **Section 2.02. Limited Nature of Obligations.**

(a) The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely and only from the net earnings and revenues derived by the Issuer from the Project, including but not limited to the rents, revenues and receipts under the Lease (including, in certain circumstances, Bond proceeds and income from the temporary investment thereof and proceeds from sale of the Project, insurance proceeds and condemnation awards, if any, or payments received pursuant to the Guaranty Agreement), and are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owner(s) of Bonds, as provided in this Indenture. The Bonds and the interest thereon shall not be a debt or general obligation of the Issuer or the State, or any municipal corporation thereof, and neither the Bonds, the interest thereon, nor any judgment thereon or with respect thereto, are payable in any manner from tax revenues of any kind or character. The Bonds shall not constitute an indebtedness or a pledge of the faith and credit of the Issuer, the State or any municipal corporation thereof, within the meaning of any constitutional or statutory limitation or restriction.

(b) The full and prompt payment of the principal of, premium, if any, and interest on the Series 2015A Bonds has been unconditionally guaranteed to the Trustee for the benefit of the Owner(s) of the Series 2015A Bonds under the terms of the Guaranty Agreement (including realization upon any collateral securing the undertakings under the Guaranty Agreement). The Trustee shall enforce the Guaranty Agreement for the benefit and protection of the Owner(s) of Bonds so long as any of the Series 2015A Bonds remain Outstanding. The Trustee shall not permit or consent to any change, amendment, modification or termination of the Guaranty Agreement except to the extent provided for therein.

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

#### **Section 2.03. Denomination, Numbering and Dating of Bonds.**

(a) The Bonds shall consist of fully registered Bonds in an Authorized Denomination. The Bonds shall be substantially in the form set forth in *Article IV* of this Indenture. The Bonds of each series of Bonds shall be numbered in such manner as the Trustee shall determine.

(b) The Bonds of each series of Bonds shall be dated as provided in this Indenture or the Supplemental Indenture authorizing the issuance of such series of Bonds. The Bonds shall bear interest from their effective date of registration. The effective date of registration shall be the Interest Payment Date next preceding the date of authentication thereof by the Trustee, unless such date of authentication shall be an Interest Payment Date, in which case the effective date of registration shall be as of such date of authentication, or unless the date of authentication shall be prior to the first Interest Payment Date for such series of Bonds, in which case the effective date of registration shall be the dated date of such series of Bonds; provided, however, that if payment of the interest on any Bonds of any series shall be in default at the time of authentication of any Bond certificates issued in lieu of Bonds surrendered for transfer or exchange, the effective date of registration shall be as of the date to which interest has been paid in full on the Bonds surrendered.

**Section 2.04. Method and Place of Payment of Bonds.** The principal of, redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

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

Final payment of principal and redemption premium, if any, on all Bonds shall be made by check or draft upon the presentation and surrender of the certificate(s) representing such Bonds at the Maturity thereof at the principal corporate trust office of the Paying Agent.

**Section 2.05. Execution and Authentication of Bonds.**

(a) Bond certificates shall be executed on behalf of the Issuer by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of its City Clerk, and shall have the corporate seal of the Issuer affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on any Bond certificates shall cease to be such officer before the delivery of such Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond certificate may be signed by such persons as at the actual time of the execution of such Bond certificate shall be the proper officers to sign although on the date of issuance of such Bond such persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in *Article IV* hereof, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed. Such executed Certificate of Authentication upon any Bond certificate shall be conclusive evidence that the Bonds described in such Bond certificate have been duly authenticated and delivered under this Indenture. The Certificate of

Authentication on any Bond certificate shall be deemed to have been duly executed if signed by any authorized officer or employee of the Trustee, but it shall not be necessary that the same officer or employee sign the Certificate of Authentication on all of the Bond certificates that may be delivered hereunder at any one time.

**Section 2.06. Registration, Transfer and Exchange of Bonds.**

(a) The Trustee shall keep books for the registration and for the transfer of the Series 2015A Bonds and any Additional Bonds as provided in this Indenture.

(b) Bonds may be transferred only upon the books maintained by Trustee for the registration and transfer of Bonds upon surrender of the certificate(s) representing such Bonds to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner(s) of Bonds or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bonds new Bond certificate(s), registered in the name of the transferee, of any Authorized Denomination in an aggregate principal amount equal to the principal amount of such Bonds, of the same series and maturity and bearing interest at the same rate. In the event that any Owner(s) of Bonds fails to provide a certified taxpayer identification number to the Trustee, the Trustee may make a charge against such Owner(s) of Bonds sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Internal Revenue Code of 1986, as amended, such amount may be deducted by the Paying Agent from amounts otherwise payable to any Owner(s) of Bonds.

(c) In all cases in which Bonds shall be exchanged or transferred hereunder, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bond certificates in accordance with the provisions of this Indenture. All Bond certificates surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee. The Issuer or the Trustee may make a charge for every such exchange or transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, and such charge shall be paid by the Owner(s) of Bonds before any such new Bond certificate shall be delivered. Neither the Issuer nor the Trustee shall be required to make any such exchange or transfer of Bonds on or after the Record Date preceding a Payment Date on the Bonds or, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after such Bonds or any portion thereof has been selected for redemption.

(d) Any proposed transfer of Series 2015A Bonds shall be made by the Trustee only upon delivery to the Trustee, the Issuer and the Tenant of an opinion of counsel to the proposed transferor either (1) that the proposed transfer is a part of a transaction exempt from the application of the Securities Act of 1933, as amended (the "1933 Act"), or (2) that the transfer is a part of a transaction that is in compliance with the registration provisions of the 1933 Act, which opinion shall be in form and substance acceptable to both the Trustee, the Issuer and the Tenant.

(e) All of the duties of the Trustee set forth in this *Section 2.06* may be performed by any co-trustee or co-paying agent appointed by the Trustee, to the extent specified in the instrument appointing such co-trustee or co-paying agent.

**Section 2.07. Persons Deemed Owners of Bonds.** The person in whose name any Bond shall be registered as shown on the registration books required to be maintained by the Trustee by this Article shall be deemed and regarded as the absolute owner thereof for all purposes. Payment of, or on account of the principal of and premium, if any, and, interest on any such Bond shall be made only to or upon the order of such registered Owner or a duly constituted legal representative. All such payments shall be valid and

effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

**Section 2.08. Authorization of Series 2015A Bonds.**

(a) There shall be initially issued and secured pursuant to this Indenture, a series of Bonds in the aggregate principal amount of \$3,000,000 for the purpose of providing funds to pay Project Costs, which series of Bonds shall be designated the "City of Maize, Kansas Taxable Industrial Revenue Bonds, Series 2015A (Aero-Tech Engineering Project)." The Series 2015A Bonds shall be dated as of the Dated Date, shall become due on the Principal Payment Date (subject to prior redemption as hereinafter provided in *Article III*) and shall bear interest from their dated date or the Interest Payment Date to which interest has been paid, at the rates per annum (computed on the basis of a 360-day year of twelve 30-day months), at the rate of 5.00%.

(b) Interest on the Series 2015A Bonds shall be payable to the Owners thereof in accordance with the provisions of *Article II* hereof.

(c) The Trustee is hereby designated as the Issuer's Paying Agent for the payment of the principal of, premium, if any, and interest on the Series 2015A Bonds. The Trustee may appoint one or more financial institutions to act as co-paying agent for the Series 2015A Bonds.

(d) Upon the original issuance and delivery of the Series 2015A Bonds, the effective date of registration thereof shall be their Dated Date.

(e) The Series 2015A Bonds shall be substantially in the form and manner set forth in *Article IV* hereof and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Bonds by the Trustee, there shall be filed with the Trustee the following:

- (i) An original or certified copy of the Ordinance enacted by the Issuer's governing body authorizing the issuance of the Series 2015A Bonds and the execution of this Indenture and the Lease.
- (ii) An original executed counterpart of this Indenture.
- (iii) An original executed counterpart of the Lease.
- (iv) An original executed counterpart of the Guaranty Agreement.
- (v) An original executed counterpart of the Sublease.
- (vi) An opinion of Bond Counsel to the effect that the Series 2015A Bonds constitute valid and legally binding obligations of the Issuer.
- (vii) Such other certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of the Series 2015A Bonds.

(f) When the documents specified in subsection (e) of this Section shall have been filed with the Trustee, and when certificates representing all the Series 2015A Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver the Series 2015A Bonds to or upon the order of the Original Purchaser thereof, but only upon payment to the Trustee of the Purchase Price of the Series 2015A Bonds. The Original Proceeds, including accrued interest and premium thereon, if any, shall

be immediately paid over to the Trustee, and the Trustee shall deposit and apply such proceeds as provided in *Article V* hereof.

**Section 2.09. Authorization of Additional Bonds.**

(a) Additional Bonds may be issued under and equally and ratably secured by this Indenture on a parity with the Series 2015A Bonds and any other Additional Bonds Outstanding at any time and from time to time, upon compliance with the conditions hereinafter provided in this Section, for any of the following purposes:

(i) To provide funds to pay the costs of completing the Improvements, the total of such costs to be evidenced by a certificate signed by the Authorized Tenant Representative.

(ii) To provide funds to pay all or any part of the costs of repairing, replacing or restoring Improvements in the event of damage, destruction or condemnation thereto or thereof.

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

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

(b) Before any Additional Bonds shall be issued under the provisions of this Section, Issuer's governing body shall enact an Ordinance (i) authorizing the issuance of such Additional Bonds, fixing the amount and terms thereof and describing the purpose or purposes for which such Additional Bonds are being issued or describing the Bonds to be refunded, (ii) authorizing the Issuer to enter into a Supplemental Indenture for the purpose of providing for the issuance of and securing such Additional Bonds and, if required, (iii) authorizing the Issuer to enter into a supplemental lease with the Tenant to provide for rental payments at least sufficient to pay the principal of, premium, if any, and interest on the Bonds then to be Outstanding (including the Additional Bonds to be issued) as the same become due, for the acquisition, purchase, construction or installation of additional Improvements, for the inclusion of any such addition, expansion or modification as a part of the Project, and for such other matters as are appropriate because of the issuance of the Additional Bonds proposed to be issued which, in the judgment of the Issuer, is not to the prejudice of the Issuer or the owners of the Bonds previously issued.

(c) Such Additional Bonds shall have the same designation as the Series 2015A Bonds, except for an identifying series letter or date and the addition of the word "Refunding" when applicable, shall be dated, shall be stated to mature on Principal Payment Dates in such year or years, shall bear interest at such rate or rates not exceeding the maximum rate then permitted by law, and shall be redeemable at such times and prices (subject to the provisions of *Article III* of this Indenture), all as may be provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest or the provisions for redemption, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2015A Bonds and any other Additional Bonds Outstanding at the time of the issuance of such Additional Bonds.

(d) Such Additional Bonds shall be substantially in the form and executed in the manner set forth in this Article and *Article IV* hereof and certificates representing such Bonds shall be deposited with the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of such Bond certificates by the Trustee, there shall be filed with the Trustee the following:

(i) An original or certified copy of the ordinance enacted by the Issuer's governing body authorizing the issuance of such Additional Bonds and the execution of such Supplemental Indenture and the appropriate amendments or supplements to the Lease.

(ii) An original executed counterpart of the Supplemental Indenture providing for the issuance of the Additional Bonds.

(iii) An original executed counterpart of the amendment or supplement to the Lease, if required.

(iv) An opinion of Bond Counsel to the effect that the Additional Bonds constitute valid and legally binding obligations of the Issuer.

(v) In the case of Additional Bonds being issued to refund Outstanding Bonds, such additional documents as shall be reasonably required by the Trustee to establish that provision has been duly made for the payment of all of the Bonds to be refunded in accordance with the provisions of *Article XII* of this Indenture.

(vi) Such other instructions, certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of such Additional Bonds.

(e) When the documents mentioned in subsection (d) of this Section shall have been filed with the Trustee, and when such Additional Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver such Additional Bonds to or upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of such Additional Bonds. The proceeds of the sale of such Additional Bonds (except Additional Bonds issued to refund Outstanding Bonds), including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee and shall be deposited and applied by the Trustee as provided in *Article V* hereof and in the Supplemental Indenture authorizing the issuance of such Additional Bonds. The proceeds (excluding accrued interest and premium, if any, which shall be deposited in the Debt Service Fund) of all Additional Bonds issued to refund Outstanding Bonds shall be deposited by the Trustee, after payment or making provision for payment of all expenses incident to such financing, to the credit of a special trust fund, appropriately designated, to be held in trust for the sole and exclusive purpose of paying the principal of, premium, if any, and interest on the Bonds to be refunded, as provided in *Section 12.02* hereof and in the Supplemental Indenture authorizing the issuance of such refunding Bonds.

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

## **Section 2.10. Temporary Bonds.**

(a) Until definitive Bonds of any series are available for delivery, the Issuer may execute, and upon request of the Issuer, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same limitations and conditions as definitive Bonds, temporary printed, engraved, lithographed or typewritten Bonds, in the form of fully registered Bonds in denominations of \$5,000 or any integral multiple

thereof, substantially of the tenor hereinabove set forth and with such appropriate omissions, insertions and variations as may be required with respect to such temporary Bonds.

(b) If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it at its principal office of any temporary Bond shall cancel the same and authenticate and deliver in exchange therefor, without charge to the Owner thereof, a definitive Bond or Bonds of an equal aggregate principal amount, of the same series and maturity and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

**Section 2.11. Mutilated, Lost, Stolen or Destroyed Bonds.** In the event any Bond certificate shall become mutilated, or be lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond certificate of like series, date and tenor as the Bond certificate mutilated, lost, stolen or destroyed. In the case of any mutilated Bond certificate, such mutilated Bond shall first be surrendered to the Trustee; and in the case of any lost, stolen or destroyed Bond certificate, there shall be first furnished to the Issuer and the Trustee evidence of such loss, theft or destruction satisfactory to the Issuer and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond certificate the Issuer may pay or authorize the payment of the same without surrender thereof. Upon the issuance of any substitute Bond certificate, the Issuer and the Trustee may require the payment of an amount sufficient to reimburse the Issuer and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

**Section 2.12. Cancellation and Destruction of Bonds Upon Payment.**

(a) All Bonds which have been paid or redeemed or which the Trustee has purchased or the certificates of which have otherwise been surrendered to the Trustee under this Indenture, either at or before Maturity, shall be canceled by the Trustee immediately upon the payment, redemption or purchase of such Bonds and the surrender of the certificates thereof to the Trustee.

(b) All Bonds canceled under any of the provisions of this Indenture shall be delivered by the Trustee to the Issuer, or, upon request of the Issuer, shall be destroyed by the Trustee.

**Section 2.13. Payments Due on Saturdays, Sundays and Holidays.** In any case where the Maturity of any Bonds shall not be a Business Day, then payment of principal, premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of Maturity, and no interest shall accrue for the period after such date.

**Section 2.14. Nonpresentment of Bonds.** In the event that any Bond shall not be presented for payment when the principal thereof becomes due, either at its Stated Maturity or Redemption Date, or the Trustee is unable to locate the Owner for the payment of accrued interest or an accrued interest check remains uncashed, if funds sufficient to pay such Bond and accrued interest shall have been made available to the Trustee, all liability of the Issuer to the Owner(s) of Bonds for the payment of such Bond and accrued interest shall cease and be completely discharged, and the Trustee shall hold such funds, without interest, for the benefit of such Owner(s) of Bonds, who shall thereafter be restricted exclusively to such funds for any claim on, or with respect to, such Bond and interest. If any Bond shall not be presented for payment within four years following the date when it becomes due, whether by Maturity or otherwise, or the accrued interest cannot be paid as set out above, the Trustee shall repay to the Tenant the funds theretofore held by it for payment of such Bond and interest, and such Bond and interest shall thereafter be an unsecured obligation of the Tenant, subject to the defense of any applicable statute of limitation, and the Owner thereof shall be

entitled to look only to the Tenant for payment, and then only to the extent of the amount so repaid, and the Tenant shall not be liable for any additional interest thereon.

### ARTICLE III

#### REDEMPTION OF BONDS

**Section 3.01. Redemption of Bonds Generally.** The Series 2015A Bonds shall be subject to redemption prior to Stated Maturity in accordance with the terms and provisions of this Article. Additional Bonds shall be subject to redemption prior to Stated Maturity in accordance with the terms and provisions contained in this Article and as may be specified in the Supplemental Indenture authorizing such Additional Bonds.

