

**MADISON COUNTY FISCAL COURT
MADISON COUNTY, KY
ORDINANCE 20-03**

AN ORDINANCE OF THE COUNTY OF MADISON, KENTUCKY AUTHORIZING THE ISSUANCE OF ITS COUNTY OF MADISON, KENTUCKY GENERAL OBLIGATION NOTE, SERIES 2020N-1 IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$6,000,000 (SUBJECT TO A PERMITTED ADJUSTMENT INCREASING THE PRINCIPAL AMOUNT OF THE NOTE BY UP TO \$600,000 OR DECREASING THE PRINCIPAL AMOUNT OF THE NOTE BY ANY AMOUNT) FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, EQUIPPING, AND INSTALLATION OF CAPITAL IMPROVEMENTS TO CERTAIN COUNTY FACILITIES; APPROVING THE FORM OF THE NOTE; AUTHORIZING DESIGNATED OFFICERS TO EXECUTE AND DELIVER THE NOTE; AUTHORIZING AND DIRECTING THE FILING OF A NOTICE WITH THE STATE LOCAL DEBT OFFICER; PROVIDING FOR THE PAYMENT AND SECURITY OF THE NOTE; CREATING A NOTE PAYMENT FUND; REAFFIRMING AND CONTINUING THE PREVIOUSLY-ESTABLISHED SINKING FUND; AUTHORIZING ACCEPTANCE OF THE WINNING BID OF THE PURCHASER FOR THE PURCHASE OF THE NOTE; AUTHORIZING THE EXECUTION AND DELIVERY OF A NOTE PURCHASE AGREEMENT WITH THE PURCHASER OF THE NOTE; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the County of Madison, Kentucky (the "County") has determined and does hereby confirm that it is a public purpose of the County to acquire, construct, equip, and install capital improvements to certain County facilities located within the jurisdictional boundaries of the County consisting of, without limitation, (i) energy efficiency improvements to the Madison County Detention Center, (ii) a new County administration building, and (iii) the renovation of the existing County administration building for future use and occupancy by the Administrative Office of the Courts (collectively, the "Project"), all for the well-being and benefit of the citizens of the County; and

WHEREAS, in order to achieve the foregoing objectives of the County, the County has determined and does hereby confirm that it is necessary and desirable at this time for the County to proceed with the issuance of its General Obligation Note, Series 2020N-1 in a maximum principal amount of \$6,000,000 (which amount may be increased by up to \$600,000 or decreased by any amount) (the "Note") to finance all or a portion of the costs of the Project and to pay all or a portion of the costs of issuance of the Note; and

WHEREAS, pursuant to the Constitution and Laws of the Commonwealth of Kentucky, and particularly Sections 66.011 et. seq. of the Kentucky Revised Statutes, as amended (the "General Obligation Act") and Sections 58.010 et. seq. of the Kentucky Revised Statutes, as amended (the "Public Project Act" and, together with the General Obligation Act, the "Act"), a County may issue notes, subject to the requirements of the Act, to pay all or any portion of the costs of financing any public project to the extent that the County is authorized to cause the acquisition, construction, installation, and equipping thereof; and

WHEREAS, the County desires to cause the Project to be financed through the issuance of the Note, and to award the sale of the Note the successful bidder therefore after soliciting bids from qualified financial institutions and other bidders.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY OF MADISON, KENTUCKY, ACTING BY AND THROUGH ITS FISCAL COURT, AS FOLLOWS:

Section 1. Affirmation of Preamble. It is hereby found, determined, and declared that the facts, recitals, and definitions set forth in the recitals of this Ordinance are true and correct and are hereby affirmed, and all acts described in the recitals of this Ordinance are hereby ratified. Such facts, recitals, and definitions are hereby adopted and incorporated as a part of this Ordinance.

Section 2. Necessity, Authorization, and Purpose. The County hereby declares that it is desirable and necessary to issue, and hereby authorizes the issuance, of its General Obligation Note, Series 2020N-1, in a maximum aggregate principal amount of \$6,000,000 (which amount may be increased by up to \$600,000 or decreased by any amount) (the "Permitted Adjustment") for the purposes of paying (i) all or a portion of the costs of the Project and (ii) all or a portion of the costs of issuance of the Note.

Section 3. Sale of Note.

(a) Authorization for Sale. Section 66.141 of the Kentucky Revised Statutes authorizes the County to sell the note by competitive bid or at private negotiated sale in a manner determined or authorized by the County. The County hereby determines to solicit bids from qualified financial institutions as further described in this Section 3 to determine the best potential purchaser with which to negotiate the sale of the Note. Once the best bid has been selected, the County shall treat the sale of the Note as a private negotiated sale pursuant to such authority. Consequently, the sale will be exempted from the advertisement requirements of Section 424.360 of the Kentucky Revised Statutes.

