RESOLUTION 12-10

RESOLUTION OF THE FISCAL COURT OF THE COUNTY OF MADISON, KENTUCKY, RELATING TO AND APPROVING AN INDUCEMENT CONTRACT BETWEEN THE COUNTY AND FIRST CHRISTIAN CHURCH OF RICHMOND, KY., OR ITS ASSIGNEES OR DESIGNEES, IN WHICH THE COUNTY AGREES TO ASSIST FIRST CHRISTIAN CHURCH OF RICHMOND, KY. IN FINANCING THE CONSTRUCTION AND/OR EQUIPPING OF A NEW COMMUNITY FACILITY BUILDING.

WHEREAS, it is necessary and desirable for the general welfare and economy of the County and its surrounding area that the County provide additional permanent opportunities for community facilities for educational, recreational, cultural, and self-help and improvement programs and opportunities, as well as, employment in the County and in such surrounding area, and

WHEREAS, First Christian Church of Richmond, Ky., or its assignees or designees (the "Borrower"), a Kentucky non-profit corporation, has submitted to the County a proposed Inducement Contract, in which the Borrower proposes to finance a community facility building for use by the Borrower in its outreach programs which include educational, recreational, cultural, and self-help and improvement programs (the "Project"), and

WHEREAS, the Borrower has proposed in said Inducement Contract that if the County will agree to authorize, issue and sell its County of Madison, Kentucky Economic Development Revenue Bonds (FCC Community Facility Project) (the "Bonds"), in the approximate amount of $3,000,000, pursuant to Sections 103.200 through 103.285 of the Kentucky Revised Statutes, as amended (the "Act"), for the purpose of financing the Project, and would lend the proceeds of the Bonds to the Borrower, the Borrower would agree to make loan payments to the County sufficient to pay all principal and interest requirements of the Bonds as same become due, and

WHEREAS, said plan of financing and the aforesaid Act contemplate that said Bonds would not be a general obligation debt of the County, but would be secured only by a foreclosable mortgage lien against the Project and a pledge of the revenues of the Borrower, which revenues would be derived by the County from loan payments from the Borrower sufficient to pay all principal and interest requirements of the Bonds, and

WHEREAS, it is deemed advisable and in the best interests of the County that said Inducement Contract be approved and executed.

NOW, THEREFORE, BE IT RESOLVED BY THE FISCAL COURT OF THE COUNTY OF MADISON, KENTUCKY:

1. That the Inducement Contract referred to in the preamble hereto is hereby accepted and approved, said Contract contemplating that the County shall assist in financing the Project, by the issuance of approximately $3,000,000 of Bonds by the County of Madison, Kentucky.

2. That the County shall cooperate fully with the Borrower and with Bond Counsel in the issuance of the proposed Bonds in order to induce said Borrower to undertake the Project.

3. That the County agrees to enter into the appropriate Loan Agreement between the County and the Borrower and agrees that this Resolution commits the County insofar as the laws of the Commonwealth of Kentucky allow, (a) to issue said Bonds and to lend the proceeds thereof to the Borrower, (b) to adopt the appropriate Resolution authorizing said Bonds and (c) to approve the appropriate Trust Indenture to secure the Bonds; provided all of the proceedings for the issuance of said Bonds must be approved by said Bond Counsel and the governing body of the County.

4. That the County Judge/Executive is hereby authorized and directed to execute said Inducement Contract on behalf of the County and to execute all necessary documents, instruments and Bonds of the County, in order to carry out effectively the intent and purpose of this Resolution and of said Contract, all without expense to the County. A copy of said Contract is hereby ordered to be made a part of this Resolution the same as if copied in full herein, and such copy shall be filed in the records of the County with this Resolution.

5. That this approval is made subject to the condition that such Bonds shall not constitute a general obligation of the County and that the County shall have no expense in connection with the Project or in connection with the issuance of the Bonds, all as provided in said Inducement Contract.

6. That the approval of the aforesaid Inducement Contract by the County shall be evidenced by the adoption of this Resolution by the governing body of the County and by the furnishing of a certified copy of same to the Borrower and to Bond Counsel.

7. That this Resolution shall be in force immediately upon its adoption.

Introduced, Read and Adopted on June 12, 2012.

County Judge/Executive

Attest:

County Clerk

CERTIFICATE OF COUNTY CLERK

I, the undersigned, hereby certify that I am the duly qualified and acting County Clerk of the County of Madison, Kentucky, that the foregoing Resolution is a true copy of the Resolution duly introduced, read and adopted by the Fiscal Court of the County of Madison, Kentucky, on June 12, 2012, and that said Resolution (together with the Inducement Contract approved herein) appears as a matter of public record in the official records of said County.

I further certify that said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.823, that a quorum was present at said meeting, that said Resolution has not been modified, amended, revoked or repealed, and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as County Clerk and the official Seal of the County this 12th day of June, 2012.

Kenny Barger, MCC

County Clerk

(Seal of County)

INDUCEMENT CONTRACT

This Contract, made and entered into this June 12, 2012, by and between the County of Madison, Kentucky, party of the first part, hereinafter referred to as the "County" and First Christian Church of Richmond, Ky., or its assignees or designees, a Kentucky non-profit corporation, party of the second part, hereinafter referred to as the "Borrower,"

WITNESSETH:

A. RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Contract, the following statements of fact are herewith recited:

1. The County is a political subdivision organized and existing under the laws of the Commonwealth of Kentucky, and is authorized and empowered by the provisions of Section 103.200 to 103.285 of the Kentucky Revised Statutes, as amended (the "Act"), to issue revenue bonds for the purpose of defraying the cost of acquiring, constructing, renovating and equipping "industrial building" projects or "building" projects as defined in Section 103.200 of the Act.

