
TAX COMPLIANCE AGREEMENT

Dated as of October 1, 2023

among

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE CITY OF INDEPENDENCE, MISSOURI,**

CITY OF INDEPENDENCE, MISSOURI,

HUB DRIVE COMMUNITY IMPROVEMENT DISTRICT,

HUB DRIVE TRANSPORTATION DEVELOPMENT DISTRICT,

and

**UMB BANK, N.A.,
as Trustee**

[\$11,800,000]

**Tax Increment and Special Districts Revenue Bonds
(HUB Drive Redevelopment Project)
Series 2023**

TAX COMPLIANCE AGREEMENT

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TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT (the “Tax Agreement”), is entered into as of October 1, 2023, among **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF INDEPENDENCE, MISSOURI**, a public corporation organized and existing under the laws of the State of Missouri (the “Authority”), the **CITY OF INDEPENDENCE, MISSOURI**, a constitutional charter city and political subdivision of the State of Missouri (the “City”), the **HUB DRIVE COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision of the State of Missouri (the “CID”), the **HUB DRIVE TRANSPORTATION DEVELOPMENT DISTRICT**, a transportation development district and political subdivision of the State of Missouri (the “TDD”), and **UMB BANK, N.A.**, a national banking association duly organized and existing under the laws of the United States of America, as Trustee (the “Trustee”);

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the issuance by the Authority of \$[11,800,000] principal amount of Tax Increment and Special Districts Revenue Bonds (HUB Drive Redevelopment Project) Series 2023 (the “Bonds”) under the Trust Indenture dated the date of this Tax Agreement (the “Indenture”) between the Authority and the Trustee to provide funds for the purpose of making the Bond proceeds available to the City, the CID and the TDD, under the Financing Agreement dated the date of this Tax Agreement (the “Financing Agreement”), among the Authority, the City, the CID, the TDD, and T-L HUB LLC (the “Developer”) for the purposes described in this Tax Agreement, the Indenture and the Financing Agreement.

2. The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and investment of Bond proceeds and of certain other money relating to the Bonds and set forth the conditions under which the interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The Authority, the City, the CID, the TDD and the Trustee are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

4. The Authority has adopted a Tax-Exempt Financing Compliance Policy and Procedure (the “Tax Compliance Procedure”) for the purpose of setting out general procedures for the Authority, the City, the CID and the TDD to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations. This Tax Agreement is entered into as required by the Tax Compliance Procedure, in part, to set out specific tax compliance procedures applicable to the Bonds.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the Authority, the City, the CID, the TDD and the Trustee represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax Agreement have the same meanings as set forth in the Indenture, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Agreement have the following meanings:

“Adjusted Gross Proceeds” means the Gross Proceeds of the Bonds reduced by amounts (1) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (2) that as of the Issue Date are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period, and (3) representing grant repayments or sale or Investment proceeds of any purpose Investment.

“Authority” means The Industrial Development Authority of the City of Independence, Missouri and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the Authority.

“Bona Fide Debt Service Fund” means a fund, which may include Bond proceeds, that (a) is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year; and (b) is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Bond Year, or (2) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year.

“Bond” or **“Bonds”** means any bond or bonds of the Authority’s Tax Increment and Special Districts Revenue Bonds (HUB Drive Redevelopment Project) Series 2023, described in the recitals, authenticated and delivered under the Indenture.

“Bond Compliance Officer” means the Chief Financial Officer, or the person to whom the responsibilities of this position are delegated in writing.

“Bond Counsel” means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the Authority.

“Bond Reserve Requirement” means, with respect to the Bonds, \$_____.

“Bond Year” means each one-year period (or shorter period for the first Bond Year) ending _____, or another one-year period selected by the City.

“CID” means the HUB Drive Community Improvement District, and its successors and assigns.

“CID Act” means the Missouri Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended.

“CID Sales Tax” means the community improvement district sales and use tax to be levied by the CID at a rate of not more than 1% in accordance with the CID Act.

“CID Sales Tax Revenues” means the portion of the CID Revenues generated by the CID Sales Tax.

“**CID Special Assessment**” means the special assessment to be imposed by the CID in the amount of \$0.50 per square foot of gross leasable area of each building within the CID.