(b) Solicitation of Bidders. The County hereby approves the preparation and distribution of necessary documents related to the solicitation of bids for the purchase of the Note (collectively, the "Solicitation Documents") to be prepared by the County, Ross, Sinclaire & Associates, LLC (the "Municipal Advisor"), and/or Dinsmore & Shohl LLP ("Bond Counsel") in the usual and customary form, and approves the distribution of such Solicitation Documents to qualified financial institutions. Bidders shall be limited to those persons having knowledge and extensive experience in financial and business matters and who are capable of evaluating the merits and risks associated with making the investment represented by the Note and who are able to bear the economic risks associated with making the investment represented by the Note. Upon application from any prospective bidder for the Note, the County will furnish any material information about the County and its finances that may be reasonably requested, but no official statement, prospectus, or similar documents will be provided. The County and the Municipal Advisor are hereby directed to solicit at least three bids, but no minimum number of responses is required.

(c) Matters to be Determined by Bid. Each bid must propose the following terms of the Note:

(i) whether the interest rate applicable to the Note will be fixed or variable;

(ii) if a fixed rate is proposed, what the fixed rate will be; provided that the fixed rate cannot exceed five percent per annum;

(iii) if a variable rate is proposed, (1) the dates for determining changes in the applicable interest rate, (2) the index upon which such rates shall be based or determined, and (3) the applicable interest rate formula; provided, however, that no variable rate may produce an interest rate that exceeds twelve percent per annum;

(iv) the interest payment dates applicable to the Note (each an "Interest Payment Date" and, collectively, the "Interest Payment Dates"); and

(v) any closing costs, commitment fees, and bank counsel fees.

(d) Note Award. The County shall award the Note to the bidder who provides the best response to the Solicitation Documents and not necessarily to the lowest bidder. Evaluation of bids by the County shall consider the following criteria, which criteria are not exclusive: (1) the respective net interest cost to the County achieved by the financing on the terms proposed; (2) the closing fees and charges proposed; and (3) any other material terms and conditions proposed that impact the value of the financing for the County. The County shall award the Note to the best bidder as determined pursuant to this Section (the "Purchaser") by the County Judge/Executive's execution and delivery of an Award Certificate (the "Award Certificate"), which, among other things, shall set forth: (i) the information from the winning bid set forth in Section 3(c)(i) through (v) hereof, (ii) the maximum principal amount of the Note (the "Maximum Amount"), being an amount not in excess of \$6,000,000 (subject to the Permitted Adjustment), (iii) the anticipated date of issuance of the Note (the "Issuance Date"), and (iv) the maturity date of the Note (the "Maturity Date"), which date shall not exceed the fifth anniversary of the Issuance Date.

(e) Loan and Note Purchase Agreement. On the date the County awards the Note to the Purchaser, the County and the Purchaser shall execute and delivery a Loan and Note Purchase Agreement in the form attached hereto as Exhibit B (the "Purchase Agreement"). The County Judge/Executive and the Fiscal Court Clerk are hereby authorized and directed to execute and deliver the Purchase Agreement on behalf of the County, substantially in the form attached hereto, with such changes therein as the officer(s) executing such documents on behalf of the County shall approve, such approval to be conclusively evidenced by their execution and delivery thereof.

Section 4. Form of the Note. The Note shall be payable to the Registered Holder (as defined herein) thereof, initially the Purchaser, designated the "County of Madison, Kentucky, General Obligation Note, Series 2020N-1", and shall be in substantially the form attached hereto as Exhibit A, provided that the Note shall be conformed upon final issuance to the terms set forth in the Award Certificate.

Section 5. Execution and Delivery. The Note shall be executed by the County Judge/Executive and duly attested by the Fiscal Court Clerk (which consolidation together with

any other person authorized by an order are referred to as the “Designated Officers”), and shall have the seal of the County or a facsimile thereof affixed thereto.

Section 6. Principal Advances. The principal amount of the Note outstanding at any point in time shall equal the aggregate amount of all advances of principal provided by the Registered Holder to the County pursuant to the Note, this Ordinance, and the Purchase Agreement, as of such date, less the aggregate amount of any principal payments, including any redemptions of principal permitted hereunder and thereunder, by the County to the Purchaser as of such date. Notwithstanding the foregoing: (i) in no event shall the aggregate amount of all such advances under the Note exceed the Maximum Amount set out in the Award Certificate; (ii) principal may not be advanced under the Note on a revolving basis; and (iii) the County’s ability to request advances of principal under the Note shall terminate on the Maturity Date and any remaining and undrawn principal on that date shall become unavailable hereunder, under the Note, and under the Purchase Agreement. The Purchaser shall memorialize all principal draws under the Note on Schedule A attached thereto. Upon any inconsistency in the principal amount of the Note as reflected on Schedule A thereto and in the records of the Registered Holder, the records of the Registered Holder shall control.

Section 7. Principal. All principal outstanding under the Note shall be due and payable on the Maturity Date.