**Section 3.02. Redemption of Series 2015A Bonds.** The Series 2015A Bonds shall be subject to redemption as follows:

*Optional Redemption.* Series 2015A Bonds shall be subject to redemption and payment prior to Stated Maturity, at the option of the Issuer, upon instructions from the Tenant, as a whole or in part on any date, at the redemption price of the par value of the principal amount thereof, without premium.

**Section 3.03. Selection of Bonds to be Redeemed.**

(a) Bonds shall be redeemed only in Authorized Denominations. If less than all of the Outstanding Bonds of any series are to be redeemed and paid prior to Stated Maturity, such Bonds shall be redeemed as directed in writing by the Tenant. Bonds of less than a full Stated Maturity are to be selected by the Trustee in such equitable manner as it may determine.

(b) In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it was a separate Bond of the minimum Authorized Denomination. If it is determined that one or more, but not all, of the minimum Authorized Denomination units of face value represented by any fully registered Bond is selected for redemption, then the Owner of such Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (1) for payment of the redemption price (including the premium, if any, and interest to the Redemption Date) of the minimum Authorized Denomination unit or units of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the owner of any such Bond of a denomination greater than a minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the principal amount thereof called for redemption (and to that extent only).

**Section 3.04. Trustee's Duty to Redeem Bonds.** The Trustee shall call bonds for mandatory redemption immediately upon receipt of written advice from the Issuer that the event giving rise to mandatory redemption has occurred, and stating the Redemption Date (except with respect to mandatory redemption of Term Bonds, no further notice of which is required). Upon receipt by the Trustee of such written advice, if required, and upon its own initiative if not required, the Trustee shall give at least 30 days' written notice of redemption to the Owner(s) of Bonds as provided herein. The Trustee shall call Bonds for redemption and payment as herein provided and shall give notice of redemption as provided in *Section 3.05*

hereof upon receipt by the Trustee at least 45 days prior to the proposed Redemption Date (unless waived) of a written request of the Issuer together with a copy of the redemption instructions of the Tenant. Such instructions shall specify the principal amount and the respective maturities of Bonds to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Indenture pursuant to which such Bonds are to be called for redemption. In the event of a mandatory redemption as provided herein, no request from the Issuer or instructions from the Tenant shall be necessary. Such instructions may direct that the redemption be conditioned upon the availability of funds therefore from the proceeds of refunding bonds issued by the Issuer.

**Section 3.05. Notice of Redemption.** Notice of the call for any redemption identifying the Bonds or portions thereof to be redeemed shall be given by the Trustee, in the name of the Issuer, by mailing by first class mail, postage prepaid, a copy of the redemption notice at least 30 days prior to the date fixed for redemption to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Trustee; provided, however, that failure to give such notice by mailing as aforesaid, or any defect therein, shall not affect the validity of any proceedings for the redemption of the Bonds. Any notice of redemption shall state the Redemption Date, the place or places at which such Bonds shall be presented for payment, the series, maturities and numbers of the Bonds or portions of Bonds to be redeemed (and in the case of the redemption of a portion of any Bond the principal amount thereof being redeemed), the redemption price and shall state that interest on the Bonds described in such notice will cease to accrue from and after the Redemption Date. Any notice of redemption may be conditioned upon the availability of funds therefore from the proceeds of refunding bonds to be issued by the Issuer, if so instructed by the Tenant. A copy of each such notice of redemption shall be provided to any authorized co-paying agent appointed by the Trustee.

**Section 3.06. Effect of Call for Redemption.** Prior to the date fixed for redemption, funds or Government Securities maturing on or before the date fixed for redemption shall be deposited with the Trustee in amounts sufficient to provide for payment of the Bonds called for redemption, accrued interest thereon to the Redemption Date and the redemption premium, if any. Upon the deposit of such funds or Government Securities, and notice having been given as provided in *Section 3.05* hereof, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified Redemption Date, and shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

## ARTICLE IV

### FORM OF BONDS

**Section 4.01. Forms Generally.** The Series 2015A Bonds, and the Trustee's certificate of authentication to be endorsed thereon shall be, respectively, in substantially the form set forth in *Appendix A*. Any Additional Bonds, and the Trustee's Certificate of Authentication to be endorsed thereon shall also be in substantially such form, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture or any Supplemental Indenture. The Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirement of law with respect thereto.

**Section 4.02. Bond Counsel's Approving Opinion.** If printed on the Bond certificates, Bond Counsel's approving opinion with respect to the authorization and issuance of the Bonds shall be preceded by the following certificate:

I, the undersigned, City Clerk of the City of Maize, Kansas hereby certify that the following is a true and correct copy of the complete final legal opinion of Gilmore & Bell, P.C., Bond Counsel, on the within Bond and the series of which said Bond is a part, except that it omits the date of such opinion, that said legal opinion was manually executed and was dated and issued as of the date of delivery of and payment for such Bonds, and is on file with Security Bank of Kansas City, Kansas City, Kansas.

(facsimile signature)  
City Clerk of the  
City of Maize, Kansas

## ARTICLE V

### CUSTODY AND APPLICATION OF BOND PROCEEDS

**Section 5.01. Creation of Funds and Accounts.** There are hereby established in the custody of the Trustee the following Funds and Accounts:

- (a) "City of Maize, Kansas Project Fund (Aero-Tech Engineering Project)"
- (b) "City of Maize, Kansas Debt Service Fund (Aero-Tech Engineering Project)"

The Trustee may create separate subaccounts in any Fund or Account for each series of Bonds issued pursuant to the Indenture.

**Section 5.02. Deposit of Bond Proceeds and Other Moneys.** The net proceeds received from the sale of the Series 2015A Bonds shall be deposited simultaneously with the delivery of the Series 2015A Bonds into the Project Fund.

## ARTICLE VI

### REVENUES AND FUNDS

**Section 6.01. Deposits into the Project Fund.** In addition to the amounts required to be paid into the Project Fund pursuant to *Section 5.02* hereof, the following funds shall be paid over to and deposited by the Trustee into the Project Fund, as and when received:

- (a) The earnings accrued on the investment of moneys in the Project Fund and required to be deposited into the Project Fund pursuant to *Section 7.02* hereof.
- (b) If required by a Supplemental Indenture authorizing the issuance of Additional Bonds, additional amounts from the proceeds of such Additional Bonds required to acquire, construct and install the Project Additions.
- (c) The Net Proceeds of casualty insurance, condemnation awards or title insurance required to be deposited into the Project Fund pursuant to the Lease.
- (d) Any and all payments from any contractors or other suppliers by way of breach of contract, refunds or adjustments required to be deposited into the Project Fund pursuant to the Lease.

(e) Except as otherwise provided herein or in the Lease, any other money received by or to be paid to the Trustee from any other source for the purchase or construction of the Improvements, when accompanied by directions by the Tenant that such moneys are to be deposited into the Project Fund

**Section 6.02. Disbursements from the Project Fund.**

(a) The moneys in the Project Fund shall be disbursed by the Trustee for the payment of Project Costs (other than Costs of Issuance) in accordance with the provisions of *Article V* of the Lease. The Trustee hereby covenants and agrees to disburse such moneys in accordance with such provisions. If the Issuer so requests, a copy of each requisition certificate submitted to the Trustee for payment under this Section shall be promptly provided by the Trustee to the Issuer.

(b) The Trustee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and after the Improvements have been completed the Trustee, if requested, shall file a statement of receipts and disbursements with respect thereto with the Issuer and the Tenant.

(c) Any balance remaining in the Project Fund upon completion of the Improvements and payment of all costs and expenses incident thereto shall without further authorization be deposited in the Debt Service Fund and applied by the Trustee solely to the payment of principal of the Bonds through the payment on a Stated Maturity or redemption thereof on any Redemption Date specified in the optional redemption provisions of *Section 3.02* hereof, or as otherwise permissible in the opinion of Bond Counsel.

**Section 6.03. Disposition Upon Acceleration.** If the principal of the Bonds shall have become due and payable pursuant to *Section 9.01* of this Indenture, upon the date of payment by the Trustee of any moneys due as hereinafter provided in *Article IX*, any balance remaining in the Project Fund shall, without further authorization, be deposited in the Debt Service Fund by the Trustee.

**Section 6.04. Deposits into the Debt Service Fund.** The Trustee shall deposit into the Debt Service Fund, as and when received, the following:

(a) If required by a Supplemental Indenture authorizing the issuance of Additional Bonds, proceeds of such Additional Bonds in an amount not to exceed the sum which, when added to the accrued interest and premium, if any, received from the sale of such Additional Bonds, will be sufficient to pay the interest accruing on such Additional Bonds during the estimated period of construction of the Project Additions financed through the issuance of such Additional Bonds.

(b) All Basic Rent payable by the Tenant to the Issuer specified in *Section 3.1* of the Lease.

(c) Any amount in the Project Fund to be transferred to the Debt Service Fund pursuant to the provisions of this Indenture

(d) All interest and other income derived from investments of Debt Service Fund moneys as provided in *Section 7.02* hereof.

(g) All other moneys received by the Trustee under and pursuant to any of the provisions of the Lease, except Additional Rent, or when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Debt Service Fund.

**Section 6.05. Application of Moneys in the Debt Service Fund.**

(a) Except as provided in subsection (d) of this Section, moneys in the Debt Service Fund shall be expended solely for the payment of the principal of, premium, if any, and interest on the Outstanding Bonds as the same mature and become due or upon the redemption thereof prior to maturity.

(b) The Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Debt Service Fund to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable and to make said funds so withdrawn available to the Paying Agent for the purpose of paying said principal, premium, if any, and interest.

(c) The Trustee, upon written direction of the Issuer and the Tenant, shall use any excess moneys in the Debt Service Fund (other than investment earnings credited to such account) and any moneys paid to the Trustee for deposit in the Debt Service Fund pursuant to *Section 17.2* of the Lease to redeem Outstanding Bonds, interest accruing thereon prior to such redemption, and redemption premium, if any, in accordance with and to the extent permitted by *Article III* hereof so long as the Tenant is not in default with respect to payments of Basic Rent under the Lease and to the extent said moneys are in excess of amounts required for payment of Bonds theretofore matured or called for redemption and past due interest in all cases when such Bonds have not been presented for payment. The Tenant may also direct such excess moneys in the Debt Service Fund or such part thereof or other moneys of the Tenant, as the Tenant may direct, to be applied by the Trustee for the purchase of Bonds in the open market for the purpose of cancellation.

(d) Any amount remaining in the Debt Service Fund after the principal of, premium, if any, and interest on the Bonds shall have been paid in full or provision made therefor in accordance with *Article XIII* hereof, shall be paid to the Tenant by the Trustee.

## ARTICLE VII

### SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

**Section 7.01. Moneys to be Held in Trust.** All moneys deposited with or paid to the Trustee for the account of any fund or account under any provision of this Indenture, and all moneys deposited with or paid to the Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Lease and, until used or applied as so provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon in writing.

**Section 7.02. Investment of Moneys in Funds.** Moneys held in each of the Funds and Accounts shall be separately invested and reinvested by the Trustee in accordance with the provisions hereof, at the written direction of the Authorized Tenant Representative (or in the absence of such written direction, as provided in *subsection (e)* of the definition of Investment Securities) in Investment Securities which mature or are subject to redemption by the owner prior to the date such funds will be needed. The Trustee may make any investments permitted by this Section through its own bond department or short-term investment department and may pool moneys for investment purposes, except moneys held in the yield restricted portion of any fund or account, which shall be invested separately. Any such Permitted Investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund or account in which such moneys are originally held. The interest earned on and any profit realized from Investment Securities held in any Fund or Account under this Indenture shall be deposited into the Debt Service Fund. Any loss resulting from such Investment Securities shall be charged to such Fund or Account in which such Investment Securities generating the loss are held. The Bond

Trustee shall sell and reduce to cash a sufficient amount of such Investment Securities whenever the cash balance in such Fund or Account is insufficient for the purposes of such Fund or Account

**Section 7.03. Record Keeping.** The Trustee shall maintain records demonstrating compliance with the provisions of this Article and with the provisions of *Article VI* for at least six years after the payment of all of the Outstanding Bonds.

## ARTICLE VIII

### GENERAL COVENANTS AND PROVISIONS

**Section 8.01. Payment of Principal of, Premium, if any, and Interest on the Bonds.** The Issuer covenants and agrees that it will, but solely from the rents, revenues and receipts derived from the Project (as well as moneys held for such purposes hereunder) as described herein, promptly pay or cause to be paid the principal of, premium, if any, and interest on the Bonds as the same become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof, and to this end the Issuer covenants and agrees that it will use its best efforts to cause the Project to be continuously leased as a revenue and income producing undertaking, and that, should there be a default under the Lease with the result that the right of possession of the Project is returned to the Issuer, the Issuer shall fully cooperate with the Trustee and with the Owner(s) of Bonds to protect the rights and security of the Owner(s) of Bonds and shall diligently proceed in good faith and use its best efforts to secure another tenant for the Project to the end that at all times sufficient rents, revenues and receipts will be derived by Issuer from the Project to provide for payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. Nothing herein shall be construed as requiring the Issuer to operate the Project as a business other than as lessor or to use any funds or revenues from any source other than funds and revenues derived from the Project.

**Section 8.02. Authority to Execute Indenture and Issue Bonds.** The Issuer covenants, to the best of its knowledge and belief, that: (i) it is duly authorized under the constitution and laws of the State to execute this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth (including the creation of a security interest therein); (ii) all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; and (iii) the Bonds in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the import thereof.

**Section 8.03. Performance of Covenants.** The Issuer covenants that it will endeavor to faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings of its governing body pertaining thereto.

**Section 8.04. Instruments of Further Assurance.** The Issuer covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better pledging and assigning unto the Trustee the property and revenues herein described to secure the payment of the principal of, premium, if any, and interest on the Bonds. The Issuer covenants and agrees that, except as herein and in the Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project or the rents, revenues and receipts derived therefrom or from the Lease, or of its rights under the Lease.

**Section 8.05. Recording and Filing.** The Issuer shall cause the Lease and all amendments to the Lease or appropriate memoranda thereof and all appropriate financing statements and other security instruments to be recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the Owner(s) of Bonds and the rights of the Trustee hereunder. The Issuer hereby authorizes the Trustee to make any such filings for it. The Trustee shall cause all appropriate continuation statements of financing statements initially recorded to be recorded and filed in such manner and in such places as may be required by law to continue the effectiveness of such financing statements.

**Section 8.06. Maintenance, Taxes and Insurance.** The Issuer represents that pursuant to the provisions of *Articles VI, VII and X* of the Lease, the Tenant has agreed to cause the Project to be maintained and kept in good condition, repair and working order, to pay, as the same respectively become due, all taxes, assessments and other governmental charges at any time lawfully levied or assessed upon or against the Project or any part thereof, and to keep the Project constantly insured to the extent provided for therein, all at the sole expense of Tenant.

**Section 8.07. Inspection of Project Books.** The Issuer covenants and agrees that all books and documents in its possession relating to the Project and the rents, revenues and receipts derived from the Project shall, at all reasonable times during regular business hours, be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

**Section 8.08. Enforcement of Rights Under the Lease.** The Lease, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and obligations of the Issuer and the Tenant, including provisions that subsequent to the issuance of the Bonds and prior to their payment in full or provision for payment thereof in accordance with the provisions hereof, the Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of the Trustee, and reference is hereby made to the Lease for a detailed statement of said covenants and obligations of the Tenant thereunder, and the Issuer agrees that the Trustee in its name or in the name of the Issuer may enforce all rights of the Issuer and all obligations of the Tenant under and pursuant to the Lease for and on behalf of the Owners, whether or not an Event of Default exists hereunder.

**Section 8.09. Possession and Use of Project.** So long as not otherwise provided in this Indenture, the Tenant shall be suffered and permitted to possess, use and enjoy the Project and appurtenances so as to carry out its obligations under the Lease.

## ARTICLE IX

### REMEDIES ON DEFAULT

**Section 9.01. Acceleration of Maturity in Event of Default.**

(a) If an Event of Default shall have occurred and be continuing, the Trustee may, and upon the written request of Owner(s) of Bonds owning not less than 25% in aggregate principal amount of Bonds then Outstanding shall, by notice in writing delivered to the Issuer and the Tenant, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

(b) If, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of principal and interest on the Bonds, together with all Default

Administration Costs, all overdue installments of Basic Rent and Additional Rent under the Lease and all other sums then payable by the Issuer under this Indenture shall either be paid or provision satisfactory to the Trustee shall be made for such payment, then and in every such case the Trustee may in its discretion, and shall upon the written consent of Owner(s) of Bonds owning at least 51% in aggregate principal amount of the Bonds Outstanding, rescind such declaration and annul such default in its entirety.