“**CID Special Assessment Revenues**” means the portion of the CID Revenues generated by the CID Special Assessment.

“**CID Revenues**” means the revenues received by the CID from the CID Special Assessment and the CID Sales Tax, less CID Annual Operating Costs, to the extent the same are not required to be deposited into the Special Allocation Fund by operation of the TIF Act.

“**City**” means the City of Independence, Missouri and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the City.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Computation Date**” means each date on which arbitrage rebate for the Bonds is computed. The City may treat any date as a Computation Date, subject to the following limits:

- (a) the first rebate installment payment must be made for a Computation Date not later than 5 years after the Issue Date;
- (b) each subsequent rebate installment payment must be made for a Computation Date not later than five years after the previous Computation Date for which an installment payment was made; and
- (c) the date the last Bond is discharged is the final Computation Date.

The City selects _____, 2028, as the first Computation Date but reserves the right to select a different Computation Date consistent with the Regulations.

“**Developer**” means T-L HUB LLC, a Delaware limited liability company, and its successors or assigns.

“**Final Written Allocation**” means the written allocation of expenditures of Bond proceeds for the Project, a sample form of which is attached hereto as **Exhibit E**.

“**Financed Facility**” means any portion of the Project financed or refinanced with proceeds of the Bonds, as described on **Exhibit C** attached hereto.

“**Financing Agreement**” means the Financing Agreement dated as of October 1, 2023, by and among the Authority, the City, the CID, the TDD and the Developer.

“**Gross Proceeds**” means (a) sale proceeds (any amounts actually or constructively received by the Authority from the sale of the Bonds, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds), (c) any amounts held in a sinking fund for the Bonds, (d) any amounts held in a pledged fund or reserve fund for the Bonds, and (e) any other replacement proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

- (1) Project Fund;

- (2) Costs of Issuance Fund;
- (3) Capitalized Interest Fund;
- (4) Bond Reserve Fund;
- (5) Debt Service Fund (and therein the Interest Account, the Principal Account and the Redemption Account); and
- (6) Rebate Fund (to the extent funded with sale or investment proceeds of the Bonds).

“Guaranteed Investment Contract” is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

“Indenture” means the Trust Indenture dated as of October 1, 2023, by and between the Authority and the Trustee, as further amended and supplemented in accordance with the provisions of the Indenture.

“Investment” means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. Such term does not include a tax-exempt bond, except for “specified private activity bonds” as such term is defined in Code § 57(a)(5)(C), but does include the investment element of most interest rate caps.

“IRS” means the United States Internal Revenue Service.

“Issue Date” means _____, 2023.

“Measurement Period” means the period beginning on the later of (a) the Issue Date or (b) the date the property is placed in service and ending on the earlier of (1) the final maturity date of the Bonds or (2) the expected economic useful life of such property.

“Minor Portion” means the lesser of \$100,000 or 5% of the sale proceeds of the Bonds.

“Net Proceeds” means the sale proceeds of the Bonds (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

“Non-Qualified User” means any person or entity, other than a Qualified User.

“Opinion of Bond Counsel” means the written opinion of Gilmore & Bell, P.C. or other nationally recognized firm of bond counsel. Unless otherwise specifically noted herein an Opinion of Bond Counsel must conclude that the action or proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Bonds and the Financed Facility and the investment of Gross Proceeds that apply after the Issue Date of the Bonds.

“Project” means all of the property that has been and is being acquired, developed, constructed, renovated, and equipped by the City, the CID, and the TDD using proceeds of the Bonds and other funds, as described in the Redevelopment Agreement (as such term is defined in the Indenture).

“Qualified User” means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

“Reasonable Retainage” means Gross Proceeds retained by the Authority or the City for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed, 5% of net sale proceeds of the Bonds on the date 18 months after the Issue Date, for purposes of the 18-month spending test.

“Rebate Analyst” means Gilmore & Bell, P.C. or any successor Rebate Analyst selected pursuant to this Tax Agreement.

“Regulations” means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bonds.

“Tax Agreement” means this Tax Compliance Agreement as it may from time to time be amended and supplemented in accordance with its terms.