Section 8. Interest. Interest on the Note shall be payable on each Interest Payment Date. Interest payable on the first Interest Payment Date shall have accrued from (and including) the Issuance Date to (but excluding) the first Interest Payment Date. Thereafter, interest on the Note shall be payable on each successive Interest Payment Date for the interest period beginning on the immediately preceding Interest Payment Date and ending on the day immediately preceding the then current Interest Payment Date. Interest on the Note will be computed on the basis of the actual number of days elapsed over a 360-day year. If the date for making any payment or the last date of performance of any act or the exercising of any right, as provided in this Ordinance or the Note shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this this Ordinance or the Note, and if done on such Business Day no interest with respect to such payment shall accrue for the period after such nominal date. “Business Day” means any day other than: (i) a Saturday or Sunday or legal holiday or a day on which banking institutions in the County or any County in which the principal office of the Registered Holder is located are authorized by law or executive order to close or (ii) a day on which the New York Stock Exchange is closed.

Section 9. Manner of Payment. Payment of or on account of the interest on and principal of the Note shall be made directly by the County to the Registered Holder. Principal of, and interest on, the Note shall be payable in such coin or currency of the United States of America as shall be legal tender for the payment of public and private debts at the time and place of payment upon delivery of the Note to the Registered Holder or by other transfer of funds acceptable to the Registered Holder. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Section 10. Establishment of Note Payment Fund. Upon the award of the Note pursuant to Section 3 hereof, the County shall establish with the Registered Holder a note payment fund in the name of the County to be known as the “County of Madison, Kentucky General Obligation Note, Series 2020N-1 - Note Payment Fund” (the “Note Payment Fund”), into which the County covenants to deposit, and into which the Designated Officers are hereby authorized and directed to deposit from the Sinking Fund (hereinafter established), on or before the third day immediately preceding each interest payment date and principal payment date for the Note, the amount required to pay such principal of and interest due on the Note on such date.

Section 11. Establishment of Sinking Fund. The County hereby reaffirms and continues the sinking fund previously established by the County known as the “County of Madison, Kentucky Sinking Fund” (the “Sinking Fund”). The Sinking Fund is hereby ordered to be continued and maintained as long as the Note shall remain outstanding. The funds derived from the tax levy required by Section 16 hereof or other lawfully available funds shall be placed in the Sinking Fund and, together with interest collected on the same, are irrevocably pledged for the payment of the interest on and principal of the Note and all bonds and notes issued by the County under the Act and all Tax-Supported Leases, as defined in the Act, when and as the same fall due. Amounts shall be transferred from the Sinking Fund to the Note Payment Fund at the times and in the amounts required by Section 10 hereof.

Section 12. Registration. The County shall act as the Registrar for the Note (the “Registrar”) and as such, the County shall keep books for the registration of the Note as provided herein and shall maintain the register in the form provided for in Exhibit C attached hereto. At reasonable times and under reasonable regulations established by the Registrar, the Registrar may be inspected and copied by the Registered Holder of the Note.

Section 13. Ownership. The person in whose name the Note shall be registered (the “Registered Holder”), who shall initially be the Purchaser, shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal on the Note and the interest thereon shall be made only to or upon the order of the Registered Holder thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note, including the interest thereon, to the extent of the sum or sums so paid.

Section 14. Mutilated, Lost, Stolen, or Destroyed Note. If the Note is mutilated, lost, stolen, or destroyed, the County may execute and the Registrar may authenticate and deliver a new Note of like tenor in exchange and substitution for such mutilated Note, or in lieu of and in substitution for such lost, stolen, or destroyed Note, upon the Registered Holder’s furnishing to the County evidence of such loss, theft, or destruction satisfactory to the County, together with indemnity satisfactory to the County. If the Note shall have matured, the County may, instead of issuing a duplicate Note, pay the same without surrender thereof. The County may charge the Registered Holder the County’s reasonable fees and expenses in this connection.

Section 15. Optional Redemption. The Note shall be subject to optional redemption before its maturity on any date on or after the one-year anniversary of its Issuance Date, in whole or in part, at the election of the County upon fifteen days’ written notice to the Registered Holder at a redemption price equal to the par amount thereof, plus accrued interest to the date of

redemption. Any such redemption notice shall set forth the date fixed for redemption, and the redemption price to be paid.

On the date so designated for redemption, notice having been provided in the manner under the conditions hereinabove provided and moneys for payment of the redemption price being held in the Note Payment Fund by the County, the Note shall become and be due and payable at the redemption price provided for redemption of the Note on such date, interest on the Note shall cease to accrue, and the Registered Holder shall have no right in respect thereof except to receive payment of the redemption price thereof.