(c) In case of any rescission, then and in every such case the Issuer, the Trustee and the Owner(s) of Bonds shall be restored to their former position and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

### **Section 9.02. Exercise of Remedies by the Trustee.**

(a) If an Event of Default shall have occurred and be continuing, the Trustee may, and if requested to do so in writing by Owner(s) of Bonds owning not less than 25% of the aggregate principal amount of Bonds Outstanding, and if indemnified to its satisfaction and satisfactory provision has been offered as to payment of Default Administration Costs and third-party liability, shall pursue and exercise any available remedy at law or in equity by suit, action, mandamus or other proceeding or exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Owner(s) of Bonds to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth.

(b) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without necessity of joining as plaintiffs or defendants any Owner(s) of Bonds, and any recovery of judgment shall be for the equal benefit of all Outstanding Bonds.

(c) In any litigation with the Tenant or the Guarantor, or both, after an Event of Default, the Trustee may, after obtaining the written approval of Owner(s) of Bonds owning at least 51% of the aggregate principal amount of Bonds Outstanding, enter into an agreement to settle the litigation upon such terms as the Trustee in its sole discretion determines to be in the best interest of the Owner(s) of Bonds, even if such settlement involves selling the Land and Improvements for less than the amount needed to pay the Owners of the Bonds Outstanding the full amounts of the principal and accrued interest on the Bonds and releasing the Guarantors from all liability under the Guaranty Agreement.

**Section 9.03. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession.** If an Event of Default shall have occurred and be continuing, the Issuer, upon demand of the Trustee, shall forthwith surrender the possession of, and the Trustee, by such officer or agent as it may appoint, may take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the Issuer pertaining thereto, and including the rights and the position of the Issuer under the Lease, and to hold, operate and manage the same, and from time to time make all needful repairs and improvements; and the Trustee may lease the Project or any part thereof, in the name and for account of the Issuer, and collect, receive and sequester the rents, revenues and receipts therefrom, and out of the same and any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including (i) reasonable compensation to the Trustee, its agents and counsel, (ii) any charges of the Trustee hereunder, (iii) any taxes and assessments and other charges prior to the lien of this Indenture, (iv) any costs and expenses of the Issuer in connection with the Project and (v) all expenses of such repairs and improvements, and the Trustee shall apply the remainder of the moneys so received in accordance with *Section 9.10*. Whenever all that is

due upon the Bonds shall have been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the Issuer, its successors and assigns, the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of such property, the Trustee shall render annually to the Issuer and the Tenant a summarized statement of receipts and expenditures in connection therewith

**Section 9.04. Sale in Event of Default.** If an Event of Default shall have occurred and be continuing, the Trustee, as assignee of the Issuer, may (but shall not be required to) sell the Issuer's interest in the Project on behalf of the Issuer in accordance with the provisions of the Lease, and the Trustee or the Owner or Owners of any of the Bonds then Outstanding, whether or not then in default in the payment of principal or interest, may become the purchaser at any such sale to the highest bidder.

In the event of such a sale, the Issuer and the Trustee shall execute and deliver any necessary or appropriate instrument of conveyance of the Issuer's interest in the Project to the purchaser or purchasers thereof, and any statement or recital of fact in such deed in relation to the nonpayment of the Bonds, default, existence of the Bonds, notice of advertisement, sale, receipt of money, and the happening of any event whereby a prima facie evidence of the truth of such statement or recital. The Bond Trustee shall receive the proceeds of sale and pay the same in accordance with *Section 9.10(b)*.

**Section 9.05. Appointment of Receivers.** Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 9.06. Limitation on Exercise of Remedies by Owner(s) of Bonds.** No Owner(s) of Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (i) a default has occurred of which the Trustee has knowledge, (ii) such default shall have become an Event of Default, (iii) Owner(s) of Bonds owning at least 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and (iv) satisfactory indemnity and provision for payment of Default Administration Costs and third-party liability shall have been offered to the Trustee and (v) the Trustee shall thereafter fail or refuse to exercise the powers granted in this section to institute such action, suit or proceeding in its own name; and such knowledge and request are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owner(s) of Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Bonds then Outstanding.

**Section 9.07. Right of Owner(s) of Bonds to Direct Proceedings.** Anything in this Indenture to the contrary notwithstanding, Owner(s) of Bonds owning at least 51% in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, and upon providing the Trustee indemnification satisfactory to it as provided above, to direct the time, method and place of conducting all proceedings to be taken in connection

with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and Trustee shall have the right to decline to follow such direction if the Trustee shall in good faith, and upon the advice of counsel, determine that proceedings so directed would expose the Trustee to personal liability.

**Section 9.08. Remedies Cumulative.** No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Owner(s) of Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owner(s) of Bonds hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default hereunder, whether by the Trustee or by the Owner(s) of Bonds, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

**Section 9.09. Waivers of Events of Default.** The Trustee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on Bonds, and shall do so upon the written request of Owner(s) of Bonds owning at least 51% in aggregate principal amount of all the Bonds then Outstanding and satisfaction of the conditions set forth in *Section 9.01(b)*. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee under this Indenture on account of any such default shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee and the Owner(s) of Bonds shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

**Section 9.10. Application of Money Received after Event of Default.**

(a) If the principal of all Bonds shall have become due and payable after the occurrence of an Event of Default, all moneys thereafter received from the Tenant, from sale or reletting of the Project, or pursuant to the Guaranty Agreement, shall be deposited in the Debt Service Fund and all moneys in the Debt Service Fund shall be applied as follows:

*first:* To the payment of Default Administration Costs

*second:* To the payment of the whole amount then due and unpaid upon the Outstanding Bonds for principal and premium, if any, and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Bonds) on overdue principal and premium, if any, and on overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the Bonds, then to the payment of such principal, premium and interest, without any preference or priority, ratably according to the aggregate amount so due; and

*third:* To the payment of any other amounts required to be paid under this Indenture or the Lease; and

*fourth:* To the payment of the remainder, if any, to the Tenant or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

(b) Whenever moneys are to be applied by the Issuer or the Trustee pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee in its sole discretion determines, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future; the deposit of such moneys with the Trustee in trust for the proper purpose shall constitute proper application by the Issuer; and the Issuer shall incur no liability to any Owner(s) of Bonds or to any other person for any delay in applying any such moneys, so long as the Issuer acts with reasonable diligence, having due regard to the circumstances, and moneys are applied in accordance with such provisions of this Indenture. Whenever the Trustee exercises such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to any Owner(s) of Bonds of any unpaid Bond until the Bond certificate(s) representing Bonds owned are surrendered to the Trustee as Bond Registrar for appropriate endorsement, or for cancellation if fully paid.

(c) Whenever the principal of and premium, if any, and interest on all Bonds have been paid under the provisions of this Section and all expenses and charges of the Trustee have been paid, any balance remaining in the Debt Service Fund shall be paid to the Tenant as provided in *Section 6.07(d)*.

## ARTICLE X

### THE TRUSTEE

**Section 10.01. Acceptance of the Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts in the manner in which a corporate trustee ordinarily would perform said trusts under a corporate indenture, and the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care and skill in its exercise as a prudent corporate trust officer would exercise or use under the circumstances, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) Prior to the occurrence of an Event of Default and after the cure of all Events of Default which may have occurred, the Trustee's duties and responsibilities shall include only those expressly set forth in this Trust Indenture and those rights, duties, responsibilities, and obligations which are reserved to or imposed upon the Issuer under this Trust Indenture and the Lease, excepting only such of those rights, duties, responsibilities, and obligations as may only be properly and lawfully exercised by or imposed upon the Issuer.

(b) Upon the occurrence of an Event of Default the Trustee shall be and is hereby authorized to bring appropriate action for judgment or such other relief as may be appropriate and such action may be in the name of the Trustee or in the name of the Issuer and Trustee jointly; but in such case, neither the Issuer nor the Trustee shall have any obligation for any fees and expenses of such action except out of any funds available by reason of the ownership of the Project and moneys available under this Trust Indenture and the Lease. In addition, the Trustee may file such proof of claim and such other documents as

may be necessary and advisable in order to have the claims of the Trustee and the Owner(s) of Bonds relative to the Bonds or the obligations relating thereto allowed in any judicial proceeding.

(c) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers. The Trustee shall be entitled to rely upon the opinion or advice of counsel, who may be counsel to the Trustee, Issuer or the Tenant, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof.

(d) The Trustee, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any ordinance, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture, the Lease or the Guaranty Agreement believed by it to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is an Owner(s) of Bonds, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in substitution thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by the mayor of the Issuer or the Authorized Tenant Representative as sufficient evidence of the facts therein contained, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) At any and all reasonable times and upon reasonable prior notification to the Tenant, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right to inspect any and all of the Project and all books, papers and records of the Issuer and Tenant pertaining to the Project and the Bonds, and to make such notes and copies as may be desired.

(i) The Trustee shall not be required to give any bond or surety with respect to the execution of its trusts and powers hereunder or otherwise with respect to the Project.

(j) The Trustee shall have the right, but shall not be required, to demand, with respect to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purpose of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) The Trustee shall not be required to take notice of, or be deemed to have notice of, any default hereunder or under the Lease, except the failure by the Issuer to cause to be made any of the payments required to be made under the Lease or in accordance with *Article VI* hereof, or the failure by the Issuer to cause compliance by the Tenant with the insurance provisions of *Article VI* of the Lease, unless the Trustee shall have been specifically notified in writing of such default by the Issuer or by Owner(s) of Bonds owning at least 25% in aggregate principal amount of all Bonds then Outstanding.

(l) The Trustee may inform the Owner(s) of Bonds of environmental hazards that the Trustee has reason to believe exist with respect to the Project, the Land or the Improvements, and the Trustee shall have the right to take no further action with respect thereto, and, in such event, no fiduciary duty shall exist which imposes any obligation for further action by the Trustee with respect to the Project, the Land, the Improvements, the enforcement of any remedies hereunder or under this Lease, the Trust Estate, or any portion thereof, if, in the reasonable opinion of the Trustee, such action would subject the Trustee to environmental or other liability for which the Trustee has not received indemnity satisfactory to it.

**Section 10.02. Fees, Charges and Expenses of the Trustee; Lien for Fees and Costs and Additional Rent.** The Trustee shall be entitled to payment of or reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and other ordinary costs, charges and expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees, costs, expenses and charges of the Trustee as Paying Agent for the Bonds. The Trustee agrees that the Issuer shall have no liability for any fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Tenant for the payment of all fees, charges and expenses of the Trustee and any Paying Agents as provided in the Lease. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to payment of principal of, redemption premium, if any, or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, costs and expenses incurred, for Default Administration Costs and for any unpaid Additional Rent owing under the Lease.

**Section 10.03. Notice to Owner(s) of Bonds if Default Occurs.** If an Event of Default occurs, of which the Trustee is aware and of which it is required to take notice, the Trustee shall give written notice thereof to the Owner(s) of Bonds, as shown by the bond registration books required to be maintained by the Trustee and kept at the principal office of the Trustee.

**Section 10.04. Intervention by the Trustee.** In any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Owner(s) of Bonds, the Trustee may intervene on behalf of the Owner(s) of Bonds and shall do so if requested in writing by Owner(s) of Bonds owning at least 25% of the aggregate principal amount of Bonds then Outstanding and if provided with indemnity satisfactory to the Trustee.

**Section 10.05. Successor Trustee Upon Merger, Consolidation or Sale.** Any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

**Section 10.06. Resignation of Trustee.** The Trustee may resign by an instrument in writing delivered by registered or certified mail to the Issuer and the Tenant to take effect not sooner than 90 days after its delivery, whereupon the Issuer, with the consent of the Tenant, shall immediately, in writing, designate a successor Trustee; provided, however, that the Trustee's resignation shall not become effective unless and until a successor Trustee is approved and qualified. In the event the Issuer and the Tenant do not promptly designate a successor trustee, then the Trustee shall have the right to petition a court of competent jurisdiction for the appointment of a successor.

**Section 10.07. Removal of Trustee.** As long as no Default or Event of Default shall have occurred and be continuing, the Trustee may be removed at any time by the Issuer or the Tenant; provided, that such removal shall not be effective unless and until a successor trustee is appointed and qualified, and provided further than such removal shall not become effective until after 60 days from the date written notice of such proposed removal is given to the Trustee by first class mail. The Issuer or the Tenant, concurrently with giving notice to the Trustee, shall give notice by first class mail of the proposed removal of the Trustee to all Owner(s) of Bonds. Unless Owner(s) of Bonds owning at least 51% in principal amount of Bonds then Outstanding object in writing to the proposed removal of the Trustee, such removal shall become effective from the date specified in the notices, provided that the successor trustee shall have been qualified and have accepted the duties and responsibilities of the Trustee as of such date. The Trustee may be removed at any time by the written direction of Owner(s) of Bonds owning at least 51% in aggregate principal amount of Bonds then Outstanding.

**Section 10.08. Qualifications of Successor Trustee.** Every successor Trustee appointed pursuant to the provisions of this Article shall be a trust company or bank in good standing, qualified to accept such trust and acceptable to the Issuer and the Tenant.

**Section 10.09. Vesting of Trusts in Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the Tenant an instrument in writing accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

**Section 10.10. Right of Trustee to Pay Taxes and Other Charges.** In case any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Project is not paid as required herein or in the Lease, and the Tenant has failed after 30 days written notice to make such payment, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Owner(s) of Bonds hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of

payment at a rate per annum equal to the Trustee's published prime rate in effect at the time, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of principal of, premium, if any, or interest on the Bonds, and shall be paid out of the proceeds of rents, revenues and receipts collected from the Project, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by Owner(s) of Bonds owning at least 25% of the aggregate principal amount of Bonds then Outstanding and shall have been provided adequate funds for the purpose of such payment.

**Section 10.11. Trust Estate May Be Vested in Co-trustee.**

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Lease, and in particular in case of the enforcement of either a default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee appoint an additional individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee.

(b) In the event that the Trustee appoints an additional individual or institution as a co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(c) Should any deed, conveyance or instrument in writing from the Issuer be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, then any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

(d) In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

**Section 10.12. Annual Accounting.** The Trustee shall render an annual accounting to the Tenant, to the Issuer upon request, and to any Owner(s) of Bonds requesting the same in writing and remitting reasonable charges for preparing such copies, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

**Section 10.13. Performance of Duties under the Lease and Guaranty Agreement.** The Trustee hereby accepts and agrees to perform, in such manner as is consistent with the terms of those instruments and this Indenture, all duties and obligations assigned to it under the Lease and the Guaranty Agreement.

## ARTICLE XI

### SUPPLEMENTAL INDENTURES

**Section 11.01. Supplemental Indentures Not Requiring Consent of Owner(s) of Bonds.** The Issuer and the Trustee may from time to time, without the consent of any of the Owner(s) of Bonds, enter into such Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture or to make any other change not prejudicial to the Owner(s) of Bonds;
- (b) To grant to or confer upon the Trustee for the benefit of the Owner(s) of Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owner(s) of Bonds or the Trustee or either of them;
- (c) To more precisely identify the Project or to add additional property thereto;
- (d) To subject to this Indenture additional revenues, properties or collateral; and
- (e) To issue Additional Bonds as provided in *Section 2.09* hereof.

**Section 11.02. Supplemental Indentures Requiring Consent of Owner(s) of Bonds.**

(a) Exclusive of Supplemental Indentures described in *Section 11.01* hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Owner(s) of Bonds owning not less than 66-2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that except as provided in subparagraph (b) of this *Section 11.02*, nothing in this Section contained shall permit or be construed as permitting (1) an extension of the maturity of the principal of or the accrual of, or dates of payment of, interest on any Bond issued hereunder, or (2) a reduction in the principal amount of any Bond or the rate of interest thereon, or (3) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (4) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

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

**Section 11.03. Tenant's Consent to Supplemental Indentures.** Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article which affects any rights of the Tenant shall not become effective unless and until the Tenant shall have consented in writing to the execution and delivery of such Supplemental Indenture, provided that receipt by the Trustee of an amendment to the Lease executed by the Tenant in connection with the issuance of Additional Bonds under *Section 2.09* hereof shall be deemed to constitute consent of the Tenant to the execution of a Supplemental Indenture pursuant to *Section 2.09* hereof. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture (other than a Supplemental Indenture proposed to be executed and

delivered pursuant to *Section 2.09* hereof) together with a copy of the proposed Supplemental Indenture to be mailed to the Tenant at least 15 days prior to the proposed date of execution and delivery of any such Supplemental Indenture.