“Tax Compliance Procedure” means the Authority’s Tax-Exempt Financing Compliance Policy and Procedure, dated January 29, 2014, as amended and supplemented in accordance with the provisions thereof.

“Tax-Exempt Bond File” means documents and records for the Bonds, maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

“Tax Revenues” means, collectively, (a) the TIF Revenues, (b) the CID Sales Tax Revenues, and (c) the TDD Revenues, each of which constitutes a “generally applicable tax,” within the meaning of Regulations § 1.141-4(e).

“TDD” means the HUB Drive Transportation Development District, its successors and assigns.

“TDD Act” means the Missouri Transportation Development District Act, Sections 238.200 to 238.280, inclusive, of the Revised Statutes of Missouri, as amended.

“TDD Revenues” means the revenues received by the TDD from the TDD Sales Tax, less TDD Annual Operating Costs, to the extent the same are not required to be deposited into the Special Allocation Fund (as defined in the Indenture) by operation of the TIF Act.

“TDD Sales Tax” means the transportation development district sales tax to be levied by the TDD at a rate of not more than 1% in accordance with the TDD Act.

“TIF Act” means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended.

“TIF Revenues” means (a) the portion of the EATS (as defined in the Indenture) appropriated and paid to the Trustee for payment of the Bonds, and (b) the portion of the PILOTS (as defined in the Indenture) paid by the City to the Trustee for payment of the Bonds.

“Transcript” means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

“**Trustee**” means UMB Bank, N.A., and its successors and assigns, and any other corporation or association which at any time may be substituted in its place at the time serving as trustee under the Indenture.

“**Underwriter**” means Stifel, Nicolaus & Company, Incorporated, as representative of the underwriters of the Bonds.

“**Yield**” means yield on the Bonds, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of the Authority. The Authority represents and covenants to the City, the CID, the TDD and the Trustee as follows:

- (a) *Organization and Authority.* The Authority (1) a public corporation organized and existing under the laws of the State of Missouri and is issuing the Bonds on behalf of the City, (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Indenture, to enter into, execute and deliver the Indenture, the Financing Agreement, the Bonds, and this Tax Agreement and to carry out its obligations under this Tax Agreement and under such documents, and (3) by all necessary action has been duly authorized to execute and deliver the Indenture, the Financing Agreement, the Bonds, and this Tax Agreement, acting by and through its duly authorized officials.
- (b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the Authority (to the extent within its power or direction) (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or Investment of, any Bond proceeds, other money held under the Indenture, or other funds of the Authority, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause violate applicable provisions of the Code.
- (c) *Registered Bonds.* The Indenture requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).
- (d) *Bonds Not Federally Guaranteed.* The Authority will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).
- (e) *IRS Form 8038-G.* Bond Counsel has prepared Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the expectations, representations and covenants of the Authority and the City contained in this Tax Agreement or otherwise provided by such parties. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the Authority for execution and for the Authority’s records. The Authority agrees to timely execute and return to Bond Counsel

the execution copy of Form 8038-G for filing with the IRS. A copy of the Form 8038-G filed with the IRS, along with proof of filing, will be included as **Exhibit B** to this Tax Agreement.

- (f) *Hedge Bonds.* Based on the expectations and representations of the City, the CID and the TDD, the Authority expects that (1) at least 85% of the net sale proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and (2) not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more.
- (g) *Compliance with Future Tax Requirements.* The Authority understands that the Code and the Regulations may impose new or different restrictions and requirements on the Authority in the future. The Authority will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.
- (h) *Bank Qualified Tax-Exempt Obligation.* The Bonds are *not* “qualified tax-exempt obligations” under Code § 265(b)(3).
- (i) *Authority Reliance on Other Parties.* The expectations, representations and covenants of the Authority concerning uses of Bond proceeds and certain other moneys described in this Tax Agreement and other matters are based in whole or in part upon covenants, representations and certifications of the City, the CID, the TDD, Bond Counsel, the Developer and other parties set forth in this Tax Agreement or exhibits to this Tax Agreement. Although the Authority has made no independent investigation of the expectations and representations of other parties, the Authority is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in this Tax Agreement or exhibits to this Tax Agreement.