Section 16. General Obligation. The Note shall be a general obligation of the County and, for the payment of the Note, and the interest thereon, the full faith, credit, and taxing power of the County are hereby pledged for the prompt payment thereof. During the period the Note is outstanding, there shall be and there hereby is levied on all the taxable property in the County, in addition to all other taxes, without limitation as to rate, a direct tax annually in an amount sufficient to pay the principal of and interest on the Note when and as due, it being hereby found and determined that current tax rates are within all applicable limitations. The tax shall be and is hereby ordered computed, certified, levied, and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended, and collected. The tax shall be placed before and in preference to all other items and for the full amount thereof provided, however, that in each year to the extent that other lawfully available funds of the County are available for the payment of the Note, and are appropriated for such purpose, the amount of such direct tax upon all of the taxable property in the County shall be reduced by the amount of such other funds so available and appropriated.

Section 17. Request and Disposition of Note Proceeds.

(a) Requests for Advances. The County shall provide the Purchaser a written request for an advance of Note proceeds signed by a Designed Officer in the form provided as Schedule A to the Purchase Agreement at least two Business Days before such advance is needed containing: (i) a request that the Purchaser make such advance in the amount and on the date specified therein; (ii) a description of the Project costs for which such advance is requested; and (iii) a certification that the total amount of all advances to be received by the County pursuant to the Note, the Purchase Agreement, and this Ordinance will not exceed the Maximum Amount.

(b) Application of Note Proceeds. Each advance of Note proceeds shall be deposited, together with other available funds of the County, as follows: (a) accrued interest and a rounding amount, if any, shall be deposited to the Note Payment Fund created in Section 10 hereof; (b) an amount sufficient to pay the costs of issuing the Note shall be deposited to a special cost of issuance fund hereby directed to be established and designated as the "County of Madison, Kentucky General Obligation Note, Series 2020N-1 - Cost of Issuance Fund" (the "Cost of Issuance Fund"); and (c) the remainder shall be deposited to a special construction fund hereby directed to be established and designated as the "County of Madison, Kentucky General Obligation Note, Series 2020N-1 - 2020N-1 Construction Fund" (the "Construction Fund") to be held by the construction fund depository designated in the Award Certificate (the "Construction Fund Depository") and used to pay or

reimburse the County for the costs of the acquisition, construction, installation, and equipping of the Project.

Section 18. Filing and Approvals. The Designated Officers are hereby authorized to undertake and cause all filings of notices and information and/or approvals that may be required by law to be filed by the County, including without limitation the filing with the State Local Debt Officer required by law.

Section 19. Further Actions. Each of the County Judge/Executive, the Fiscal Court Clerk, the County Attorney, and other appropriate officials of the County for and on behalf of the County, are hereby authorized, empowered, and directed to do and perform any and all things necessary to effect the execution and delivery of the Purchase Agreement, the Award Certificate, and all related documents, the performance of all obligations and the preservation of all rights of the County thereunder, the execution and delivery of the Note, and the performance from time to time of all other actions of whatever nature necessary to carry out the authority conferred or contemplated by and the purposes of this Ordinance, the Purchase Agreement, the Award Certificate, and related documents, and further to approve and to execute all papers, documents, certificates, or other instruments that may be required for the carrying out and effectuation from time to time of the authority conferred by and the purpose of this Ordinance, the Purchase Agreement, the Award Certificate, the Note, and all related documents, or to evidence said authority and purposes.

Section 20. Contractual Nature of Ordinance. The provisions of this Ordinance shall constitute a contract between the County and the Purchaser; and after the issuance of the Note, no change or alteration of any kind in the provisions of this Ordinance shall be made except as herein provided until such time as the Note and the interest thereon have been paid in full; provided (a) that the Fiscal Court may adopt an ordinance, resolution, or municipal order for any purpose not inconsistent with the terms of this Ordinance which shall not impair the security of the Purchaser, or for the purpose of curing any ambiguity or of curing, correcting, or supplementing any defective or inconsistent provisions contained herein, and (b) provided further, that the Purchaser shall have the right to consent to and approve the adoption of ordinances or other proceedings modifying or amending any of the terms or provisions contained in this Ordinance.

Section 21. Bank-Qualified Designation. The Note is designated a "qualified tax-exempt obligation" for the purposes set forth in § 265(b)(3) of the Internal Revenue Code of 1986, as amended, because the County does not anticipate issuing more than \$10,000,000 of "qualified tax-exempt obligations" during calendar year 2020.

Section 22. Discharge of Ordinance. If the County shall pay or cause to be paid, or there shall otherwise be paid, to the holder of the Note the total principal and interest due or to become due thereon through maturity, in the manner stipulated therein and in this Ordinance, then the pledges made under this Ordinance, and all covenants, agreements, and other obligations of the County hereunder, shall thereupon cease, terminate, and become void and be discharged and satisfied.

Section 23. Severability. If any one or more of the provisions of this Ordinance should be determined by a court of competent jurisdiction to be contrary to law, then such provisions shall

be deemed to be severable from all remaining provisions and shall not affect the validity of such other provisions.

Section 24. Inconsistent Actions. All prior ordinances, resolutions, orders, or parts thereof inconsistent herewith are hereby repealed.