## ARTICLE XII

### SATISFACTION AND DISCHARGE OF INDENTURE

#### **Section 12.01. Satisfaction and Discharge of the Indenture.**

(a) When the principal of, premium, if any, and interest on all Bonds shall have been paid in accordance with their terms or provision has been made for such payment, as provided in *Section 12.02* hereof, and provision shall also have been made for paying all other sums payable hereunder, including the fees and expenses of the Trustee and the Paying Agent to the date of retirement of the Bonds, then the duties of the Trustee under this Indenture shall cease. Thereupon the Trustee shall discharge and release this Indenture and shall execute, acknowledge and deliver to the Issuer such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the Issuer any property at the time subject to this Indenture which may then be in its possession, except amounts in the Debt Service Fund required to be paid to the Tenant under *Section 6.07(d)* hereof and except funds or securities in which such funds are invested and held by the Trustee for the payment of the principal of, and interest accrued on, the Bonds. Notwithstanding anything otherwise provided herein, the provisions of this Indenture relating to compensation and indemnification of the Trustee shall survive satisfaction and discharge of the Indenture.

(b) The Issuer is hereby authorized to accept a certificate by the Trustee that the principal of, premium, if any, and interest due and payable upon all of the Bonds then Outstanding and all amounts required to be paid to the United States have been paid or such payment provided for in accordance with *Section 12.02* hereof as evidence of satisfaction of this Indenture, and upon receipt thereof shall deem this Indenture discharged.

#### **Section 12.02. Bonds Deemed to be Paid.**

(a) Bonds shall be deemed to be paid within the meaning of this Indenture when payment of the principal of and the applicable premium, if any, on such Bonds, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (1) moneys sufficient to make such payment or (2) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment. Bonds shall also be deemed paid if the Bond certificate(s) are surrendered to the Bank as paying agent, accompanied by a written communication from the registered Owner waiving payment and directing that they be cancelled without actual payment. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Securities. As a condition to the Bonds being deemed paid, the Trustee shall have received an opinion of Bond Counsel to the effect that the conditions of this Section have been satisfied, and that the actions taken hereunder will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

(b) Notwithstanding the foregoing, in the case of the redemption of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until proper notice of such redemption shall have been given in accordance with *Article III* of this Indenture or irrevocable instructions shall have been given to the Trustee to give such notice.

(c) Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds (including premium thereon, if any) and interest thereon shall be applied to and used solely for the payment of the particular Bonds (including premium thereon, if any) and interest thereon with respect to which such moneys and Government Securities have been so set aside in trust.

## ARTICLE XIII

### MISCELLANEOUS PROVISIONS

#### **Section 13.01. Consents and Other Instruments by Owner(s) of Bonds.**

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owner(s) of Bonds may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owner(s) of Bonds in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

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

(2) The fact of ownership of Bonds and the amount or amounts, number and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the Issuer maintained by the Trustee.

(b) In determining whether the Owner(s) of Bonds owning the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by the Tenant or any affiliate of the Tenant shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded. For purposes of this paragraph, the word "affiliate" means any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Tenant; and for the purposes of this definition, "control" means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Tenant or any affiliate of the Tenant.

**Section 13.02. Limitation of Rights Under the Indenture.** With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be inferred from this Indenture or the Bonds is intended or shall be construed to give any person other than the parties hereto, and the Owner(s) of Bonds, any right, remedy or claim under or with respect to this Indenture, and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Tenant and the Owner(s) of Bonds as herein provided.

**Section 13.03. Notices.** Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Indenture shall be in writing and shall be deemed duly given or filed if the same shall be duly mailed by registered or certified mail, postage prepaid, to the Notice Representative.

All notices given by certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Tenant to the other shall also be given to the Trustee. The Issuer, the Trustee and the Tenant may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

**Section 13.04. Suspension of Mail Service.** If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Trustee shall constitute a sufficient notice.

**Section 13.05. Severability.** If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

**Section 13.06. Execution in Counterparts.** This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 13.07. Governing Law.** This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

**Section 13.08. Electronic Transactions.** The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, the Issuer has caused this Indenture to be signed by an authorized official, such signature to be attested by an authorized officer and its official seal to be applied.

**CITY OF MAIZE, KANSAS**

[SEAL]

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

"ISSUER"

**ACKNOWLEDGMENT**

STATE OF KANSAS                    )  
  ) SS:  
COUNTY OF SEDGWICK            )

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2015 by Clair E. Donnelly as Mayor of the City of Maize, Kansas, a municipal corporation of the State of Kansas.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

**IN WITNESS WHEREOF**, and to evidence its acceptance of the trusts hereby created, the Trustee has caused this Indenture to be signed in its name and behalf, and its corporate seal to be applied, all as of the date first above written.

**SECURITY BANK OF KANSAS CITY**  
Kansas City, Kansas,  
as Trustee

[SEAL]

By: \_\_\_\_\_  
Bonnie Mosher, Vice President

"TRUSTEE"

**ACKNOWLEDGMENT**

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF SEDGWICK    )

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_ 2015, by Bonnie Mosher, Vice President and Trust Officer of Security Bank of Kansas City, a banking corporation or association organized under the laws of the United States of America or one of the states thereof.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

**APPENDIX A**

**FORM OF BONDS**

**FACE OF THE BOND**

THIS SERIES 2015A BOND IS NOT AN OBLIGATION ON WHICH THE INTEREST IS EXCLUDABLE FROM GROSS INCOME UNDER SECTION 103 OF THE INTERNAL REVENUE CODE OF THE UNITED STATES OF AMERICA, AS AMENDED. THE OWNER OF THIS SERIES 2015A BOND SHOULD NOT REGARD THE INTEREST HEREON AS BEING EXEMPT FROM FEDERAL INCOME TAXATION.

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

**UNITED STATES OF AMERICA  
STATE OF KANSAS  
COUNTY OF SEDGWICK  
CITY OF MAIZE, KANSAS  
TAXABLE INDUSTRIAL REVENUE BOND  
SERIES 2015A  
(AERO-TECH ENGINEERING PROJECT)**

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ Dollars

The City of Maize, Kansas, a body politic and corporate, incorporated as a city of the third class of the State of Kansas (the "Issuer"), for value received, promises to pay, but solely to the extent possible from the sources hereinafter referred to, to the Registered Owner identified above, or registered assigns, the principal sum identified above together with interest thereon from the effective date of registration of this Bond (which date is set forth on this Bond) at the Rate of 5.00% per annum, payable at maturity or earlier redemption. Principal shall be payable on January 15, 2026. Principal and interest shall be payable by check or draft to the Registered Owner upon the presentation and surrender of the certificate(s) representing the Bonds at the maturity thereof to Security Bank of Kansas City, Kansas City, Kansas (the "Paying Agent" and "Trustee") at the office or agency maintained by the Trustee for such purpose.

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

This Bond certificate evidences ownership of a part of a duly authorized series of Bonds of the Issuer designated "City of Maize, Kansas Taxable Industrial Revenue Bonds, Series 2015A (Aero-Tech Engineering Project)," in the aggregate original principal amount of \$3,000,000 (the "Series 2015A Bonds"), issued for the purpose of providing funds to pay the costs of the acquisition and construction of a certain manufacturing facility (the "Project"), to be leased by the Issuer to RAW Investments, Inc., a Kansas corporation (the "Tenant"), under the terms of a Lease dated as of December 1, 2015, between the Issuer and the Tenant (said Lease, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Lease"), all pursuant to the authority of and in conformity with the provisions, restrictions and limitations of the constitution and statutes of the State of Kansas, including

particularly K.S.A. 12-1740 *et seq.* and pursuant to proceedings duly had by the governing body of the Issuer.

The Series 2015A Bonds are issued under and are equally and ratably secured and entitled to the protection of the Trust Indenture, dated as of December 1, 2015 (said Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Indenture"), between the Issuer and the Trustee. Subject to the terms and conditions set forth therein, the Indenture permits the Issuer to issue Additional Bonds (as defined therein) secured by the Indenture ratably and on a parity with the Series 2015A Bonds (the Series 2015A Bonds together with such Additional Bonds being herein referred to collectively as the "Bonds"). Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Owner(s) of Bonds, and the terms upon which the Bonds are issued and secured.

The Series 2015A Bonds are subject to redemption prior to maturity, at the option of the Issuer, upon instructions from the Tenant, as a whole or in part on any date, at the redemption price of the par value of the principal amount thereof, without premium.

When any Bonds are called for redemption as aforesaid, notice thereof identifying the Bonds to be redeemed will be given by mailing a copy of the redemption notice at least 30 days prior to the date fixed for redemption to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Trustee; provided, however, that failure to give such notice by mailing as aforesaid, or any defect therein, shall not affect the validity of any proceedings for the redemption of Bonds. If less than all of the Outstanding Bonds of this series are called for redemption, Bonds shall be redeemed as directed in writing by the Tenant. Bonds of less than a full maturity shall be selected by the Trustee in such equitable manner as it may determine. All Bonds so called for redemption will cease to bear interest on the specified Redemption Date and shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

The Bonds and the interest thereon are limited obligations of the Issuer payable exclusively out of the Trust Estate under the Indenture, including but not limited to the rents, revenues and receipts under the Lease, and are secured by a pledge of the Project (including any Project Additions) as described in the Lease and a pledge and assignment of the Trust Estate, including all rentals and other amounts to be received by the Issuer under and pursuant to the Lease, all as provided in the Indenture. The Tenant will sublease the Project to Aero-Tech Engineering, Inc., a Kansas corporation (the "Subtenant") under a Sublease delivered concurrently with the Lease. The Bonds and the interest thereon do not constitute a debt or general obligation of the Issuer, the State of Kansas or any municipal corporation thereof, and are not payable in any manner by taxation. The Bonds do not constitute an indebtedness within the meaning of constitutional or statutory debt limitations or restrictions. Pursuant to the provisions of the Lease, Basic Rent is to be paid by the Tenant directly to the Trustee for the account of the Issuer and deposited in a special trust account created by the Issuer and designated "City of Maize, Kansas Debt Service Fund (Aero-Tech Engineering Project)." The full and prompt payment of the principal of, redemption premium, if any, and interest on the Bonds is unconditionally guaranteed by the Tenant to the Trustee, for the benefit of the Owner(s) of Bonds, under the terms of a separate Guaranty Agreement dated as of December 1, 2015.

No Owner of Bonds shall have the right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable prior to the stated maturity thereof, together with interest accrued thereon.

Modifications or alterations of this Bond or the Indenture may be made only to the extent and under the circumstances permitted by the Indenture.

This Bond certificate is transferable, as provided in the Indenture, only upon the registration books of the Issuer kept for that purpose at the above mentioned office of the Bond Registrar and Paying Agent by the Owner hereof in person or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the Owner or such Owner's duly authorized attorney, and thereupon a new Bond certificate in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Tenant has agreed to pay as Additional Rent under the Lease all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds except (a) the reasonable fees and expenses in connection with the replacement of certificates mutilated, stolen, lost or destroyed or (b) any tax or other governmental charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds. The Issuer, the Trustee and any Paying Agent may deem and treat the person in whose name this Bond certificate is registered as the absolute Owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Bond certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been executed by the Trustee.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law.

**IN WITNESS WHEREOF**, Issuer has caused this Bond certificate to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk and its official seal to be affixed hereto or imprinted hereon, and has caused the Bonds to be dated as of Issue Date of the Bonds.

**CITY OF MAIZE, KANSAS**

(Facsimile Seal)

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

---

**(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)**

This Bond certificate evidences ownership of the City of Maize, Kansas Taxable Industrial Revenue Bonds, Series 2015A (Aero-Tech Engineering Project), as described herein and in the within-mentioned Trust Indenture. The date of authentication of this Bond is \_\_\_\_\_.

**Security Bank of Kansas City**  
Kansas City, Kansas,  
Trustee

By: \_\_\_\_\_  
Authorized Signature

---

**(FORM OF ASSIGNMENT)**

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
Print or Type Name and Address of Transferee

the Bonds represented by this certificate and all rights thereunder, and hereby authorizes the transfer of the within Bond on the books kept by the Bond Registrar and Paying Agent for the registration and transfer of Bonds.

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

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

[Seal of Bank]

\_\_\_\_\_  
(Name of Eligible Guarantor Institution)

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature must be guaranteed by an eligible guarantor institution as defined by S.E.C. Rule 17 Ad-15 (17 C.F.R. 240. 17-Ad-15)

**THIS BOND MAY NOT BE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, OR IN A TRANSACTION EXEMPT FROM THE APPLICATION OF FEDERAL AND STATE SECURITIES LAWS.**

**CITY OF MAIZE, KANSAS**

**AS ISSUER**

**AND**

**RAW INVESTMENTS, INC.**

**AS TENANT**

**LEASE**

**DATED AS OF DECEMBER 1, 2015**

**\$3,000,000**  
**TAXABLE INDUSTRIAL REVENUE BONDS**  
**SERIES 2015A**  
**(AERO-TECH ENGINEERING PROJECT)**

---

**LEASE**

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## LEASE

**THIS LEASE**, made and entered into as of December 1, 2015 between the City of Maize, Kansas (the "Issuer"), and RAW Investments, Inc., a Kansas corporation (the "Tenant").

### WITNESSETH:

**WHEREAS**, the Issuer is a municipal corporation incorporated as a city of the third class, duly organized and existing under the laws of the State, with full lawful power and authority to enter into this Lease by and through its governing body; and

**WHEREAS**, the Issuer, in furtherance of the purposes and pursuant to the provisions of the laws of the State, particularly K.S.A. 12-1740 et seq. (the "Act"), and in order to provide for the economic development and welfare of the Issuer and its environs and to provide employment opportunities for its citizens and to promote the economic stability of the State, has proposed and does hereby propose that it shall:

- (a) Acquire the Project;
- (b) Lease the Project to the Tenant for the rentals and upon the terms and conditions hereinafter set forth; and
- (c) Issue, for the purpose of paying Project Costs, the Series 2015A Bonds under and pursuant to and subject to the provisions of the Act and the Indenture, said Indenture being incorporated herein by reference and authorized by an Ordinance of the governing body of the Issuer; and

**WHEREAS**, the Tenant, pursuant to the foregoing proposals of the Issuer, desires to lease the Project from the Issuer for the rentals and upon the terms and conditions hereinafter set forth;

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

## ARTICLE I

**Section 1.1. Definitions.** Capitalized terms not otherwise defined in this Lease shall have the meanings set forth in the Indenture. In addition to the words, terms and phrases defined in the Indenture and elsewhere in this Lease, the capitalized words, terms and phrases as used herein shall have the meanings set forth below, unless some other meaning is plainly intended:

**"Additional Rent"** means all fees, charges, costs and expenses of the Trustee or the Issuer (including reasonable attorney's fees), all Impositions, all Default Administration Costs, all other payments of whatever nature payable or to become payable pursuant to the Indenture or which the Tenant has agreed to pay or assume under the provisions of this Lease and any and all expenses (including reasonable attorney's fees) incurred by the Issuer or the Trustee in connection with the issuance of the Bonds or the administration or enforcement of any rights under this Lease or the Indenture. The fees, charges, costs and expenses of the Trustee shall include all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds and the administration or enforcement of any rights or obligations under this Lease, the Indenture or the Guaranty Agreement except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any tax or other government charge imposed on the Trustee in relation to the transfer, exchange,

registration, redemption or payment of the Bonds. The fees, charges, costs and expenses of the Issuer shall include, but not be limited to, any and all costs incurred by the Issuer in connection with the administration or enforcement of any rights, duties, or obligations under this Lease, the exercise or pursuit of any remedy upon an Event of Default, the amendment of this Lease, the granting of consents, easements or similar actions or any other action required of or available to the Issuer under the terms of this Lease.

**"Additional Term"** shall mean that term commencing on the last day of the Basic Term and terminating 5 years thereafter.

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

**"Basic Rent"** means the amount which, when added to Basic Rent Credits, will be sufficient to pay, on each Payment Date, all principal of, redemption premium, if any, and interest on all Outstanding Bonds which is due and payable on such Payment Date. If for any reason on any Payment Date the Trustee does not have on deposit in the Debt Service Fund sufficient moneys to pay all principal and interest due on the Bonds on such Payment Date, then the Tenant shall pay, as Basic Rent, on such Payment Date, the amount of such deficiency.