Section 2.2. Representations and Covenants of the City. The City represents and covenants to the Authority, the CID, the TDD and the Trustee as follows:

- (a) *Organization and Authority.* The City (1) is a constitutional charter city and political subdivision of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver this Tax Agreement and the Financing Agreement and to carry out its obligations under this Tax Agreement and the Financing Agreement, and (3) by all necessary action has been duly authorized to execute and deliver this Tax Agreement and the Financing Agreement, acting by and through its duly authorized officials.
- (b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the City (to the extent within its power or direction) (1) will take (but first at the expense of the Trust Estate) whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or Investment of, any Bond proceeds, other money held under the Indenture, or other funds of the City, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would violate applicable provisions of the Code.
- (c) *Governmental Obligations – Use of Proceeds.* The Bond proceeds will be used to finance or refinance the Project.

(d) *Governmental Obligations – No Private Security or Payment – Tax Revenues.*

- (1) In General. Except as otherwise described in this **Section 2.2(d)**, as of the Issue Date, the City expects that none of the principal of and interest on the Bonds will be (under the terms of the Bonds or any underlying arrangement), directly or indirectly:
 - (A) secured by (i) any interest in property used or to be used for a private business use, or (ii) any interest in payments in respect of such property; or
 - (B) derived from payments (whether or not such payments are made to the Authority or the City) in respect of property, or borrowed money, used or to be used for a private business use.
- (2) Generally Applicable Taxes. Taxes of general application, including the Tax Revenues, are not treated as private payments or as private security. Tax Revenues will be the primary source of repayment of the Bonds. Tax Revenues are generally applicable taxes because they are enforced contributions exacted pursuant to legislative authority as part of the taxing power, are imposed and collected for the purpose of raising revenue to be used for governmental purposes, have a uniform rate of collection that applies to all persons of the same classification in the appropriate jurisdiction and have a generally applicable manner of collection and determination.
- (3) No Impermissible Agreements. No taxpayer has entered into any “impermissible agreement” relating to the payment of Tax Revenues. An “impermissible agreement” generally includes any agreement described in Regulations § 1.141-4(e)(4)(ii), including the following:
 - (A) An agreement to be personally liable for a tax that does not impose personal liability.
 - (B) An agreement to provide additional credit support such as a guaranty or to pay unanticipated shortfalls in tax collections.
 - (C) An agreement as to the minimum market value of property subject to a property tax.
 - (D) An agreement not to challenge or to seek deferral of a tax.
 - (E) Any similar agreement that causes a tax to fail to have a generally applicable manner of determination or collection.
- (4) CID Special Assessment Revenues. In addition to Tax Revenues, the CID Special Assessment Revenues may be used to pay debt service on the Bonds. Under the Indenture, the amount of CID Special Assessment Revenues available to pay debt service on the Bonds is not permitted to exceed [__]% of the cumulative total principal and interest paid on the Bonds as of that debt service payment date (subject to **Section 2.2(d)(5)** below). The CID Special Assessment Revenues in

excess of such threshold will *not* be used to pay debt service on the Bonds, and will only be used to pay other eligible Project capital expenditures or to repay other debt obligations the interest on which is *included* in gross income for federal income tax purposes, and the City will not, directly or indirectly, apply any CID Special Assessment Revenues in excess of such threshold to pay debt service on the Bonds without first obtaining an Opinion of Bond Counsel.