Section 25. Open Meetings Compliance. All meetings of the Fiscal Court and of its committees and any other public bodies, at which the formal actions in connection with the issuance of the Bonds were taken, or at which deliberations that resulted in such formal actions were held, were open meetings, and such formal actions were taken and any such deliberations took place while such meetings, after proper notice, were open to the public, in compliance with all legal requirements including KRS Sections 61.805 through 61.850.

Section 26. Effective Date. This Ordinance shall become effective immediately upon adoption and publication of a summary thereof, as provided by law.

Section 27. Rules of Construction. The singular form of any word used herein shall include the plural, and vice versa. The use herein of a word of any gender shall include correlative words of all genders. Unless otherwise specified, the word “including” shall mean “including without limitation”, the word “or” shall mean “or”, and the word “any” shall mean “any and all.” Unless otherwise specified, references to Sections and other subdivisions of this Ordinance are to the designated Sections, and other subdivisions of this Ordinance as originally executed. The words “hereof,” “herein,” “hereunder,” and words of similar import refer to this Ordinance as a whole. The captions or headings in this Ordinance are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Ordinance. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles. Exhibits A, B, and C attached hereto are hereby incorporated by reference into this Ordinance and constitute a part hereof.


[Signature page to follow]

INTRODUCED AND PUBLICLY READ ON FIRST READING HELD ON FEBRUARY 11, 2020.

INTRODUCED AND PUBLICLY READ ON DULY ADOPTED AFTER SECOND READING ON FEBRUARY 25, 2020.

[Seal]

COUNTY OF MADISON, KENTUCKY

By: 
Reagan Taylor
County Judge/Executive

Attest:

By: 
Kenny Barger
Fiscal Court Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Fiscal Court Clerk of the County of Madison, Kentucky (the "County"), and as such Fiscal Court Clerk, I further certify that the foregoing is a true, correct, and complete copy of an Ordinance duly enacted by the Fiscal Court at a duly convened meeting held on February 25, 2020, on the same occasion signed by the County Judge/Executive as evidence approval, and the Ordinance is now in full force and effect, all as appears from the official records of the County in my possession and under my control.

Witness my hand as of the February 25, 2020.


Kenny Barger
Fiscal Court Clerk

EXHIBIT A
to
NOTE ORDINANCE

FORM OF NOTE

* * * * *

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
COUNTY OF MADISON, KENTUCKY
GENERAL OBLIGATION NOTE, SERIES 2020N-1

No. R-1

NOTE DATE: [Closing Date]

MATURITY DATE: [Maturity Date]

INTEREST RATE: [Interest Rate Description]

REGISTERED HOLDER: [Purchaser Name]

PRINCIPAL SUM: The outstanding principal amount shown on Schedule A attached hereto and made a part hereof.

KNOW ALL PERSONS BY THESE PRESENTS: That the County of Madison, Kentucky (the "County"), for value received, hereby acknowledges itself obligated to, and promises to pay to the Registered Holder identified above, or registered assigns, the Principal Sum stated above on the Maturity Date stated above, unless this Note shall have been called for redemption in whole or in part such redemption shall have been duly made or provided for, upon surrender hereof, and to pay (but only out of the sources hereinafter set out) to the Registered Holder hereof interest on the Principal Sum hereof outstanding from time to time from the last date to which interest has accrued and been paid or duly provided for, or, if no interest has been paid or duly provided for, from the later of the Note Date set forth above and the respective dates of advance of portions of the Principal Sum stated above by the initial Registered Holder hereof in accordance with the Ordinance and the Loan and Note Purchase Agreement hereinafter referred to, until payment or receipt of the Principal Sum has been made or provided for, at the Interest Rate per annum identified above payable on each [interest payment date], beginning [first interest payment date], and ending on the Maturity Date. Interest on this Note will be computed on the basis of the actual number of days elapsed over a 360-day year.

Terms used herein and not specifically defined herein shall have the meaning ascribed to them in the Ordinance identified below.

Principal of and interest on this Note shall be payable to the Registered Holder by the County by check, wire transfer or other means according to payment instructions given to the County by the Registered Holder.

This Note represents a duly authorized note issue of the County designated "County of Madison, Kentucky, General Obligation Note, Series 2020N-1" (the "Note"), having a maximum principal amount of \$[Par], authorized and issued by the County for the purpose of providing funds to pay a portion of the costs of public projects of the County and to pay costs of issuance, all pursuant to and in full compliance with the general laws of the Commonwealth of Kentucky and particularly Chapter 66 of the Kentucky Revised Statutes, and pursuant to an ordinance duly adopted by the Fiscal Court of the County on February 25, 2020 (the "Ordinance") upon the affirmative vote of at least a majority of the members of its Fiscal Court at a public meeting duly and regularly held, and after approval by the State Local Debt Officer of the Commonwealth of Kentucky.

This Note and the issue of which it forms a part is a general obligation of the County and the full faith, credit, and taxing power of the County are pledged to the payments due hereunder. THIS NOTE IS CONTINUALLY SECURED BY THE FAITH, CREDIT, AND TAXING POWER OF THE COUNTY.