2. The Borrower proposes to finance a community facility building for use by the Borrower in its outreach programs which include educational, recreational, cultural, and self-help and improvement programs (the "Project"). The cost of the Project is estimated to be approximately $3,000,000.

3. The Borrower has advised the County that its proposed Project is largely dependent upon assistance which the County might render through the issuance and sale of County of Madison, Kentucky Economic Development Revenue Bonds (FCC Community Facility Project) (the "Bonds"), pursuant to the Act, and that if the County will agree to render such assistance and to make possible the financing of the Project through the issuance of such Bonds, then the Borrower will undertake the Project.

4. The Borrower proposes that the proceeds of the Bonds be lent by the County to the Borrower pursuant to a Loan Agreement whereby the Borrower will agree to pay all principal of and interest on the Bonds as same become due, and the County will assign such Loan Agreement to the Bondowners or to a Trustee for the owners of the Bonds.

5. As provided in the Act, the proposed Bonds would not be a general obligation debt of the County, but would be secured only by a pledge of the revenues of the Borrower and the Project, including the loan payments under the Loan Agreement, and by a first foreclosable mortgage lien against the Project.

B. UNDERTAKINGS ON THE PART OF THE COUNTY.

The County agrees as follows:

1. That the County will authorize the issuance under the Act of approximately $3,000,000 principal amount of Bonds, which Bonds shall not be a general obligation debt of the County and shall be payable solely from the revenues and receipts of the Borrower, including the loan payments under the Loan Agreement, as required by the Act.

2. That the County will adopt such proceedings as are necessary to effect the execution of a proposed Loan Agreement between the County and the Borrower and the issuance and securing of the Bonds in the manner contemplated by the Act.

3. That the Borrower is hereby authorized to commence the process necessary to undertake the Project. The Authorizing Resolution and related proceedings (including the appropriate Trust Indenture) will provide that the proceeds of the Bonds shall be applied to the payment of the costs theretofore and thereafter to be incurred in the financing of the Project and to the reimbursement of the Borrower, the County and/or others who may have advanced the payment of such costs.

4. That the County agrees to enter into the appropriate Loan Agreement between the County and the Borrower and agrees that this Contract commits the County insofar as the laws of the Commonwealth of Kentucky allow, to issue said Bonds for the use and benefit of said Borrower, to lend the proceeds of the Bonds to the Borrower, to adopt the appropriate Resolution authorizing said Bonds and approving the Trust Indenture to secure the Bonds; provided all of the proceedings for the issuance of said Bonds must be approved by Bond Counsel and by the governing body of the County. Since Kentucky law (KRS 103.230) permits the sale of such Bonds to be made at a negotiated interest rate and price without public advertising, if such rate and price are agreeable to the Borrower, and if the Borrower desires that such Bonds be sold in that manner by negotiation, the County agrees to cooperate fully in effecting such negotiated sale.

5. The Borrower has advised the County that its proposed Project is largely dependent upon assistance which the County might render through the issuance and sale of industrial building revenue bonds, pursuant to the Act, to make possible the financing of the Project through the issuance of such Bonds, then the Borrower will undertake the Project.

6. That the County will perform such other acts and adopt such further proceedings as may be reasonably required to effect such financing.

C. UNDERTAKINGS ON THE PART OF THE BORROWER

1. The Borrower will obtain the services of Bond Counsel, to prepare the necessary proceedings for the authorization, issuance, sale and delivery of the Bonds; provided all fees and charges of such Bond Counsel will be borne by the Borrower, and/or paid out of the proceeds of the Bonds. Under no circumstances will any part of said fees and expenses be borne by the County.

2. The Borrower further agrees as follows:

(a) To enter into the Loan Agreement with the County, under the terms of which the Borrower will agree to borrow the proceeds of the Bonds from the County and will obligate the Borrower to pay to the County loan payments sufficient to pay the principal of and interest on the Bonds, as and when the same become due and payable, until all of the Bonds have been retired, said instrument to be in form and contain such provisions as shall be satisfactory to the County, the Borrower and Bond Counsel.

(b) That the Borrower hereby indemnifies and shall hold the County, or members of the Fiscal Court of the County and all officers, employees and agents of the County, harmless from all liability and all expenses which the County or any such individual might incur in reviewing, or in fulfillment of the County's obligations under, this Contract, and from all expenses and liability arising from or connected with the financing of the Project or the Bonds.

(c) To pay all costs of completing the Project, if, and to the extent that the proceeds of the Bonds shall be inadequate.

(d) To complete such further steps, perform such further acts, and adopt such further proceedings as may be required to implement its undertakings.

D. GENERAL PROVISIONS

1. All commitments of the County herein are subject to the condition that nothing contained in this Contract shall result in the County becoming liable for the payment of the principal of or interest on the Bonds, or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever; and none of the Bonds nor any of the County's agreements or obligations shall be construed to constitute an indebtedness of the County, within the meaning of any constitutional or statutory provision whatsoever.

2. All costs of the Project and all fees and expenses of the financing, will be paid out of the proceeds of the Bonds or separately by the Borrower.

3. The County and the Borrower hereby covenant to agree to reasonable provisions and documents concerning each phase of the proposed financing.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Contract on the date indicated.

COUNTY OF MADISON, KENTUCKY

By ____________________
County Judge/Executive

FIRST CHRISTIAN CHURCH OF RICHMOND, KY.

By Mary Jane Ginter

Title Trustee