- (5) Debt Service Payable from Bond Proceeds. For purposes of this **Section 2.2(d)**, debt service on the Bonds financed from the proceeds of the Bonds (*i.e.* Bond proceeds deposited in the Capitalized Interest Fund and the Bond Reserve Fund), including investment earnings on such proceeds, will be disregarded for purposes of measuring the private payments and private security with respect to the Bonds and for purposes of determining the debt service requirements on the Bonds.
- (6) Covenant. The City will not permit any private security or payment with respect to the Bonds, other than described in this **Section 2.2(d)**, without first obtaining an Opinion of Bond Counsel.
- (e) *No Private Loan.* Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User. As described in **Section 2.2(d)**, the payment of principal and interest on the Bonds may be paid in part from the CID Special Assessment Revenues imposed against the property benefiting from a portion of the Project. The use of Bond proceeds for this purpose is not treated as a “loan” of the Bond proceeds under Code § 141(c), because: (1) the CID Special Assessment Revenues are derived from enforced contribution for the purpose of raising revenue for specific capital improvements; (2) the CID Special Assessment Revenues do not include any fee for services; (3) the imposition and collection of the CID Special Assessment Revenues is not dependent upon, and does not vary, depending on whether the taxpayer engaged, or the property is used, in a trade or business; (4) the CID Special Assessment Revenues are imposed to pay for essential governmental functions; and (5) the terms of payment of the CID Special Assessment Revenues are the same for all owners of benefitted property on which the CID Special Assessment Revenues are imposed.
- (f) *Limit on Maturity of Bonds.* The Bond proceeds will be used to finance and refinance certain infrastructure improvements and property owned by the City and the Developer as part of the Project. The “average maturity” of the Bonds of _____ years, as computed by Bond Counsel, is not expected to exceed 120% of the average reasonably expected economic life of the Financed Facility, as computed and shown on **Exhibit C**.
- (g) *Reimbursement of Expenditures; Official Intent.* The City plans to reimburse itself from Bond proceeds for approximately \$ _____ of expenditures made prior to the Issue Date; *provided that*, no Bond proceeds will be used to reimburse an expenditure paid by the Authority or the City prior to Issue Date, unless such reimbursement allocation satisfies the requirements of Regulations § 1.150-2. The City understands that, in general, a reimbursement allocation is valid under Regulations § 1.150-2 only if (1) made with respect to an expenditure paid not more than three years before the date of the reimbursement allocation, (2) made not more than 18 months following the later of the date of the expenditure or the date the Financed Facility was placed in service, and (3) made with respect to an expenditure paid not more than 60 days before the City declared its “official intent” (within the meaning of Regulations § 1.150-2) with respect to the Project and the Bonds.

- (h) *Registered Bonds.* The Indenture requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).
- (i) *Bonds Not Federally Guaranteed.* The City will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).
- (j) *Reports to IRS; IRS Form 8038-G.* The City (at the expense of the Trust Estate) will assist the Authority in filing all appropriate returns, reports and attachments to income tax returns required by the Code, including without limitation the Information Return for Tax-Exempt Governmental Obligations (Form 8038-G). The information contained in Parts II through VI of IRS Form 8038-G, attached as **Exhibit B**, was provided to the Authority and Bond Counsel by the City, and such information is true, complete and correct as of the Issue Date.
- (k) *Hedge Bonds.* Based on the expectations and representations of the Developer, the CID and the TDD, the City expects that (1) at least 85% of the net sale proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and (2) not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more.
- (l) *Compliance with Future Tax Requirements.* The City understands that the Code and the Regulations may impose new or different restrictions and requirements on the City in the future. The City will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.
- (m) *Interest Rate Swap.* As of the Issue Date, the City has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds. The City will not enter into any such arrangement in the future without obtaining an Opinion of Bond Counsel.
- (n) *Guaranteed Investment Contract.* As of the Issue Date, the City does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The City will be responsible for complying with **Section 4.3(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.
- (o) *Arbitrage Certifications.* The facts, estimates and expectations recited in **Article III** of this Tax Agreement, regarding the purpose of the Bonds, the investment and expenditure of Bond proceeds, the Financed Facility, the funds and accounts created in the Indenture, the yield on investments and the computation and payment of arbitrage rebate, are true and accurate as of the Issue Date; and the City believes that the estimates and expectations recited in such Article are reasonable as of the Issue Date. The Authority, the CID, the TDD, the Trustee, Gilmore & Bell, P.C., Bond Counsel, and the Underwriter may rely on such statements and expectations. The City does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an “arbitrage bond” within the meaning of Code § 148; and to the best of the City’s knowledge and belief, there are no other facts, estimates or circumstances that would materially change such expectations.

- (p) *Bank Qualified Tax-Exempt Obligation.* The City understands that the Authority has *not* designated the Bonds as “qualified tax-exempt obligations” under Code § 265(b)(3).