This Note shall be subject to optional redemption before its Maturity Date on any date on or after [one-year anniversary of the Note Date], in whole or in part, in such order of maturity as shall be designated in writing by the County at the election of the County upon fifteen days written notice to the Registered Holder at a redemption price equal to the Principal Sum outstanding on such redemption date, plus accrued interest to the date of redemption.

On the date so designated for redemption, notice having been provided in the manner and under the conditions hereinabove provided and moneys for payment of the redemption price being held in the Note Payment Fund established by the County for benefit of this Note, this Note shall become and be due and payable at the redemption price provided for on such date, interest on this Note shall cease to accrue, and the Registered Holder shall have no right in respect thereof except to receive payment of the redemption price thereof.

No recourse shall be had for the payment of the principal of or the interest on this Note, or for any claim based hereon, against any officer, agent or employee, past, present or future, of the County, as such, either directly or through the County, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such officers, agents or employees is hereby renounced, waived, and released as a condition of and as consideration for the issuance, execution, and acceptance of this Note.

It is hereby certified that all acts, conditions, and things required to be done, to occur or be performed precedent to and in the issuance of this Note, or in the creation of the obligations of which this Note is evidence, have been done, have occurred and have been performed in regular and due form and manner as required by law; that the faith, credit and revenue of the County are hereby irrevocably pledged for the prompt payment of the principal hereof and interest hereon; that the repayment obligation represented by this Note is not in excess of any constitutional or statutory limitation; and that due provision has been made for the levy and collection of a tax sufficient in amount to pay the interest on this Note as it falls due and to provide for the redemption of this Note at maturity or upon earlier redemption.

If the date for making any payment or the last date of performance of any act or the exercising of any right, as provided in this Note shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this this Note, and if done on such Business Day no interest with respect to such payment shall accrue for the period after such nominal date.

THIS ORDINANCE SHALL BECOME EFFECTIVE ON THE DATE OF THE SECOND READING AND ADOPTION.

DATE OF FIRST READING: February 11, 2020

MOTION BY: John Tudor

SECONDED BY: Roger Barger

VOTE: YES NO

JUDGE EXECUTIVE REAGAN TAYLOR	x
MAGISTRATE LARRY COMBS	
MAGISTRATE ROGER BARGER	x
MAGISTRATE JOHN TUDOR	x
MAGISTRATE TOM BOTKIN	x

DATE OF SECOND READING: February 25, 2020

MOTION BY: John Tudor

SECONDED BY: Tom Botkin

VOTE: YES NO

JUDGE EXECUTIVE REAGAN TAYLOR	x
MAGISTRATE LARRY COMBS	
MAGISTRATE ROGER BARGER	x
MAGISTRATE JOHN TUDOR	x
MAGISTRATE TOM BOTKIN	x


MADISON COUNTY JUDGE EXECUTIVE

ATTESTED:



MADISON COUNTY CLERK

SCHEDULE A
to
GENERAL OBLIGATION NOTE, SERIES 2020N-1
RECORD OF ADVANCES AND REDEMPTIONS

Date	Draw Amount	Principal Redemption Amount	Outstanding Principal Amount	Notation By:
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:

(please print or typewrite social security number or other identifying number and name and address of transferee)

the within Note and does hereby irrevocably constitute and appoint the _____
_____ or its successor as Registrar to transfer the Note on the books kept for
registration thereof with full power of substitution in the premises.

Dated: _____

Note: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

EXHIBIT B
to
NOTE ORDINANCE

FORM OF LOAN AND NOTE PURCHASE AGREEMENT

* * * * *

UP TO \$[Par]
COUNTY OF MADISON, KENTUCKY
GENERAL OBLIGATION NOTE, SERIES 2020N-1

LOAN AND NOTE PURCHASE AGREEMENT

[Award Date]

County Judge/Executive and Members of the
Fiscal Court of
County of Madison, Kentucky
135 West Irvine Street, Suite 202
Madison County Courthouse Annex
Richmond, Kentucky 40475

Gentlemen:

In response to the solicitation of the County of Madison, Kentucky (the "County"), the undersigned (the "Purchaser") has previously submitted its proposal dated [Proposal Date] (the "Proposal"), and the Purchaser hereby offers to enter into this Loan and Note Purchase Agreement (this "Agreement") with the County for the purchase by it and sale by the County of the Note of the County described below. This offer is made subject to acceptance by the County before the Closing (hereinafter defined), and upon acceptance this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon both the County and the Purchaser.

1. Upon the terms and conditions and upon the basis of the representations herein set forth, the Purchaser hereby agrees to purchase from the County, and the County hereby agrees to sell to the Purchaser, the County's General Obligation Note, Series 2020N-1, up to a maximum principal amount of \$[Par], dated [Closing Date] (the "Note"). The Note has been authorized by an ordinance adopted by the County's Fiscal Court on February 25, 2020 (the "Ordinance"), which Ordinance sets out the terms of the Note. The Note shall mature as to principal and shall bear interest as set out in the Ordinance. Reference is made to the Ordinance for a further description of the Note.