**"Basic Rent Credits"** means all funds on deposit in the Debt Service Fund and available for the payment of principal of, redemption premium, if any, and interest on the Bonds on any Basic Rent Payment Date.

**"Basic Rent Payment Date"** means each Payment Date t until the principal of, redemption premium, if any, and interest on all Outstanding Bonds have been fully paid or provision made for their payment in accordance with the provisions of the Indenture. For purposes of the Series 2015A Bonds, the Basic Rent Payment Date shall be January 15, 2026.

**"Basic Term"** means that term commencing as of the delivery of this Lease and ending on January 15, 2026, subject to prior termination as specified in this Lease, but ending, in any event, when all of the principal of, redemption premium, if any, and interest on all Outstanding Bonds shall have been paid in full or provision made for their payment in accordance with the provisions of the Indenture.

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

**"Completion Date"** means the date on which the Improvements are substantially completed in accordance with *Section 5.5* of this Lease.

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

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

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

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

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

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

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

(c) An Event of Bankruptcy; or

(d) Abandonment of the Project by the Tenant.

**"Fire Protection Contract"** means the Contract for Fire Protection dated February 4, 2015 between the Governing Body of Fire District No. 1 of Sedgwick County, Kansas and Aero-Tech Engineering, Inc.

**"Full Insurable Value"** means full actual replacement cost less physical depreciation.

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

**"Impositions"** means all taxes and assessments, general and special, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or payable for or in respect of the Project or any part thereof, or any improvements at any time thereon or the Tenant's interest therein, including any new lawful taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, which, if not paid when due, would encumber the Issuer's title to the Project.

**"Indenture"** means the Trust Indenture delivered concurrently with this Lease, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of *Article XI* of the Indenture.

**"Land"** means the real property (or interests therein) described in *Schedule I* hereto.

**"Lease"** means this Lease between the Issuer and the Tenant, as from time to time supplemented and amended in accordance with the provisions hereof.

**"Net Proceeds"** means the gross proceeds from the insurance (including without limitation title insurance) or condemnation award with respect to which that term is used remaining after the payment of all expenses (including without limitation attorneys' fees and any expenses of the Issuer, the Tenant, the Trustee or any other owner of the Bonds) incurred in the collection of such gross proceeds.

The term **"Notice Address"** shall mean:

(1) With respect to the Tenant:

RAW Investments, Inc.  
2008 W. Harry Court  
Wichita, Kansas 67213  
Attn: President

(2) With respect to the Issuer:

City of Maize, Kansas  
10100 Grady Avenue  
P.O. Box 245  
Maize, Kansas 67101  
Attn: City Clerk

(3) With respect to the Trustee:

Security Bank of Kansas City  
701 Minnesota, Suite 206  
P.O. Box 171297  
Kansas City, Kansas 66117  
Attn: Corporate Trust Department

With a copy to:

Security Bank of Kansas City  
200 W. Douglas, Suite 612  
Wichita, Kansas 67202  
Attn: Corporate Trust Department

**"Owner's Title Policy"** means that certain owner's policy of title insurance insuring the Issuer's fee simple title in the Project as required by *Section 6.4* of the Lease.

**"Permitted Encumbrances"** easements and rights-of-way of record at the time of conveyance of the Land to the Issuer, and any mortgages, liens or other encumbrances or title exceptions referenced in the Owner's Title Policy.

**"Project Contracts"** means a contract or contracts with respect to the acquisition and/or construction of the Improvements entered into by the Tenant or the Issuer.

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

**"State"** means the State of Kansas.

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

**Section 1.2. Representations and Covenants by the Tenant.** The Tenant makes the following covenants and representations as the basis for the undertakings on its part herein contained:

(a) The Tenant is a Kansas corporation, duly organized and existing under the laws of said state, and is duly authorized and qualified to do business in the State, with lawful power and authority to enter into this Lease, acting by and through its duly authorized officers.

(b) Except as otherwise permitted herein, the Tenant shall (1) maintain and preserve its existence and organization as a corporation and its authority to do business in the State and to operate the Project; and (2) not initiate any proceedings of any kind whatsoever to dissolve or liquidate without (A) securing the prior written consent thereto of the Issuer and (B) making provision for the payment in full of the principal of and interest and redemption premium, if any, on the Bonds. If, at any time during the term of this Lease or the Indenture, the Tenant changes its state of incorporation, changes its form of organization, changes its name, or takes any other action which could affect the proper location for filing Uniform Commercial Code financing statements or continuation statements or which could render existing filings seriously misleading or invalid, the Tenant shall immediately provide written notice of such change to the Trustee, and thereafter promptly deliver to the Trustee such amendments and/or replacement financing statements, together with an Opinion of Counsel to the effect that such amendments and/or replacement financing statements have been properly filed so as to create a perfected security interest in the collateral securing the Indenture, and such additional information or documentation regarding such change as the Trustee may reasonably request.

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

(d) This Lease constitutes a legal, valid and binding obligation of the Tenant enforceable against the Tenant in accordance with its terms.

(e) The Tenant agrees to operate and will operate the Project, or cause the Project to be operated as a "facility," as that term is contemplated in the Act, from the date of the Issuer's acquisition of the Project to the end of the Term.

(f) The Tenant has obtained or will obtain any and all permits, authorizations, licenses and franchises necessary to construct the Improvements and to enable it to operate and utilize the Project for the purposes for which it was leased by the Tenant under this Lease.

(g) The estimated total cost of the Improvements to be financed by the proceeds of the Series 2015A Bonds, plus interest on the Series 2015A Bonds during acquisition, construction and installation of the Improvements, and Costs of Issuance of the Series 2015A Bonds, will not be less than the original aggregate principal amount of the Series 2015A Bonds.

(g) After reasonable inquiry and investigation, the Tenant is not aware of (i) any Hazardous Substances generated from or located on the Project; (ii) any prior use of the Land which might reasonably involve Hazardous Substances; or (iii) any investigations, complaints or inquiries of any kind, from any source, concerning Hazardous Substances with respect to the Project or properties adjoining the Project.

(h) The Tenant will not use or permit the Project to be used by any other person or entity in any manner which would involve the generation, storage, disposal or transportation of Hazardous Substances, except in strict compliance with applicable Environmental Laws.

(i) The proceeds of the Series 2015A Bonds are to be used (i) to acquire, construct, install, equip and furnish the Project, and (ii) to pay certain costs related to the issuance of the Series 2015A Bonds.

**Section 1.3. Representations and Covenants by the Issuer.** The Issuer represents, covenants and warrants, to the best of its knowledge and belief, as follows:

(a) It is a municipal corporation duly incorporated and existing as a city of the third class under the constitution and laws of the State. Under the provisions of the Act and the Ordinance, the Issuer has the power to enter into and perform the transactions contemplated by this Lease and the Indenture and to carry out its obligations hereunder and thereunder.

(b) It has not, in whole or in part, assigned, leased, hypothecated or otherwise created any other interest in, or disposed of, or caused or permitted any lien, claim or encumbrance to be placed against, the Project, except for this Lease, the assignment of this Lease to the Trustee, any Permitted Encumbrances, any Impositions, and the pledge of the Project pursuant to the Indenture.

(c) Except as otherwise provided herein or in the Indenture, it will not during the Term, in whole or in part, assign, lease, hypothecate or otherwise create any other interest in, or dispose of, or cause or permit any lien, claim or encumbrance to be placed against, the Project, except Permitted Encumbrances, this Lease, any Impositions and the pledge of the Project pursuant to the Indenture.

(d) It has pledged the Project and the net rentals therefrom generated under the Lease to payment of the Bonds in the manner prescribed by the Act, and has duly authorized the execution and delivery of this Lease and the Indenture and the issuance, sale and delivery of the Series 2015A Bonds.

(e) It has notified or obtained the consent to and/or approval of the issuance of the Series 2015A Bonds by each municipal corporation and political subdivision the notification, consent or approval of which is required by the provisions of the Act.

## ARTICLE II

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

## ARTICLE III

**Section 3.1. Basic Rent.** The Issuer reserves and the Tenant covenants and agrees to pay Basic Rent to the Trustee, as assignee of the Issuer, for the account of the Issuer, for deposit in the Debt Service Fund, on each Basic Rent Payment Date. Basic Rent shall be payable at the principal office of the Trustee in immediately available funds on each Basic Rent Payment Date.

**Section 3.2. Additional Rent.** Within 30 days after receipt of written notice thereof, the Tenant shall pay any Additional Rent required to be paid pursuant to this Lease not already paid. The Tenant acknowledges that the Subtenant is obligated to pay an annual fee for fire protection services pursuant to the Fire Protection Contract. If at any time during the term hereof, the Subtenant no longer occupies the Project or fails to pay the annual fee for fire protection services, the Tenant agrees to make such payments as Additional Rent hereunder.

**Section 3.3. Rent Payable Without Abatement or Setoff.** The Tenant covenants and agrees with and for the express benefit of the Issuer and the Owner(s) of Bonds that all payments of Basic Rent and Additional Rent shall be made by the Tenant as the same become due, and that the Tenant shall perform all of its obligations, covenants and agreements hereunder without notice or demand and without abatement, deduction, setoff, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Improvements shall have been acquired, started or completed, or whether the Issuer's title to the Project or any part thereof is defective or non-existent, and notwithstanding any failure of consideration or commercial frustration of purpose, the eviction or constructive eviction of the Tenant or any subtenant, any Change of Circumstances, any change in the tax or other laws of the United States of America, the State, or any municipal corporation of either, any change in the Issuer's legal organization or status, or any default of the Issuer hereunder, and regardless of the invalidity of any action of the Issuer or any other event or condition whatsoever, and regardless of the invalidity of any portion of this Lease, and the Tenant hereby waives the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Lease or which releases or purports to release the Tenant therefrom. Nothing in this Lease shall be construed as a waiver by the Tenant of any rights or claims the Tenant may have against the Issuer under this Lease or otherwise, but any recovery upon such rights and claims shall be had from the Issuer separately, it being the intent of this Lease that the Tenant shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owner(s) of Bonds.

**Section 3.4. Prepayment of Basic Rent.** The Tenant may at any time prepay all or any part of the Basic Rent. Prepayments of Basic Rent will be applied to redemption of Bonds (other than mandatory sinking fund redemption), including payment of redemption premium, as directed in writing by the Tenant, to the extent that Bonds are subject to optional redemption at the time of prepayment. Otherwise, prepayments of Basic Rent will be deposited in the Debt Service Fund to be applied to purchase of Bonds as provided in the Indenture, or to optional redemption of Bonds (including redemption premium and interest) at the earliest date on which Bonds are subject to optional redemption.

**Section 3.5. Deposit of Rent by the Trustee.** As assignee of the Issuer's rights hereunder, the Trustee shall deposit, use and apply all payments of Basic Rent and Additional Rent in accordance with the provisions of this Lease and the Indenture.

**Section 3.6. Acquisition of Bonds.** If the Tenant acquires any Outstanding Bonds, it may present the certificate(s) representing such part of the Bonds to the Trustee for cancellation, and upon such cancellation, the Tenant's obligation to pay Basic Rent shall be reduced in the same manner as provided for prepayments by the Tenant of Basic Rent. In no event, however, shall the Tenant's obligation to pay Basic Rent be reduced in such a manner that the Trustee shall not have on deposit in the Debt Service Fund, on the next succeeding Payment Date, immediately available funds sufficient to pay the maturing principal of, redemption premium, if any, and interest on Outstanding Bonds as and when the same shall become due and according to the terms of the Bonds.

#### ARTICLE IV

**Section 4.1. Disposition of Original Proceeds; Project Fund.** The Original Proceeds shall be paid over to the Trustee for the account of the Issuer and applied as set forth in *Section 5.02* of the Indenture.

#### ARTICLE V

**Section 5.1. Acquisition of Land and Improvements.** The Tenant shall prior to or concurrently with the issuance of the Bonds, assign or cause to be conveyed to the Issuer by warranty deed, subject to Permitted Encumbrances, the Land as described in *Schedule I*, and by bill of sale such of the Improvements as are then completed, installed or in progress. The Tenant shall also concurrently with such conveyance make provisions for the discharge or subordination to the interests acquired by the Issuer of any liens or encumbrances incurred by it in connection with the construction, installation or development of the Improvements other than Permitted Encumbrances.

**Section 5.2. Project Contracts.** Prior to the delivery of this Lease, the Tenant may have entered into a contract or contracts with respect to the acquisition and/or construction of the Improvements. Those contracts, and any such contracts entered into by the Tenant or the Issuer after delivery of this Lease, are hereinafter referred to as the "Project Contracts." Prior to the delivery hereof, certain work has been or may have been performed on the Improvements pursuant to said Project Contracts or otherwise. The Tenant hereby covenants with the Issuer to perform the Project Contracts for the benefit of the Issuer as holder of title to the Project as well as its own benefit as tenant under this Lease, and the Issuer hereby designates the Tenant as the Issuer's agent for the purpose of executing and performing the Project Contracts. After the execution hereof, the Tenant shall cause the Project Contracts to be fully performed by the contractor(s), subcontractor(s) and supplier(s) thereunder in accordance with the terms thereof, and the Tenant covenants to cause the Improvements to be acquired, constructed, installed and/or completed in accordance with the Project Contracts. The Tenant warrants that the construction and/or acquisition of the Improvements in accordance with said Project Contracts will result in the Project being suitable for use by the Tenant as a manufacturing facility. Any and all amounts received by the Issuer, the Trustee or the Tenant from any of the contractors or other suppliers by way of breach of contract, refunds or adjustments shall become a part of and be deposited in the Project Fund. The Trustee may, at its option, appoint an agent to review the Project Contracts, and make periodic inspections of the Improvements during construction to determine the satisfactory progress and completion of the work. The reasonable fees and expenses of such agent shall be paid by the Tenant as Additional Rent.

**Section 5.3. Payment of Project Costs for Buildings and Improvements.** The Issuer hereby agrees to pay for the acquisition or construction of the Improvements or any repairs or replacements to be made pursuant to *Article XVIII* of this Lease, but solely from Original Proceeds of the Bonds (or Net Proceeds, as applicable) as deposited in the Project Fund, and hereby authorizes and directs the Trustee to pay for the same, but solely from the Project Fund, from time to time, after issuance of the Bonds while the Tenant is in compliance with the requirements of *Section 6.1* hereof, upon receipt by the Trustee of a requisition certificate signed by the Authorized Tenant Representative in the form set forth as *Appendix A* hereto which is incorporated herein by reference. With regard to materials and/or labor furnished to the Project at the order of the Tenant without formal contract, or by subcontract with the Tenant acting as general contractor, which could form the basis of a statutory mechanic's or subcontractor's lien, the Trustee may disburse payment therefor only upon receipt of releases or waivers of statutory mechanic's or subcontractor's liens by all vendors or subcontractors receiving payment or furnishing labor or materials as a subcontractor of the vendor or subcontractor receiving payment.

The sole obligation of the Issuer under this paragraph shall be to cause the Trustee to make such disbursements upon receipt of such certificates and releases or waivers. The Trustee may rely fully on any such certificates and shall not be required to make any investigation in connection therewith, except that the Trustee shall investigate requests for reimbursements directly to the Tenant and shall require such supporting evidence as would be required by a reasonable and prudent fiduciary.

**Section 5.4. Payment of Project Costs for Machinery and Equipment.** The Issuer hereby agrees to pay for the purchase and acquisition of any machinery and equipment constituting a part of the Improvements, but solely from the Project Fund, from time to time, upon receipt by the Trustee of a certificate signed by the Authorized Tenant Representative in the form provided by *Appendix A* hereto which is incorporated herein by reference and accompanied by the following specific information:

- (a) Name of seller;
- (b) Name of the manufacturer;
- (c) A copy of the seller's invoice, purchase order or other like document evidencing the purchase by the Tenant of such machinery and/or equipment;
- (d) Common descriptive name of machinery or equipment;
- (e) Manufacturer's or seller's technical description of machinery or equipment;
- (f) Capacity or similar designation;
- (g) Serial number, if any;
- (h) Model number, if any; and
- (i) A written statement by the Seller that the machinery or equipment purchased is not subject to any liens or security interest, or, in the alternative, a bill of sale warranting title to be free of all liens, encumbrances or security interests.

