

# 12-20  
**BOND RESOLUTION**

**A RESOLUTION OF THE COUNTY OF MADISON, KENTUCKY,  
AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF THE  
COUNTY OF MADISON, KENTUCKY ECONOMIC DEVELOPMENT  
REVENUE BONDS (FCC COMMUNITY FACILITY PROJECT), SERIES  
2012.**

WHEREAS, the County of Madison, Kentucky (the "County"), a political subdivision of the Commonwealth of Kentucky, is authorized and empowered by Sections 103.200 to 103.286, inclusive, of the Kentucky Revised Statutes, as amended (the "Act"), to issue bonds and lend the proceeds of the bonds to any person to defray the costs of a "building" project as defined in the Act; and

WHEREAS, First Christian Church of Richmond, Ky., a Kentucky non-profit corporation authorized to do business in Kentucky (the "Borrower"), has offered to the County to construct, renovate and equip a "building" project to be constructed on a site described in the Loan Agreement (hereinafter identified), if the County will agree to issue its \$2,200,000 of Economic Development Revenue Bonds (FCC Community Facility Project), Series 2012 (the "Bonds"), pursuant to the Act, such "building" project would consist of the construction and equipping of a 20,000 square foot community facility located at 412 West Main Street in Richmond, Kentucky (the "Project") which is owned and operated by the Borrower; and

WHEREAS, the County has invited the Borrower to proceed with the proposed Project; and

WHEREAS, under the terms of a proposed Loan Agreement (hereinafter identified), the Borrower has agreed to pay the County sufficient amounts in ample time to pay the principal and interest requirements of the Bonds, and which payments shall be pledged, together with the Loan Agreement itself, as security for the payment of the principal of and interest on the Bonds;

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

**1. AUTHORIZATION OF BONDS.** For the purpose of paying the costs, not otherwise provided, of the Project the County hereby authorizes and approves the issuance of \$2,200,000 of Economic Development Revenue Bonds (FCC Community Facility Project), Series 2012 (the "Bonds"), which aggregate amount of \$2,200,000 shall be the maximum amount of such Bonds to be outstanding at any one time, issued as fully registered Bonds, in said amount, which Bonds may be exchanged for and/or reissued in any denomination, as more fully provided for in the Trust Indenture hereinafter approved. The Bonds shall bear interest from the date of their delivery at such rates and shall be payable in such amounts and at such times as specified in the Bond Purchase Agreement (hereinafter approved), all as agreed upon by the County, the Borrower and the Bank (hereinafter identified), pursuant to Section 103.230 of the Kentucky Revised Statutes; provided, however, that the maximum rate of interest on the Bonds shall not exceed ten percent (10%) per annum.

**2. APPROVAL AND AUTHORIZATION OF EXECUTION OF VARIOUS DOCUMENTS; LOAN AGREEMENT; TRUST INDENTURE; BOND PURCHASE AGREEMENT.** The following documents in the respective forms attached to this Resolution, are hereby approved, subject to such minor changes, changes of dates, insertions or omissions as may be approved by the County Judge/Executive, such approval to be conclusively evidenced by the execution of said documents, in order to effectuate the purposes of this Resolution; and the County Judge/Executive is hereby authorized to execute and acknowledge same for and on behalf of the County; and the County Clerk is authorized to attest same and to affix thereto the corporate seal of the County:

(a) The Loan Agreement (the "Loan Agreement") between the County and the Borrower.

(b) The Trust Indenture (the "Indenture") between the County and Kentucky Bank (the "Bank").

(c) The Bond Purchase Agreement (the "Bond Purchase Agreement") between the County and the Bank, and also approved by the Borrower, providing for the sale of the Bonds to the Bank at the aggregate price, at the interest rates stated therein, and upon the respective terms and conditions set forth in said Bond Purchase Agreement. The approval of said Bond Purchase Agreement by the Borrower and a separate letter from the Borrower to the County evidences the request of the Borrower that the Bonds be sold at private sale upon a negotiated basis, as authorized by KRS 103.230.

**3. DISBURSEMENT OF PROCEEDS OF BONDS.** The Borrower and the Bank are authorized to carry out the procedures specified in the Indenture for the construction and equipping of the Project and for the payment from time to time of the costs of such financing and related expenses as same progresses.

**4. PROJECT REVENUES.** The revenues of the Borrower, including the revenues in connection with the Project, including the loan payments to be received by the County under the terms of the Loan Agreement, are determined to be sufficient to pay the principal of and interest on the Bonds, together with the fees and expenses of the Bank, as the same become due and payable; and all of said payments and any and all other payments, revenues and proceeds received under the Loan Agreement in connection with the Project, together with the Loan Agreement, are hereby pledged to secure all such payments, and in addition, for such other purposes as are more fully specified in the Indenture.

**5. DESIGNATION OF BOND REGISTRAR.** Kentucky Bank is hereby designated as the bond registrar under the Indenture and also as the paying agent for the Bonds.

**6. EXECUTION OF BONDS.** The Bonds shall be executed in the manner provided in the Indenture and shall be delivered to the Bank for proper authentication and delivery to the Bank, with instructions to that effect, as provided in the Indenture.