Section 2.3. Representations and Covenants of the CID. The CID represents and covenants to the Authority, the City, the TDD and the Trustee as follows:

- (a) *Organization and Authority.* The CID (1) is a community improvement district and political subdivision of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver this Tax Agreement and the Financing Agreement and to carry out its obligations under this Tax Agreement and the Financing Agreement, and (3) by all necessary action has been duly authorized to execute and deliver this Tax Agreement and the Financing Agreement, acting by and through its duly authorized officials.
- (b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the CID (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or Investment of, any Bond proceeds, other money held under the Indenture, or other funds of the CID, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would violate applicable provisions of the Code.
- (c) *City Authorization and Proceedings.* Pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended, and an ordinance passed by the City, the City approved the formation of the CID for the purpose of financing a portion of the Project and authorized the CID to approve and impose the CID Sales Taxes and CID Special Assessments for the purpose of paying a portion of the costs of the Project and the costs of formation and operation of the CID. The Board of Directors of the CID was appointed by the City as part of its approval of the CID petition.
- (d) *Governmental Obligations – Use of Proceeds.* The Bond proceeds will be used to finance or refinance the Project.
- (e) *Governmental Obligations – No Private Security or Payment – CID Revenues.*
- (1) In General. Except as otherwise described in this **Section 2.3(e)**, as of the Issue Date the CID expects that none of the principal of and interest on the Bonds will be (under the terms of the Bonds or any underlying arrangement), directly or indirectly:
- (A) secured by (i) any interest in property used or to be used for a private business use, or (ii) any interest in payments in respect of such property; or
- (B) derived from payments (whether or not such payments are made to the Authority or the City) in respect of property, or borrowed money, used or to be used for a private business use.
- (2) Generally Applicable Taxes. Taxes of general application, including the CID Sales Taxes, are not treated as private payments or as private security. The CID Sales

Taxes are expected to be used to pay a portion of the debt service on the Bonds. The CID Sales Taxes are generally applicable taxes because they are enforced contributions exacted pursuant to legislative authority as part of the taxing power, are imposed and collected for the purpose of raising revenue to be used for governmental purposes, have a uniform rate of collection that applies to all persons of the same classification in the appropriate jurisdiction and have a generally applicable manner of collection and determination.

- (3) No Impermissible Agreements. No taxpayer has entered into any “impermissible agreement” relating to the payment of the CID Sales Taxes. An “impermissible agreement” generally includes any agreement described in Regulations § 1.141-4(e)(4)(ii), including the following:
 - (A) An agreement to be personally liable for a tax that does not impose personal liability.
 - (B) An agreement to provide additional credit support such as a guaranty or to pay unanticipated shortfalls in tax collections.
 - (C) An agreement as to the minimum market value of property subject to a property tax.
 - (D) An agreement not to challenge or to seek deferral of a tax.
 - (E) Any similar agreement that causes a tax to fail to have a generally applicable manner of determination or collection.
- (4) CID Special Assessment Revenues. In addition to Tax Revenues (including the CID Sales Taxes), the CID Special Assessment Revenues may be used to pay debt service on the Bonds. Under the Indenture, the amount of CID Special Assessment Revenues available to pay debt service on the Bonds is not permitted to exceed ___% of the cumulative total principal and interest paid on the Bonds as of that debt service payment date (subject to **Section 2.3(e)(5)** below). The CID Special Assessment Revenues in excess of such threshold will *not* be used to pay debt service on the Bonds, and will only be used to pay other eligible Project capital expenditures or to repay other debt obligations the interest on which is included in gross income for federal income tax purposes, and the CID will not, directly or indirectly, apply any CID Special Assessment Revenues in excess of such threshold to pay debt service on the Bonds without first obtaining an Opinion of Bond Counsel.
- (5) Debt Service Payable from Bond Proceeds. For purposes of this **Section 2.3(e)**, debt service on the Bonds financed from the proceeds of the Bonds (i.e. Bond proceeds deposited in the Capitalized Interest Fund and the Bond Reserve Fund), including investment earnings on such proceeds, will be disregarded for purposes of measuring the private payments and private security with respect to the Bonds and for purposes of determining the debt service requirements on the Bonds.
- (6) Covenant. The CID will not permit any private security or payment with respect to the Bonds, other than described in this **Section 2.3(e)**, without first obtaining an Opinion of Bond Counsel.