The sole obligation of the Issuer under this Section shall be to cause the Trustee to make such disbursements upon receipt of said certificates and proof of mechanic's or subcontractor's lien waiver or release, if the item is to become a fixture on the Land. The Trustee may rely fully on any such certificate and supporting documentation and shall not be required to make any independent investigation in connection therewith. All

machinery, equipment and/or personal property acquired, in whole or in part, from funds deposited in the Project Fund pursuant to this Section will be considered a part of the Project. With respect to items of machinery and equipment constituting a part of the Improvements, the Tenant shall maintain a running master list of such machinery and equipment, and within 30 days after the Completion Date, the Tenant shall prepare an accurate detailed final list of machinery and equipment constituting a part of the Improvements (but not installed as fixtures therein or thereon), which list shall be filed with the Trustee, and shall constitute a part of this Lease by reference. All machinery and equipment constituting a part of the Improvements shall be appropriately identified by separate schedule or other means acceptable to the Trustee.

**Section 5.5. Completion of Project.** The Tenant warrants that the Project, when completed, will be occupied and used by the Tenant for its lawful business purposes. The Tenant covenants and agrees to proceed diligently to complete or acquire the Improvements. In the event funds remain on hand in the Project Fund upon completion of the Project, such remaining funds shall be transferred by the Trustee to the Debt Service Fund and shall be applied in accordance with the provisions of the Indenture.

**Section 5.6. Deficiency of Project Fund.** If Bond Proceeds in the Project Fund are insufficient to pay fully all Project Costs (including reimbursements to the Tenant for Project Costs advanced by the Tenant prior to issuance of the Bonds) and to fully complete the Improvements, lien free (except for Permitted Encumbrances), the Tenant covenants to pay the full amount of any such deficiency by making payments directly to the contractors and to the suppliers of materials, machinery, equipment, property and services as the same become due, and the Tenant shall save the Issuer and the Trustee whole and harmless from any obligation to pay such deficiency.

**Section 5.7. Right of Entry by the Issuer and the Trustee.** The duly authorized agents of the Issuer and/or the Trustee shall have the right (but shall not be required) at any reasonable time and upon reasonable notice to the Tenant prior to the completion of the Improvements to have access to the Project or any part thereof for the purpose of inspecting the acquisition, installation or construction thereof.

**Section 5.8. Machinery and Equipment Purchased by the Tenant.** If no part of the purchase price of an item of machinery, equipment or personal property is paid from Original Proceeds deposited in the Project Fund pursuant to the terms of this Lease, then such item of machinery, equipment or personal property will not be considered a part of the Project.

**Section 5.9. Project Property of the Issuer.** All Improvements, all work and materials on Improvements as such work progresses, any Project Additions, anything under this Lease which becomes, is deemed to be, or constitutes a part of the Project, and the Project as fully completed, repaired, rebuilt, rearranged, restored or replaced by the Tenant under the provisions of this Lease, except as otherwise specifically provided herein, shall immediately when erected or installed become the absolute property of the Issuer. Any Improvements which become a part of the real estate as fixtures shall remain separate from the Tenant's property unless and until purchased by the Tenant from the Issuer as provided in this Lease.

**Section 5.10. Kansas Retailers' Sales Tax.** The parties have entered into this Lease in contemplation that, under the existing provisions of K.S.A. 79-3606, subsections (b) and (d) and other applicable laws, sales of tangible personal property or services purchased in connection with construction of the Improvements are entitled to exemption from the tax imposed by the Kansas Retailers' Sales Tax Act. The parties agree that the Issuer shall, upon the request of and with the Tenant's assistance, promptly obtain from the State and furnish to the contractors and suppliers a project exemption certificate for the construction of the Improvements. The Tenant covenants that said exemption certificate shall be used only in connection with the purchase of tangible personal property or services becoming a part of the Project.

The Issuer shall not be responsible for any failure on the part of the State to issue such project exemption certificate.

## ARTICLE VI

**Section 6.1. Insurance as a Condition to Disbursement.** As a condition precedent to payment of Costs of Issuance or disbursement of Project Costs (other than Costs of Issuance) from the Project Fund pursuant to *Article V* hereunder, the following policies of insurance shall be in full force and effect:

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

(b) Statutory workers' compensation insurance;

(c) With regard to new buildings and improvements constituting a part of the Improvements, insurance insuring the Improvements while under construction against fire, lightning and all other risks covered by the broadest form extended coverage endorsement then and from time to time thereafter in use in the State to the Full Insurable Value of such Improvements. Such insurance coverage shall name the Tenant as insured and the Issuer and the Trustee as additional insureds or mortgagees and loss payees, as their respective interests appear, and all Net Proceeds received under such policy or policies by the Issuer or the Tenant shall be paid over to the Trustee and be applied as set forth in *Article XVIII* hereof; and

(d) With regard to new buildings and improvements constituting a part of the Improvements and while under construction by contractors other than the Tenant, performance bonds (with sureties authorized to do business in Kansas and approved by the Issuer) with respect to applicable Project Contracts and in the full amount of the Project Contracts. The performance bonds must be furnished to the Trustee before any disbursements are made from the Project Fund for Project Costs incurred pursuant to the bonded contract. Said bonds shall name the Issuer, the Tenant and the Trustee as obligees. All payments received by the Issuer, the Tenant and/or the Trustee under said bonds shall become a part of and be deposited in the Project Fund.

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

### **Section 6.3. General Insurance Provisions.**

(a) Within 30 days of renewal dates of expiring policies, certificates of the insurance provided for in this Article shall be delivered by the Tenant to the Trustee. All policies of such insurance and all renewals thereof shall name the Tenant as insured and the Issuer and the Trustee as additional insureds or mortgagees and loss payees as their respective interests may appear, shall contain a provision that such insurance may not be canceled or amended by the issuer thereof without at least 30 days' written notice to the Issuer, the Tenant and the Trustee and shall be payable to the Issuer, the Tenant and the Trustee as their respective interests appear. The Issuer and the Tenant each hereby agree to do anything necessary, be it the endorsement of checks or otherwise, to cause any payment of insurance proceeds to be made to the Trustee, as long as such payment is required by this Lease to be made to the Trustee. Any charges made by the Trustee for its services in connection with insurance payments shall be paid by the Tenant.

(b) Each policy of insurance hereinabove referred to shall be issued by a nationally recognized responsible insurance company authorized under the laws of the State to assume the risks covered therein, except that the Tenant may be self-insured as to any required insurance coverages under a program of self-insurance approved by the State Commissioner of Insurance or other applicable State regulatory authority.

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

(d) Each policy of insurance hereinabove referred to may be subject to a reasonable deductible or self-insured retention.

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

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

**Section 6.4. Evidence of Title.** The Tenant shall furnish evidence of title in the form of a policy of owner's title insurance, insuring the Issuer's fee simple title to the Land, as of the date and time immediately prior to conveyance to the Issuer, subject to Permitted Encumbrances, in an amount equal to \$3,000,000. Such title insurance policy shall contain no exceptions, other than the title insurance company's standard printed exceptions, Permitted Encumbrances, and the encumbrance created by this Lease. The Issuer and the Tenant agree that any and all proceeds therefrom during the Basic Term (a) if received before the completion of the building Improvements shall be paid into and become a part of the Project Fund, (b) if received thereafter but before the Bonds and interest thereon have been paid in full, shall be paid into and become a part of the Debt Service Fund, and (c) if received after the Bonds, redemption premium, if any, and interest thereon have been paid in full, shall belong and be paid to the Tenant.

## ARTICLE VII

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

**Section 7.2. Receipted Statements.** Unless the Tenant exercises its right to contest any Impositions in accordance with *Section 7.3* hereof, the Tenant shall, within 30 days after the last day for

payment without penalty or interest of an Imposition which the Tenant is required to bear, pay and discharge pursuant to the terms hereof, deliver to the Trustee a copy of the statement issued therefor duly receipted to show the payment thereof.

**Section 7.3. Contest of Impositions.** The Tenant shall have the right, in its own or the Issuer's name or both, to contest the validity or amount of any Imposition by appropriate legal proceedings instituted before the Imposition complained of becomes delinquent if, and provided, the Tenant (i) before instituting any such contest, shall give the Issuer and the Trustee written notice of its intention to do so and, if requested in writing by the Issuer or the Trustee, shall deposit with the Trustee a surety bond of a surety company acceptable to the Issuer as surety, in favor of the Issuer and the Trustee, as their interests may appear, or cash, in a sum of at least the amount of the Imposition so contested, assuring the payment of such contested Impositions together with all interest and penalties to accrue thereon and court costs, (ii) diligently prosecutes any such contest and at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (iii) promptly pays any final judgment enforcing the Imposition so contested and thereafter promptly procures record release or satisfaction thereof. The Tenant shall indemnify and hold the Issuer whole and harmless from any costs and expenses the Issuer may incur related to any such contest.

**Section 7.4. Ad Valorem Taxes.** The parties acknowledge that under the existing provisions of K.S.A. 79-201a, as amended, the property acquired, constructed or purchased with the proceeds of the Bonds (except such property used for certain retail uses) is eligible to receive exemption from *ad valorem* taxation for a period up to 10 calendar years after the calendar year in which the Bonds are issued, provided the Issuer has complied with certain notice, hearing and procedural requirements established by law, and proper application has been made. The Issuer represents that such notice, hearing and procedural requirements will have been complied with at the Issue Date. Subject to the provisions of *Section 7.5* of this Lease, the Issuer will, at the Tenant's request, with information furnished by Tenant and the Trustee, make all necessary filings regarding the application for 100% *ad valorem* tax exemption for the full 10-year period in the calendar year following the calendar year in which the Bonds were issued, and will renew said application from time to time and take any other action as may be necessary to maintain such *ad valorem* tax exemption in full force and effect, in accordance with K.S.A. 79-201a, 79-210 *et seq.* and the requirements of the State Board of Tax Appeals. If it becomes necessary to litigate the issue of availability or applicability of the *ad valorem* tax exemption, the Issuer will cooperate fully with Tenant in pursuing such litigation, but all litigation costs and reasonable attorney fees must be paid by Tenant, either directly or as Additional Rent.

**Section 7.5. Payment in Lieu of Taxes.** The Issuer reserves the right to impose and the Tenant agrees to pay to the Issuer payments in lieu of taxes on the Project for each year that the Project is exempt from *ad valorem* taxes and the Project ceases to be operated by the Subtenant.

## ARTICLE VIII

**Section 8.1. Use of Project.** Subject to the provisions of this Lease, the Tenant shall have the right to use the Project for any and all purposes allowed by law and contemplated by the constitution of the State and the Act. The Tenant shall comply in all material respects with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Project or to any adjoining public ways, as to the manner of use or the condition of the Project or of adjoining public ways. The Tenant shall comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of this Lease. The Tenant shall pay all costs, expenses, claims,

finances, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the Tenant to comply with the provisions of this Article.

### **Section 8.2. Environmental Matters.**

(a) The Tenant hereby covenants that it will not cause and will use reasonable efforts and take such reasonable action as may be necessary so as to not permit any Hazardous Substances (as defined herein) to be placed, held, located or disposed of, on, under or at the Facility, other than in the ordinary course of business and in compliance with all applicable Environmental Laws.

(b) In furtherance and not in limitation of any indemnity elsewhere provided to the Issuer hereunder and in the Indenture, the Tenant hereby agrees to indemnify and hold harmless the Issuer, the Trustee and the Owner(s) of Bond(s) from time to time from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment, costs of investigation, consultants, testing, sampling, cleanup, or defense, and claims of any and every kind paid, incurred or suffered, with respect to, or as a direct or indirect result of, the actual or alleged presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Facility of any Hazardous Substance (including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under any federal, state or local Environmental Law or so-called "Superfund" or "Super lien" law, or any other applicable Environmental Law, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standard of conduct concerning, any Hazardous Substance) regardless of whether or not caused by or within the control of the Tenant.

(c) The provisions of this *Section 8.2* shall survive the termination of this Lease or exercise of the Tenant's option to purchase the Facility, except with respect to obligations which arise solely and exclusively as a result of the use, spill, release, leak, seepage or discharge of Hazardous Substances on the Facility after the Facility is no longer occupied by the Tenant.

## **ARTICLE IX**

**Section 9.1. Sublease by the Tenant.** The Tenant may sublease the Project to a single party or entity, with the prior written consent of the Issuer. The Tenant may sublease portions of the Project for use by others in the normal course of its business without the Issuer's prior consent or approval. In the event of any such subleasing, the Tenant shall remain fully liable for the performance of its duties and obligations hereunder, and no such subleasing and no dealings or transactions between the Issuer or the Trustee and any such subtenant shall relieve the Tenant of any of its duties and obligations hereunder. Any such sublease shall be subject and subordinate in all respects to the provisions of this Lease. The Sublease with the Subtenant is hereby approved, and the parties hereto agree that such Sublease shall be subordinate in all respects to the terms of this Lease.

**Section 9.2. Assignment by the Tenant.** The Tenant may assign, mortgage, sell, or otherwise transfer its interest in this Lease only with the prior written consent of the Issuer. In the event of any such assignment, the Tenant shall remain fully liable for the performance of its duties and obligations hereunder, except to the extent hereinafter provided, and no such assignment and no dealings or transactions between the Issuer or the Trustee and any such assignee shall relieve the Tenant of any of its duties and obligations hereunder, except as may be otherwise provided in the following Section.

**Section 9.3. Release of the Tenant.** If, in connection with an assignment by the Tenant of its interest in this Lease, (a) the Issuer and the Owners of at least seventy-five percent (75%) in aggregate

principal amount of the Outstanding Bonds (including any Additional Bonds) shall file with the Trustee their prior written consent to such assignment, and (b) the proposed assignee shall expressly assume and agree to perform all of the obligations of the Tenant under this Lease and the Guaranty Agreement with regard to the Bonds; then the Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment.

**Section 9.4. Mergers and Consolidations.** Notwithstanding the provisions of *Sections 9.2 and 9.3* above, if the Tenant shall assign or transfer, by operation of law or otherwise, its interests in this Lease in connection with a transaction involving the merger or consolidation of the Tenant with or into, or a sale, lease or other disposition of all or substantially all of the property of the Tenant as an entirety to another person, association, corporation or other entity, and (a) the Issuer shall file with the Trustee its prior written consent to such assignment, transfer or merger, and (b) the proposed assignee, transferee or surviving entity shall expressly assume and agree to perform all of the obligations of the Tenant under this Lease and the Guaranty Agreement with regard to the Bonds.

**Section 9.5. Covenant Against Other Assignments.** The Tenant will not assign or in any manner transfer its interests under this Lease, nor will it suffer or permit any assignment thereof by operation of law, except in accordance with the limitations, conditions and requirements set forth in this *Article IX*.

## ARTICLE X

**Section 10.1. Repairs and Maintenance.** The Tenant covenants and agrees that it will, during the Term of this Lease, at its own expense, keep and maintain the Project and all parts thereof in good condition and repair (ordinary wear and tear excepted), including but not limited to the furnishing of all parts, mechanisms and devices required to keep the machinery, equipment and personal property constituting a part of the Project in good mechanical and working order (ordinary wear and tear excepted).

**Section 10.2. Removal, Disposition and Substitution of Machinery or Equipment.** The Tenant shall have the right, provided the Tenant is not in Default, to remove and sell or otherwise dispose of any machinery or equipment which constitutes a part of the Project and which is no longer used by the Tenant or, in the opinion of the Tenant, is no longer useful to the Tenant in its operations (whether by reason of changed processes, changed techniques, obsolescence, depreciation or otherwise), subject, however, prior to any such removal, the Tenant shall deliver to the Trustee a certificate signed by the Authorized Tenant Representative (A) containing a complete description, including the make, model and serial numbers, if any, of any machinery and equipment constituting a part of the Project which it proposes to remove, (B) stating the reason for such removal, (C) stating what disposition, if any, of the machinery or equipment is to be made by the Tenant after such removal and the names of the party or parties to whom such disposition is to be made and any consideration to be received by the Tenant therefor, if any, and (D) setting forth the original cost and the current fair market value of such machinery and equipment.