**7. COUNTY JUDGE/EXECUTIVE AND OTHER COUNTY OFFICIALS TO TAKE ANY OTHER NECESSARY ACTION.** Pursuant to the Constitution and Laws of the Commonwealth of Kentucky, the County Judge/Executive, the County Clerk and all other appropriate officials of the County are hereby authorized and directed to take any and all further action and to execute and deliver all other documents as may be reasonably necessary to effect the issuance and delivery of the Bonds.

**8. LIMITED OBLIGATION.** The Bonds shall not be a general obligation of the County but a limited obligation payable solely from the amounts payable under the Loan Agreement and other revenues of the Borrower. Neither the County, the Commonwealth of Kentucky nor any other political subdivision of the Commonwealth shall be obligated to pay the principal of or interest on such Bonds or other costs incident thereto except from the revenues of the Project pledged therefore. Neither the faith and credit nor the taxing power of the County, the Commonwealth or any political subdivision of the Commonwealth is pledged to the payment of the principal of, or premium, if any, or interest on the Bonds or other costs incident thereto.

**9. DESIGNATION OF BONDS AS QUALIFIED TAX-EXEMPT OBLIGATIONS.** Pursuant to Section 265 of the, Internal Revenue Code of 1986, the County hereby declares that it does not reasonably anticipate to issue more than \$10,000,000 of qualified tax-exempt obligations during the calendar year of 2012 and that it designates the Bonds as "qualified tax-exempt obligations."

**10. COMPLIANCE WITH FEDERAL ARBITRAGE REQUIREMENTS.** The County has approved the covenant in the Indenture that sums derived from the proceeds of the Bonds shall not be invested in investments in a manner which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 the Code and the applicable Regulations thereunder. Prior to or at the time of delivery of the Bonds, the County Judge/Executive and/or the County Treasurer, who are jointly and severally charged with the responsibility for the issuance of the Bonds, are authorized to execute the appropriate certification with reference to the matters required and contemplated by the Code and the applicable Regulations, setting out all known and contemplated facts concerning the anticipated construction, expenditures and investments, including the execution of necessary and/or desirable certifications contemplated by the Code and the applicable Regulations in order to assure that interest on the Bonds will be excluded from gross income for Federal income tax purposes and that the Bonds will not be treated as "arbitrage bonds". Such officers are entitled to rely upon information furnished by the Borrower in making such certifications and representations unless they, or either of them, shall be aware of any fact or circumstances which would cause such certifications or representations to be questioned.

Notwithstanding anything herein to the contrary, neither the County, any official of the County, nor the County Attorney shall be liable for any act or omission of the County, or such official, or said County Attorney, to the Borrower, the Bank, or any owner of the Bonds for failure to comply with any covenant or certifications herein made or made in any of the documents relating to the issuance of the Bonds and the Loan Agreement and the Indenture shall so provide.

11. **PUBLIC APPROVAL REQUIREMENT.** The enactment of this Resolution shall be construed to constitute the public approval requirements of Section 147(f) of the Code.

12. **SEVERABILITY CLAUSE.** If any section, paragraph, clause or provision of this Resolution shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

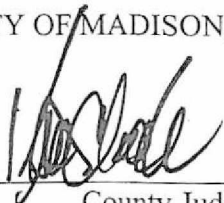
13. **CAPTIONS OF CLAUSES.** The captions of this Resolution are for convenience only and are not to be construed as part of this Resolution nor as defining or limiting in any way the scope or intent of the provisions hereof.

14. **PROVISIONS IN CONFLICT REPEALED.** All Resolutions, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed.

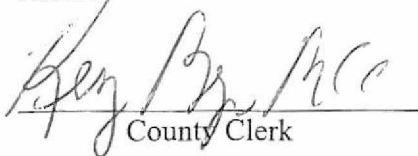
15. **EFFECTIVE DATE OF RESOLUTION.** This Resolution shall take effect from and after its enactment, adoption, approval and publication of Notice of Enactment and Summary hereof (including the title and a summary of this Resolution), which publication is hereby approved and ordered to be made by the County Clerk, pursuant to Chapter 67 and KRS 103.210.

Introduced, Read, Enacted and Adopted at a Regular Meeting of the Fiscal Court held on November 27, 2012.

COUNTY OF MADISON, KENTUCKY

By:   
County Judge/Executive

Attest:

  
County Clerk

### CERTIFICATE OF COUNTY CLERK

I 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 an Resolution introduced, read and duly enacted by the Fiscal Court of said County, signed by the County Judge/Executive of said County, and attested under seal by me as County Clerk, at a properly convened meeting of said Fiscal Court held on November 27, 2012, as shown by the official records in my custody and under my control, that Notice of the Enactment and Summary of said Resolution has been ordered to be published as required by law (KRS Chapter 67 and KRS 103.210), and that said Resolution appears as a matter of public record in the County official records.

I further certify that said meetings were 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 each of said meetings, that said Resolution has not been modified, amended, revoked or repealed, and that same is now in full force and effect.

IN WITNESS WHEREOF, I have hereto set my hand as County Clerk and the official seal of the County this 27<sup>th</sup> day of November, 2012.

  
County Clerk