2. The County shall deliver to the Purchaser, or cause to be delivered to the Purchaser, after acceptance hereof by the County and at or before the Closing (hereinafter defined), an executed or certified copy of the Ordinance and other documents required to be delivered under the terms of the Ordinance and this Agreement.

3. On [Closing Date], at 10:00 a.m. (local time), at the offices of the Purchaser in Madison, Kentucky (the "Closing"), the County will deliver to the Purchaser the Note as a single Note in fully registered form as provided in the Ordinance, registered to the Purchaser and duly executed, together with all other documents required by Bond Counsel, Dinsmore & Shohl LLP, Louisville, Kentucky; and the Purchaser will accept such delivery of the Note and will pay the County the initial installment of the purchase price thereof, in the amount specified in the County's first requisition for an advance of the Note proceeds filed with the Purchaser in accordance with the Ordinance on or before the Closing Date, by wire transfer or any other manner acceptable to the County and Bond Counsel, for application in accordance with the provisions of the Ordinance. Until but no later than [Maturity Date] (the "Maturity Date"), the Purchaser will make advances of Note proceeds from time to time according to the Ordinance. The Purchaser hereby agrees to note on Schedule A to the Note all increases and decreases in the principal amount thereof resulting from any advance or redemption; provided, however, that upon any inconsistency in the principal amount of the Note as reflected on Schedule A thereto and in the records of the Purchaser, the records of the Purchaser shall control. The Note will be made available for examination at or before Closing.

4. Proceeds of the Note shall be paid by the Purchaser to the County from time to time, in accordance with the terms of this Agreement and the Ordinance, upon the Purchaser's receipt of requisitions of the County in accordance with Section 17(a) of the Ordinance, provided that all such proceeds as are requisitioned shall be advanced by the Purchaser on or before the Maturity Date, and no proceeds shall be advanced thereafter. The total amount of all such advances provided by the Purchaser to the County pursuant to the Note shall not exceed \$[Par].

5. The Purchaser has entered into this Agreement in reliance upon the representations and agreements of the County herein and in the Ordinance and performance by the County of its obligations hereunder and thereunder, both as of the date hereof and as of the date of Closing. The Purchaser acknowledges and represents that the Note is being sold and originally issued to the Purchaser as a fully knowledgeable purchaser and that the Note is not being publicly distributed. The Purchaser has knowledge and extensive experience in financial and business matters, including the purchase of securities for investment, and is capable of evaluating the merits and risks of investment in the Note and is able to bear the economic risks of such investment in the Note. No official statement or prospectus has been prepared by the County in connection with the sale of the Note to the Purchaser and, in purchasing the Note, the Purchaser is acquiring it solely upon investigation independently made by it into the financial condition of the County and information regarding the County already furnished to or known to the Purchaser. The Purchaser understands the Note is payable solely from the sources set out in the Ordinance. The Purchaser has received and reviewed the documentation described herein in connection with the issuance of the Note and has further received all materials and information requested by the Purchaser in connection with the issuance of the Note. The Purchaser represents that it is purchasing the Note for its own account and not with any intention of resale or distribution thereof; and the Purchaser represents that any future transfer or sale of the Note by the Purchaser to others will be carried out only on the basis of compliance with the requirements of the laws and regulations which are applicable to any such action, upon the advice of counsel. Notwithstanding the foregoing, the Purchaser may participate with other banks in the benefits of its ownership of the Note, provided that the County's obligations under the Ordinance and the Note shall extend only to the Purchaser. The County hereby represents and warrants to the Purchaser that to the County's knowledge the

materials and information provided by the County to the Purchaser described in this paragraph 5 are true and accurate; provided, however, no such representations or warranties are made with respect to forward-looking statements or financial projections contained therein.

6. The Purchaser's obligations under this Agreement are and shall be subject to the following further conditions:

(a) At the Closing, the Ordinance and other related documents shall be in full force and effect and shall not have been amended, modified, or supplemented except as may have been agreed to in writing by the Purchaser;

(b) At the time of Closing, the Purchaser shall receive:

(i) the documents referred to in Section 2 above;

(ii) the approving opinion, dated as of the date of Closing, of Bond Counsel to the general effect, among other things, that the Note is a valid general obligation of the County, secured in the manner provided in the Ordinance; that based on certain representations, warranties, and covenants of the County, interest on the Note is not included in gross income for federal and Kentucky income tax purposes; and that the Note has been designated by the County as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the U.S. Internal Revenue Code of 1986, as amended;

(iii) any commitment, closing, or bank counsel fee described by the Proposal;

(iv) an opinion of counsel for the County in form satisfactory to the Purchaser and Bond Counsel; and