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

## ARTICLE XI

**Section 11.1. Alteration of Project.** The Tenant shall have and is hereby given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Project as the Tenant from time to time may deem necessary or advisable, provided however, the Tenant shall not make any major addition, change or alteration which will adversely affect the intended use or structural strength or value of any part of the Improvements. All additions, changes and alterations made by the Tenant pursuant to the authority of this Article shall (a) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, shall be deemed a part of the Project; provided, however, that additions of machinery, equipment and/or personal property of the Tenant, not purchased or acquired from proceeds of the Bonds and not constituting a part of the Project shall remain the separate property of the Tenant and may be removed by the Tenant prior to or as provided in *Section 22.1* hereof.

## ARTICLE XII

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

## ARTICLE XIII

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

**Section 13.2. Mechanic's Liens.** The Tenant shall not do or suffer anything to be done whereby the Project, or any part thereof, is encumbered by any mechanic's or other similar lien. Should any

mechanic's or other similar lien ever be filed against the Project, or any part thereof, the Tenant shall discharge the same of record within 30 days after the date of filing. Notice is hereby given that the Issuer does not authorize or consent to and shall not be liable for any labor or materials furnished to the Tenant or anyone claiming by, through or under the Tenant upon credit, and that no mechanic's or similar liens for any such labor, services or materials shall attach to or affect the reversionary or other estate of the Issuer in and to the Project, or any part thereof.

**Section 13.3. Contest of Liens.** The Tenant, notwithstanding the above, shall have the right to contest any such mechanic's or other similar lien if within said 30-day period stated above it (a) notifies the Issuer and the Trustee in writing of its intention so to do, and if requested by the Trustee or the Issuer, deposits with the Trustee a surety bond issued by a surety company acceptable to the Issuer as surety, in favor of the Issuer, or cash, in the amount of the lien claim so contested, indemnifying and protecting the Issuer from and against any liability, loss, damage, cost and expense of whatever kind or nature growing out of or in any way connected with said asserted lien and the contest thereof, (b) diligently prosecutes such contest, at all times effectively staying or preventing any official or judicial sale of the Project or any part thereof or interest therein, under execution or otherwise, and (c) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and thereafter promptly procures record release or satisfaction thereof.

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

## ARTICLE XIV

**Section 14.1. Indemnity.** The Tenant agrees, whether or not the transactions contemplated by this Lease, the Bonds or the Indenture are consummated, to indemnify and hold harmless the Issuer and its officers, directors, officials, employees and agents, including the Trustee as assignee of the Issuer's rights under this Lease, and the Original Purchaser and each of its officers, directors, employees and agents (any or all of the foregoing referred to hereafter as "Indemnified Persons"), from and against all claims, actions, suits, proceedings, expenses, judgments, damages, penalties, fines, assessments, liabilities, charges or other costs (including, without limitation, all attorneys' fees and expenses incurred in connection with enforcing this Lease or collecting any sums due hereunder and any claim or proceeding or any investigations undertaken hereunder) relating to, resulting from, or in connection with (a) any cause in connection with the Project, including, without limitation, the acquisition, design, construction, installation, equipping, operating, maintenance or use thereof; (b) any act or omission of the Tenant or any of its agents contractors, servants, employees or licenses in connection with the use or operation of the Project; (c) any cause in connection with the issuance and sale of the Bonds, (d) a misrepresentation or breach of warranty by the Tenant hereunder or under any of the documents executed by the Tenant in connection with this Lease, or (e) any violation by the Tenant of any of its covenants hereunder or under any of the other documents executed by the Tenant in connection with the Bonds or this Lease. This indemnity is effective only with respect to any loss incurred by any Indemnified Person not due to willful misconduct, gross negligence, or bad faith on part of such Indemnified Person. In case any action or proceeding shall be brought against one or more Indemnified Person and with respect to which such Indemnified Person may seek indemnity as provided herein, such Indemnified Person shall promptly notify the Tenant in writing and the Tenant shall promptly assume the defense thereof, including the employment of counsel reasonable satisfactory to such Indemnified Person or Indemnified Persons, the payment of all expenses and the right to negotiate and consent to settlement; but the failure to notify the Tenant as provided shall not relieve Tenant from any liability of duty under this Section, so long as Tenant is given reasonable opportunity to defend such claim.

## ARTICLE XV

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

## ARTICLE XVI

**Section 16.1. Option to Extend Basic Term.** The Tenant shall have and is hereby given the right and option to extend the Basic Term of this Lease for the Additional Term provided that (a) the Tenant shall give the Issuer written notice of its intention to exercise the option at least 30 days prior to the expiration of the Basic Term and (b) the Tenant is not in Default hereunder at the time it gives the Issuer such notice or at the time the Additional Term commences. In the event the Tenant exercises such option, the terms, covenants, conditions and provisions set forth in this Lease shall be in full force and effect and binding upon the Issuer and the Tenant during the Additional Term except that the Basic Rent during any extended term herein provided for shall be the sum of \$100.00 per year, payable in advance on the first Business Day of such Additional Term.

## ARTICLE XVII

**Section 17.1. Option to Purchase Project.** Subject to the provisions of this Article, the Tenant shall have the right and option to purchase the Project at any time during the Term hereof and for 120 days thereafter. The Tenant shall exercise its option by giving the Issuer written notice of the Tenant's election to exercise its option and specifying the date, time and place of closing, which date (the "Purchase Date") shall neither be earlier than 30 days nor later than 180 days after the notice is given. The Tenant may not, however, exercise such option if the Tenant is in Default hereunder on the Purchase Date unless all Defaults are cured upon payment of the purchase price specified in *Section 17.2*.

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

(1) The full amount which is required to provide the Issuer and the Trustee with funds sufficient, in accordance with the provisions of the Indenture, to pay at maturity or to redeem and pay in full

(A) the principal of all of the Outstanding Bonds, (B) all interest due thereon to date of maturity or redemption, whichever first occurs, and (C) all costs, expenses and premiums incident to the redemption and payment of said Bonds in full, plus

(2) \$100.00

Nothing in this Article shall release or discharge the Tenant from its duty or obligation under this Lease to make any payment of Basic Rent or Additional Rent which, in accordance with the terms of this Lease, becomes due and payable prior to the Purchase Date, or its duty and obligation to fully perform and observe all covenants and conditions herein stated to be performed and observed by the Tenant prior to the Purchase Date.

**Section 17.3. Closing of Purchase.** On the Purchase Date the Issuer shall deliver to the Tenant its special warranty deed and/or other appropriate instrument or instruments of conveyance or assignment, properly executed and conveying the Project to the Tenant free and clear of all liens and encumbrances except as set forth in the preceding section above, or conveying such other title to the Project as may be acceptable to the Tenant, and the Tenant shall pay the full purchase price for the Project as follows: (a) the amount specified in clause (1) of *Section 17.2* shall be paid to the Trustee for deposit in the Debt Service Fund to be used to pay or redeem Bonds and the interest thereon as provided in the Indenture, and (b) the amount specified in clause (2) of said *Section 17.2* shall be paid to the Issuer; provided, however, nothing herein shall require the Issuer to deliver its appropriate instrument or instruments of assignment or conveyance to the Tenant until after all duties and obligations of the Tenant under this Lease to the date of such delivery have been fully performed and satisfied or adequate provision made for such performance and satisfaction. Upon the delivery to the Tenant of the Issuer's appropriate instrument or instruments of assignment or conveyance, payment of the purchase price by the Tenant and legal defeasance of the Bonds, this Lease shall *ipso facto* terminate, subject to the provisions of *Section 20.2* hereof.

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

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

**Section 17.6. Option to Purchase Unimproved Portions of Land.** The Tenant shall have the option to purchase at any time and from time to time during the Term any vacant part or vacant parts of the unimproved Land constituting a part of the Project; provided, however, the Tenant shall furnish the Issuer and the Trustee with a certificate of an Authorized Tenant Representative, dated not more than thirty (30)

days prior to the date of the purchase and stating that, in the opinion of the Authorized Tenant Representative, (a) the portion of said Land with respect to which the option is exercised is not needed for the operation of the Project for the purposes herein stated, (b) the purchase will not impair the usefulness or operating efficiency or materially impair the value of the Project and will not destroy or materially impair the means of ingress thereto and egress therefrom, and (c) the purchase will not materially adversely affect compliance of the remaining Land and any Improvements with applicable zoning laws or regulations. The Tenant shall exercise this option by giving the Issuer and the Trustee written notice of the Tenant's election to exercise its option and specifying (i) the legal description, (ii) the date, time and place of closing, which date shall neither be earlier than 45 days nor later than 60 days after the notice is given, (iii) the appraised current fair market value of the portions of the Land with respect to which the Tenant's option is exercised as determined by an independent, qualified appraiser whose report shall be furnished to the Trustee together with the Tenant's notice of election to purchase, and (iv) a certificate signed by the chief executive or chief financial officer of the Tenant stating that no event has occurred and is continuing which, with notice or lapse of time or both, would constitute an Event of Default; provided, however, that the Tenant may not exercise this option if there has occurred and is continuing any event which, with notice or lapse of time or both, would constitute an Event of Default at the time said notice is given and may not purchase said real property on the specified closing date if any such event has occurred and is continuing on said date unless all defaults are cured. The option hereby given shall include the right to purchase a perpetual easement for right-of-way to and from the public roadway and the right to purchase such land as is necessary to assure that there will always be access between the real property purchased pursuant to these *Sections 17.6* through *17.10* and the public roadway.

**Section 17.7. Quality of Title - Purchase Price.** If said notice of election to purchase is given as provided in *Section 17.6* the Issuer shall convey the real property described in the Tenant's notice to the Tenant on the specified date free and clear of all liens and encumbrances except (a) Permitted Encumbrances, (b) those to which the title was subject on the date of conveyance to the Issuer of the Land, or to which title became subject with the Tenant's written consent, or which resulted from any failure of the Tenant to perform any of its covenants or obligations under this Lease, (c) taxes and assessments, general and special, if any, and (d) the interests of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the real property described in the Tenant's notice. The purchase price shall be an amount equal to the then current fair market value thereof, as determined with reference to the independent appraiser's report furnished to the Trustee or the original cost to the Tenant, whichever is less.

**Section 17.8. Closing of Purchase.** If the Issuer has title to such vacant real property free and clear of all liens and encumbrances except as stated above or has such other title to the such real property as may be acceptable to the Tenant, then on the specified date, the Issuer shall deliver to the Tenant its special warranty deed, properly executed and conveying such real property to the Tenant free and clear of all liens and encumbrances except as stated above, and the Tenant shall pay the purchase price for such real property, said purchase price to be paid to the Trustee for the account of the Issuer and deposited by the Trustee in the Debt Service Fund and shall be used to redeem Bonds on any date the Bonds are subject to optional redemption as provided in the Indenture. Nothing herein shall require the Issuer to deliver its special warranty deed to the Tenant until after all duties and obligations of the Tenant under this Lease to the date of such delivery have been fully performed and satisfied.

**Section 17.9. Effect of Purchase on Lease.** The exercise by the Tenant of the option granted under these *Sections 17.6* to *17.10* and the purchase and sale and conveyance of a portion or portions of the Land constituting a part of the Project pursuant hereto shall in no way whatsoever affect this Lease, and all the terms and provisions hereof shall remain in full force and effect the same as though no notice of election to purchase had been given, and specifically, but not in limitation of the generality of the foregoing, exercise

of such option shall not affect, alter, diminish, reduce or abate the Tenant's obligations to pay all Basic Rent and Additional Rent required hereunder.

**Section 17.10. Effect of Failure to Complete Purchase.** If, for any reason whatsoever, the purchase by the Tenant of the real property described in said notice is not effected on the specified date, this Lease shall be and remain in full force and effect according to its terms the same as though no notice of election to purchase had been given.]

## ARTICLE XVIII

### Section 18.1. Damage and Destruction.

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

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

(c) If the Tenant shall reasonably determine that rebuilding, repairing, restoring or replacing the Improvements is not practicable and desirable, any Net Proceeds of property and/or casualty insurance required by this Lease and received with respect to any such damage or loss to the Project shall be paid into the Debt Service Fund. Such moneys shall be used to redeem Bonds at their earliest optional redemption date. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection (c).

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

### Section 18.2. Condemnation.

(a) If, during the Term title to, or the temporary use of, all or any part of the Project shall be condemned by any authority exercising the power of eminent domain (other than the Issuer), the Tenant shall, within 30 days after the date of entry of a final order in any eminent domain proceedings granting condemnation, notify the Issuer and the Trustee in writing as to the nature and extent of such condemnation and whether it is practicable and desirable to acquire substitute land or construct substitute Improvements.

(b) If the Tenant shall determine that such substitution is practicable and desirable, the Tenant shall forthwith proceed with and complete with reasonable dispatch the acquisition or construction

of such substitute Land or Improvements. In such case, any Net Proceeds received from any award or awards with respect to the Project or any part thereof made in such condemnation or eminent domain proceedings shall be paid to the Trustee for the account of the Tenant and shall be deposited in the Project Fund and shall be used and applied for the purpose of paying the cost of such substitution. Any amount remaining in the Project Fund after such acquisition or construction shall be paid to Tenant.

(c) If the Tenant shall reasonably determine that it is not practicable and desirable to acquire or construct substitute Improvements, any Net Proceeds of condemnation awards received by the Tenant shall be paid into the Debt Service Fund. Such moneys shall be used to redeem Bonds at their earliest optional redemption date. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection.

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

(e) The Issuer shall cooperate fully with the Tenant in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any part thereof so long as the Issuer is not the condemning authority. In no event will the Issuer voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Tenant and the Trustee.

**Section 18.3. Effect of Tenant's Defaults.** Anything in this Article to the contrary notwithstanding, the Issuer and the Trustee shall have the right at any time and from time to time to withhold payment of all or any part of the Net Proceeds from the Project Fund attributable to damage, destruction or condemnation of the Project to the Tenant or any third party if an Event of Default has occurred and is continuing, or the Issuer or the Trustee has given notice to the Tenant of any Default which, with the passage of time, will become an Event of Default. In the event the Tenant shall cure any Defaults specified herein, the Trustee shall make payments from the Net Proceeds to the Tenant in accordance with the provisions of this Article. However, if this Lease is terminated or the Issuer or the Trustee otherwise re-enters and takes possession of the Project without terminating this Lease, the Trustee shall pay all the Net Proceeds held by it into the Debt Service Fund and all rights of the Tenant in and to such Net Proceeds shall cease.

## ARTICLE XIX

**Section 19.1. Change of Circumstances.** If at any time during the Basic Term, a Change of Circumstances occurs, then the Tenant shall have the option to purchase the Project pursuant to *Article XVII* or the option to terminate this Lease by giving the Issuer notice of such termination within 90 days after the Tenant has actual knowledge of the event giving rise to such option. Such termination shall become effective when all of the Bonds Outstanding are paid or payment is provided for pursuant to the Indenture.

## ARTICLE XX

**Section 20.1. Remedies on Default.** Whenever any Event of Default shall have happened and be continuing, the Trustee (acting on behalf of the Issuer, as assignee of the Issuer's rights hereunder) may take any legal action, including but not limited to, one or more of the following remedial actions:

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

(b) The Trustee acting on behalf of the Issuer may give the Tenant written notice of intention to terminate this Lease on a date specified therein, which date shall not be earlier than 30 days after such notice is given and, if all Events of Default have not then been cured on the date so specified, the Tenant's rights to possession of the Project shall cease, and this Lease shall thereupon terminate. The Trustee acting on behalf of the Issuer may thereafter re-enter and take possession of the Project and pursue all its available remedies, including sale of the Project and judgment against the Tenant for possession of the Project and/or all Basic Rent and Additional Rent then owing, including costs and attorney fees.

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

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

(e) Having elected to reenter or take possession of the Project pursuant to subsection 20.1(c), the Trustee acting on behalf of the Issuer may (subject, however, to any restrictions against termination of this Lease in the Indenture), by notice to the Tenant given at any time thereafter while the Tenant is in Default in the payment of Basic Rent or Additional Rent or in the performance of any other obligation under this Lease, elect to terminate this Lease in accordance with subsection 20.1(b) and thereafter proceed to exercise any remedies lawfully available.

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

(g) Net proceeds of any reletting or sale of the Project shall be deposited in the Debt Service Fund for application to pay the Bonds and interest thereon. "Net proceeds" shall mean the receipts obtained from reletting or sale after deducting all expenses incurred in connection with such reletting or sale, including without limitation, all repossession costs, brokerage commissions, legal fees and expenses, expenses of employees, alteration costs and expenses of preparation of the Project for reletting or sale.

(h) The Issuer or the Trustee acting on behalf of the Issuer may recover from the Tenant any attorney fees or other expense incurred in exercising any of its remedies under this Lease.

**Section 20.2. Survival of Obligations.** The Tenant covenants and agrees with the Issuer and the Owner(s) of Bonds that until all Bonds and the interest thereon and redemption premium, if any, are paid in full or provision is made for the payment thereof in accordance with the Indenture, its obligations under this Lease shall survive the cancellation and termination of this Lease for any cause and/or sale of the Project, and that the Tenant shall be obligated to pay Basic Rent and Additional Rent (reduced by any net income the Issuer or the Trustee may receive from the Project after such termination) and perform all other obligations provided for in this Lease, all at the time or times provided in this Lease. Notwithstanding any provision of this Lease or the Indenture, the Tenant's obligations under *Sections 8.2 and 14.1* hereof shall survive any termination, release or assignment of this Lease, the Indenture or Guaranty Agreement and payment or provision for payment of the Bonds.

**Section 20.3. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute, subject to the provisions of the Indenture. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice required herein.

## ARTICLE XXI

**Section 21.1. Performance of the Tenant's Obligations by the Issuer.** If the Tenant shall fail to keep or perform any of its obligations as provided in this Lease, then the Issuer may (but shall not be obligated to do so) upon the continuance of such failure on the Tenant's part for 90 days after notice of such failure is given the Tenant by the Issuer or the Trustee and without waiving or releasing the Tenant from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and the Tenant shall reimburse the Issuer for all sums so paid by the Issuer and all necessary or incidental costs and expenses incurred by the Issuer in performing such obligations through payment of Additional Rent. If such Additional Rent is not so paid by the Tenant within 10 days of demand, the Issuer shall have the same rights and remedies provided for in *Article XX* in the case of Default by the Tenant in the payment of Basic Rent.

## ARTICLE XXII

**Section 22.1. Surrender of Possession.** Upon accrual of the Issuer's right of reentry as the result of the Tenant's Default hereunder or upon the cancellation or termination of this Lease by lapse of time or otherwise (other than as a result of the Tenant's purchase of the Project), the Tenant shall peacefully surrender possession of the Project to the Trustee, as assignee of the Issuer in good condition and repair, ordinary wear and tear excepted; provided, however, the Tenant shall have the right, prior to or within 30 business days after the termination of this Lease, to remove from on or about the Project the buildings, improvements, machinery, equipment, personal property, furniture and trade fixtures which the Tenant owns under the provisions of this Lease and are not a part of the Project. All repairs to and restorations of the Project required to be made because of such removal shall be made by and at the sole cost and expense of the Tenant. All buildings, improvements, machinery, equipment, personal property, furniture and trade

fixtures owned by the Tenant and which are not so removed from on or about the Project prior to or within 30 business days after such termination of this Lease shall become the separate and absolute property of the Issuer.

## ARTICLE XXIII

**Section 23.1. Notices.** All notices required or desired to be given hereunder shall be in writing and shall be delivered in person to the Notice Representative or mailed by registered mail to the Notice Address. All notices given by registered mail as aforesaid shall be deemed duly given as of the date three days after they are so mailed. When mailed notices are given, the party giving notice will use reasonable diligence to contact the party being notified by telephone, electronic mail or facsimile on or before the date such notice is mailed.

## ARTICLE XXIV

**Section 24.1. Triple-Net Lease.** The parties hereto agree (a) that this Lease is intended to be a triple-net lease, (b) that the payments of Basic Rent and Additional Rent are designed to provide the Issuer and the Trustee with funds adequate in amount to pay all principal of and interest on all Bonds as the same become due and payable and to pay and discharge all of the other duties and requirements set forth herein, and (c) that to the extent that the payments of Basic Rent and Additional Rent are not adequate to provide the Issuer and the Trustee with funds sufficient for the purposes aforesaid, the Tenant shall be obligated to pay, and it does hereby covenant and agree to pay, upon demand therefor, as Additional Rent, such further sums of money as may from time to time be required for such purposes.

**Section 24.2. Funds Held by the Trustee After Payment of Bonds.** If, after the principal of and interest on all Bonds and all costs incident to the payment of Bonds have been paid in full, the Trustee holds unexpended funds received in accordance with the terms hereof, such unexpended funds shall, except as otherwise provided in this Lease and the Indenture and after payment therefrom to the Issuer of any sums of money then due and owing by the Tenant under the terms of this Lease, be the absolute property of and be paid over forthwith to the Tenant.

## ARTICLE XXV

**Section 25.1. Rights and Remedies.** The rights and remedies reserved by the Issuer and the Tenant hereunder and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The Issuer and the Tenant shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Lease, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

**Section 25.2. Waiver of Breach.** No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the nondefaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such Default or Defaults which were in existence at the time such payment or payments or performance were accepted by it.

**Section 25.3. The Issuer Shall Not Unreasonably Withhold Consents and Approvals.** Wherever in this Lease it is provided that the Issuer shall, may or must give its approval or consent, or execute supplemental agreements, exhibits or schedules, the Issuer shall not unreasonably or arbitrarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements, exhibits or schedules.

## ARTICLE XXVI

**Section 26.1. The Issuer May Not Sell.** The Issuer covenants that unless an Event of Default under this Lease has occurred and is continuing, and the remaining Term of this Lease has been terminated, it will not, without the Tenant's written consent, unless required by law, sell or otherwise part with or encumber its fee title interest in the Project at any time during the Term of this Lease.

**Section 26.2. Quiet Enjoyment and Possession.** The Tenant shall enjoy peaceable and quiet possession of the Project as long as no Event of Default has occurred and is continuing.

**Section 26.3. Issuer's Obligations Limited.** Except as otherwise expressly provided in this Lease, no recourse upon any obligation or agreement contained in this Lease or in any Bond or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise under any circumstances, under or independent of the Indenture, shall be had against the Issuer and its officers, employees and agents.

Notwithstanding anything in this Lease to the contrary, it is expressly understood and agreed by the parties hereto that (a) the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Issuer by the Tenant, an Owner(s) of Bonds or the Trustee as to the existence of any fact or state of affairs required to be noticed by the Issuer hereunder; (b) the Issuer shall not be under any obligation to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed or provided either by the Tenant, the Trustee or the Owner(s) of Bonds; and (c) that none of the provisions of this Lease shall require the Issuer to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless it shall have first been adequately indemnified to its satisfaction against the costs, expenses and liability which may be incurred by such action.

Notwithstanding anything in this Lease to the contrary, any obligation the Issuer may incur under this Lease or under any instrument or document executed by the Issuer in connection with this Lease that entails the expenditure of any money by the Issuer shall be only a limited obligation of the Issuer payable solely from the revenues derived by the Issuer under the Lease and shall not be, under any circumstances, a general obligation of the Issuer.

## ARTICLE XXVII

**Section 27.1. Investment Tax Credit; Depreciation.** The Tenant shall be entitled to claim the full benefit of (1) any investment credit against federal or state income tax allowable with respect to expenditures of the character contemplated hereby under any federal or state income tax laws now or from time to time hereafter in effect, and (2) any deduction for depreciation with respect to the Project from federal or state income taxes. The Issuer agrees that it will upon the Tenant's request execute all such elections, returns or other documents which may be reasonably necessary or required to more fully assure the availability of such benefits to the Tenant.

## ARTICLE XXVIII

**Section 28.1. Amendments.** This Lease may be amended, changed or modified in writing in the following manner:

(a) With respect to an amendment, change or modification which reduces the Basic Rent or Additional Rent, or any amendment which reduces the percentage of Owner(s) of Bonds whose consent is required for any such amendment, change or modification, by an agreement in writing executed by the Issuer and the Tenant and consented to in writing by the Trustee and by Owner(s) of Bonds owning at least 90% of the aggregate principal amount of the Bonds then Outstanding;

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

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

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

**Section 28.2. Granting of Easements.** If no Event of Default under this Lease shall have happened and be continuing, the Tenant may, at any time or times, (a) grant easements, licenses and other rights or privileges in the nature of easements with respect to any property included in the Project, free from any rights of the Issuer or the Owner(s) of Bonds, or (b) release existing easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and upon such terms and conditions as the Tenant shall determine, and the Issuer agrees, to the extent that it may legally do so, that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by the Issuer of: (1) a copy of the instrument of grant or release or of the agreement or other arrangement, (2) a written application signed by the Authorized Tenant Representative requesting such instrument, and (3) a certificate executed by the Tenant stating (A) that such grant or release is not detrimental to the proper conduct of the business of the Tenant, and (B) that such grant or release will not impair the effective use or interfere with the efficient and economical operation of the Project and will not materially adversely affect the security of the Owner(s) of Bonds. Any consideration received by the Tenant for the grant or release must be paid to the Trustee to be deposited in the Debt Service Fund and used to redeem Bonds at the earliest practicable date, at their principal amount, plus accrued interest, without premium. If the instrument of grant shall so provide, any such easement or right and the rights of such other parties thereunder shall be superior to the rights of the Issuer and the Owner(s) of Bonds and shall not be affected by any termination of this Lease or default on the part of the Tenant hereunder. If no Event of Default shall have happened and be continuing, any payments or other consideration received by the Tenant for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the Tenant, but, in the event of the termination of this Lease because of an Event of Default, all rights then existing of the Tenant with respect to or under such grant shall inure to the benefit of and be exercisable by the Issuer.

**Section 28.3. Security Interests.** (a) The Issuer and the Tenant agree to execute and deliver all instruments (including financing statements and statements of continuation thereof) necessary for perfection

of and continuance of the security interest of the Issuer in and to the Project. The Tenant hereby authorizes the Issuer to file or cause to be filed all such instruments required to be so filed and the Trustee to continue or cause to be continued the filings or liens of such instruments for so long as the Bonds shall be Outstanding.

(b) Under the Indenture, the Issuer will, as additional security for the Bonds assign, transfer, pledge and grant a security interest in its rights under this Lease to the Trustee. The Issuer hereby authorizes the Trustee to file financing statements or any other instruments necessary to perfect its security interest. The Trustee is hereby given the right to enforce, either jointly with the Issuer or separately, the performance of the obligations of the Tenant, and the Tenant hereby consents to the same and agrees that the Trustee may enforce such rights as provided in the Indenture and the Tenant will make payments required hereunder directly to the Trustee.

**Section 28.4. Construction and Enforcement.** This Lease shall be construed and enforced in accordance with the laws of the State. The provisions of this Lease shall be applied and interpreted in accordance with the rules of interpretation set forth in the Indenture. Wherever in this Lease it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

**Section 28.5. Invalidity of Provisions of Lease.** If, for any reason, any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

**Section 28.6. Covenants Binding on Successors and Assigns.** The covenants, agreements and conditions herein contained shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**Section 28.7. Section Headings.** The section headings hereof are for the convenience of reference only and shall not be treated as a part of this Lease or as affecting the true meaning of the provisions hereof. The reference to section numbers herein or in the Indenture shall be deemed to refer to the numbers preceding each section.

**Section 28.8. Execution of Counterparts; Electronic Transactions.** This Lease may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

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**IN WITNESS WHEREOF**, the Issuer has caused this Lease to be signed by an authorized official, such signature to be attested by an authorized officer, and its official seal to be applied, as of the date first above written.

**CITY OF MAIZE, KANSAS**

By: \_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

By: \_\_\_\_\_  
City Clerk

"ISSUER"

**ACKNOWLEDGMENT**

STATE OF KANSAS                    )  
  ) SS:  
COUNTY OF SEDGWICK            )

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2015, by Clair E. Donnelly, Mayor, and Joeelyn Reid, City Clerk, of the City of Maize, Kansas, a municipal corporation.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:  
  
\_\_\_\_\_

**IN WITNESS WHEREOF**, the Tenant has caused this Lease to be signed by an authorized officer, as of the date first above written.

**RAW INVESTMENTS, INC.**

By: \_\_\_\_\_  
Richard A. Williams, President

"TENANT"

**ACKNOWLEDGMENT**

STATE OF KANSAS                    )  
  ) SS:  
COUNTY OF SEDGWICK            )

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2015, by Richard A. Williams, President of RAW Investments, Inc., a Kansas corporation.

[SEAL]

\_\_\_\_\_  
Notary Public

My Appointment Expires:  
  
\_\_\_\_\_

**APPENDIX A**

**FORM OF REQUISITION FOR PAYMENT OF PROJECT COSTS**

**CITY OF MAIZE, KANSAS  
Project Fund  
(Aero-Tech Engineering Project)  
Payment Order No. \_\_\_\_\_**

Security Bank of Kansas City  
Kansas City, Kansas  
Attn: Corporate Trust Department

You are hereby authorized and directed by the undersigned, the Authorized Tenant Representative, acting on behalf of RAW Investments, Inc. (the "Tenant") to disburse funds held by you as Trustee in the above mentioned Project Fund for the purposes and in the amounts set forth in the Payment Schedules attached hereto and incorporated herein by reference (the "Payment Schedules").

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

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

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

I further certify that each of the representations and covenants on the part of the Tenant contained in the Lease dated as of December 1, 2015 by and between the City of Maize, Kansas, as the Issuer, and the Tenant are now true and correct in all material respects and are now being materially complied with.

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

DATED \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Authorized Tenant Representative

EXHIBIT A - Payment Order No. \_\_\_\_\_

**PAYMENT SCHEDULE  
FOR BUILDINGS, IMPROVEMENTS AND  
MISCELLANEOUS PROJECT COSTS**

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

PAYMENT SCHEDULE

<u>Payee Name</u>	<u>Payee Address</u>	<u>Purpose or Nature of Payment</u>	<u>Amount</u>
-------------------	----------------------	-------------------------------------	---------------

\_\_\_\_\_  
Initials

EXHIBIT B - Payment Order No. \_\_\_\_\_

**PAYMENT SCHEDULE  
FOR MACHINERY AND EQUIPMENT**

I hereby request payment of the amounts specified below to the payees whose names and addresses are stated below. I certify that the description of the purchase or nature of each payment is reasonable, accurate and complete. I further certify that the items described are free and clear of any liens or security interests. I have attached to this schedule a copy of the purchase order or seller's invoice for each item, and, to the extent any payment is a reimbursement to the Tenant, a copy of the check tendered in payment for such item.

PAYMENT SCHEDULE

<u>Payee Name</u>	<u>Description of Equipment</u>	<u>Amount</u>
	(include name and address of seller, manufacturer, descriptive name, technical description, capacity, serial number of model number as appropriate)	

\_\_\_\_\_  
Initials

**APPENDIX B**

**FORM OF REQUISITION FOR PAYMENT OF COSTS OF ISSUANCE**

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

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

**WRITTEN REQUEST FOR DISBURSEMENT FROM  
CITY OF MAIZE, KANSAS  
(AERO-TECH ENGINEERING PROJECT)  
PROJECT FUND**

To: Security Bank of Kansas City  
Kansas City, Kansas  
Attention: Corporate Trust Department,  
as Trustee under the Indenture,  
dated as of December 1, 2015

Capitalized terms not otherwise defined herein shall have the meanings set forth in such Indenture.

The undersigned hereby requests payment to the following payees the following amounts for the following Cost of Issuance:

<u>Payee</u>	<u>Amount</u>	<u>Description of Cost of Issuance</u>
--------------	---------------	--

The amount of this requisition is justly due and owing and has not been the subject of another requisition which was paid and is a proper Cost of Issuance incurred in connection with the issuance of the Series 2015A Bonds.

Invoices, statements, vouchers or bills for the amounts requested are attached hereto.

**RAW INVESTMENTS, INC.**

By: \_\_\_\_\_  
Authorized Tenant Representative

***SCHEDULE I***

**PROPERTY SUBJECT TO LEASE**

(A) The following described real estate located in Sedgwick County, Kansas, to wit:

Lot 2 and Reserve B, Maize Industrial Addition to Maize, Sedgwick County, Kansas,

said real property constituting the “Land” as referred to in the Lease, subject to Permitted Encumbrances.

(B) The buildings, improvements, equipment, fixtures and personal property now or hereafter acquired, constructed, or installed on the Land and financed or refinanced with proceeds of the Series 2015A Bonds, including but not limited to the following:

Manufacturing facility located in the Maize Industrial Park at 5555 N. 119<sup>th</sup> Street West, Maize, Kansas.

The property described in paragraphs (A) and (B) of this *Schedule I*, together with any alterations or additional improvements properly deemed a part of the Project pursuant to and in accordance with the provisions of *Sections 10.3* and *10.4* of the Lease, constitute the “Project” as referred to in both the Lease and the Indenture.