(v) such additional certificates, opinions, or other documents as the Purchaser or Bond Counsel may reasonably require to evidence the accuracy, as of the Closing, of the representations and warranties of the County in the Note-related documents and the due performance and satisfaction by the County at or before such time of all agreements then to be performed and all conditions then to be satisfied by the County;

(c) The Purchaser shall have the right before the Closing to cancel its obligations to purchase the Note if between the date hereof and the time of Closing: (i) legislation shall have been enacted by the Congress of the United States, a decision shall have been rendered by a Court of the United States or a ruling shall have been made or a regulation shall have been proposed or adopted by the Treasury Department or the Internal Revenue Service of the United States with respect to federal taxation of interest received on obligations of the general character of the Note which in the Purchaser's reasonable opinion make untrue or incorrect in any material respect any statement or information contained in the documents relating to the issuance of the Note or causes such documents or information contained therein to be misleading in any material respect; or (ii) trading in securities generally on the New York Stock Exchange shall have been suspended or minimal prices shall have been established on such Exchange by the Securities and Exchange Commission or by such Exchange; or (iii) a general banking moratorium shall have been declared by federal or state authorities; and

(d) The conditions of the Proposal shall have been met by the County to the satisfaction of the Purchaser.

7. The County will furnish, or cause to be furnished, to the Purchaser within nine months following the end of each fiscal year of the County, beginning with the fiscal year ending June 30, 2019, the County's audited financial statements for the fiscal year ending the immediately preceding June 30th.

8. If the County shall be unable to satisfy the conditions precedent to Closing in Section 6 hereof, the Purchaser may elect to terminate this Agreement and thereafter neither the Purchaser nor the County shall have any further obligations hereunder.

[Signature page to follow]

SIGNATURE PAGE TO LOAN AND NOTE PURCHASE AGREEMENT

IN WITNESS WHEREOF, the County and the Purchaser have caused this Loan and Note Purchase Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date first written above.


[PURCHASER NAME]

By: _____

Title: _____

Accepted this [Award Date].

COUNTY OF MADISON,
KENTUCKY

By:  _____
Reagan Taylor
County Judge/Executive

SCHEDULE A
to
LOAN AND NOTE PURCHASE AGREEMENT
FORM OF REQUEST FOR ADVANCE OF NOTE PROCEEDS

* * * * *

REQUEST FOR ADVANCE OF NOTE PROCEEDS

No. []

Dated: []

County of Madison, Kentucky
135 West Irvine Street, Suite 202
Madison County Courthouse Annex
Richmond, Kentucky 40475

Re: Up to \$[Par] County of Madison, Kentucky, General Obligation Note, Series 2020N-1

Ladies and Gentlemen:

With reference to the Loan and Note Purchase Agreement dated as of [Closing Date] (the "Purchase Agreement"), by and between the County of Madison, Kentucky (the "County"), and [Purchaser Name], as the purchaser (the "Purchaser"), securing the above-identified General Obligation Note (the "Note"), and further with reference to the terms defined in the Ordinance dated as of February 25, 2020, the undersigned duly authorized representative of the County hereby requests that the Purchaser advance Note proceeds in the amount of \$[Draw Amount] to the County on [Draw Date].

The above obligation has been properly incurred, is a proper charge against the Note, is unpaid or unreimbursed, has not been the basis of any previous disbursement, and is presently due and payable or properly reimbursable to the County; and such obligation is a necessary cost of the Project. Further, the above obligation conforms to the following requirements as set forth in the Ordinance: (i) in no event shall the aggregate amount of all advances under the Note exceed \$[Par]; (ii) principal may not be advanced under the Note on a revolving basis; and (iii) the County's ability to request advances of principal under the Note shall terminate on the Maturity Date and any remaining and undrawn principal on that date shall become unavailable.

COUNTY OF MADISON, KENTUCKY

By: RT

Name: REAGAN TAYLOR

X Title: JUDGE EXECUTIVE

EXHIBIT C
to
NOTE ORDINANCE

FORM OF NOTE REGISTER

* * * * *

This register is kept and maintained by the County of Madison, Kentucky, for registration of principal and stated interest on its General Obligation Note, Series 2020N-1 and for registration, exchange, or transfer in accordance with the Note Ordinance of the County duly adopted by its Fiscal Court on February 25, 2020.

Note Number	Exchanged or Transferred to Note(s) No.	Exchanged or Transferred from Note(s) No.	Initial Principal Face Amount	Name and Address of Registered Owner	Date of Registry	Signature of Registrar
N-1	N/A	N/A	\${Initial Draw}	[Purchaser Name]	[Closing Date]	

DOCUMENT NO: 201-4007862
 RECORDED: February 25, 2020 11:55:00 AM
 TOTAL FEES: \$0.00
 COUNTY CLERK: KENNY BARGER
 DEPUTY CLERK: LANDRY LUXON
 COUNTY: MADISON COUNTY
 BOOK: ORDB PAGE: 11 - 33