- (f) *No Private Loan.* Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User. As described in **Section 2.3(e)**, the payment of principal and interest on the Bonds may be paid in part from the CID Special Assessment Revenues imposed against the property benefiting from a portion of the Project. The use of Bond proceeds for this purpose is not treated as a “loan” of the Bond proceeds under Code § 141(c), because: (1) the CID Special Assessment Revenues are derived from enforced contribution for the purpose of raising revenue for specific capital improvements; (2) the CID Special Assessment Revenues do not include any fee for services; (3) the imposition and collection of the CID Special Assessment Revenues is not dependent upon, and does not vary, depending on whether the taxpayer engaged, or the property is used, in a trade or business; (4) the CID Special Assessment Revenues are imposed to pay for essential governmental functions; and (5) the terms of payment of the CID Special Assessment Revenues are the same for all owners of benefitted property on which the CID Special Assessment Revenues are imposed.
- (g) *Limit on Maturity of Bonds.* The Bond proceeds will be used to refinance certain infrastructure improvements and property owned by the City and the Developer as part of the Project. The “average maturity” of the Bonds of ____ years, as computed by Bond Counsel, is not expected to exceed 120% of the average reasonably expected economic life of the Financed Facility, as computed and shown on **Exhibit C**.
- (h) *Bonds Not Federally Guaranteed.* The CID will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).
- (i) *Reports to IRS; IRS Form 8038-G.* The CID will assist the Authority and the City in filing all appropriate returns, reports and attachments to income tax returns required by the Code, including without limitation the Information Return for Tax-Exempt Governmental Obligations (Form 8038-G).
- (j) *Hedge Bonds.* The CID expects that (1) at least 85% of the net sale proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and (2) not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more.
- (k) *Compliance with Future Tax Requirements.* The CID understands that the Code and the Regulations may impose new or different restrictions and requirements on the CID in the future. The CID will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

Section 2.4. Representations and Covenants of the TDD. The TDD represents and covenants to the Authority, the City, the CID and the Trustee as follows:

- (a) *Organization and Authority.* The TDD (1) is a transportation development district and political subdivision of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver this Tax Agreement and the Financing Agreement and to carry out its obligations under this Tax Agreement and the Financing Agreement, and (3) by all necessary action has been duly authorized to execute and deliver this Tax Agreement and the Financing Agreement, acting by and through its duly authorized officials.

- (b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the TDD (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or investment of, any Bond proceeds, other money held under the Indenture, or other funds of the TDD, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would violate applicable provisions of the Code.
- (c) *City Authorization and Proceedings.* The TDD was formed and created pursuant to the Transportation Development District Act, Sections 238.200 to 238.280, inclusive, of the Revised Statutes of Missouri, as amended, with the City participating in such proceedings by filing a pleading with the Circuit Court stating that the City did not oppose formation of the TDD, for the purpose of financing a portion of the Project and authorizing the imposition of the TDD Sales Taxes for the purpose of paying a portion of the costs of the Project and the costs of formation and operation of the TDD. The Board of Directors of the TDD was elected from a slate proposed by the City.
- (d) *Governmental Obligations – Use of Proceeds.* The Bond proceeds will be used to finance or refinance the Project.
- (e) *Governmental Obligations – No Private Security or Payment – TDD Sales Taxes.*
- (1) In General. As of the Issue Date, the TDD expects that none of the principal of and interest on the Bonds will be (under the terms of the Bonds or any underlying arrangement), directly or indirectly:
- (A) secured by (i) any interest in property used or to be used for a private business use, or (ii) any interest in payments in respect of such property; or
- (B) derived from payments (whether or not such payments are made to the Authority or the City) in respect of property, or borrowed money, used or to be used for a private business use.
- (2) Generally Applicable Taxes. Taxes of general application, including the TDD Sales Taxes, are not treated as private payments or as private security. The TDD Sales Taxes are expected to be used to pay a portion of the debt service on the Bonds. The TDD Sales Taxes are generally applicable taxes because they are enforced contributions exacted pursuant to legislative authority as part of the taxing power, are imposed and collected for the purpose of raising revenue to be used for governmental purposes, have a uniform rate of collection that applies to all persons of the same classification in the appropriate jurisdiction and have a generally applicable manner of collection and determination.
- (3) No Impermissible Agreements. No taxpayer has entered into any “impermissible agreement” relating to the payment of the TDD Sales Taxes. An “impermissible agreement” generally includes any agreement described in Regulations § 1.141-4(e)(4)(ii), including the following:

- (A) An agreement to be personally liable for a tax that does not impose personal liability.
 - (B) An agreement to provide additional credit support such as a guaranty or to pay unanticipated shortfalls in tax collections.
 - (C) An agreement as to the minimum market value of property subject to a property tax.
 - (D) An agreement not to challenge or to seek deferral of a tax.
 - (E) Any similar agreement that causes a tax to fail to have a generally applicable manner of determination or collection.
- (4) Covenant. The TDD will not permit any private security or payment with respect to the Bonds, other than as described in **Section 2.2(d)** above, without first obtaining an Opinion of Bond Counsel.
- (f) *No Private Loan*. Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User.
 - (g) *Limit on Maturity of Bonds*. The Bond proceeds will be used to finance or refinance certain infrastructure improvements and property owned by the City and the Developer as part of the Project. The “average maturity” of the Bonds of ___ years, as computed by Bond Counsel, is not expected to exceed 120% of the average reasonably expected economic life of the Financed Facility, as computed and shown on **Exhibit C**.
 - (h) *Bonds Not Federally Guaranteed*. The TDD will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).
 - (i) *Reports to IRS; IRS Form 8038-G*. The TDD will assist the Authority and the City in filing all appropriate returns, reports and attachments to income tax returns required by the Code, including without limitation the Information Return for Tax-Exempt Governmental Obligations (Form 8038-G).
 - (j) *Hedge Bonds*. The TDD expects that (1) at least 85% of the net sale proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and (2) not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more.
 - (k) *Compliance with Future Tax Requirements*. The TDD understands that the Code and the Regulations may impose new or different restrictions and requirements on the TDD in the future. The TDD will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

Section 2.5. Representations and Covenants of the Trustee. The Trustee represents and covenants to the Authority, the City, the CID and the TDD as follows:

- (a) The Trustee will comply with the provisions of this Tax Agreement that apply to it as Trustee and any written letter or Opinion of Bond Counsel, specifically referencing the Bonds and received by the Trustee, that sets forth any action necessary to comply with any statute, regulation or ruling that may apply to it as Trustee and relating to reporting requirements or other requirements necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.
- (b) The Trustee, acting on behalf of the Authority and the City, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Trustee with such information as it may request in order to determine all matters relating to (a) the Yield on the Bonds as it relates to any data or conclusions necessary to verify that the Bonds are not “arbitrage bonds” within the meaning of Code § 148, and (b) compliance with arbitrage rebate requirements of Code § 148(f). The Issuer will pay from the Trust Estate all costs and expenses incurred in connection with supplying the foregoing information.

Section 2.6. Survival of Representations and Covenants. All representations, covenants and certifications of the Authority, the City, the CID, the TDD and the Trustee contained in this Tax Agreement or in any certificate or other instrument delivered by the Authority, the City, the CID, the TDD or the Trustee under this Tax Agreement, will survive the execution and delivery of such documents and the issuance of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.1. General. The purpose of this Article is to certify, under Regulations § 1.148-2(b), the Authority’s expectations as to the sources, uses and Investment of Bond proceeds and other money, in order to support the Authority’s conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Agreement on behalf of the Authority is an officer of the Authority responsible for issuing the Bonds.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the Authority’s understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the Authority’s knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the Authority set forth in this Tax Agreement are reasonable. The Authority has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Agreement are unreasonable or inaccurate or may not be relied upon.

Section 3.3. Purpose of Financing. The Bonds are being issued for the purpose of providing funds to finance or refinance a portion of the costs of the Project.

Section 3.4. Funds and Accounts. The following funds and accounts have been established under the Indenture:

- (1) the Project Fund;
- (2) the Costs of Issuance Fund;
- (3) the Capitalized Interest Fund;
- (4) the Bond Reserve Fund;
- (5) the Revenue Fund, consisting of a Revenue Account, a PILOTS Account, an EATS Account, a CID Sales Tax Account, a CID Special Assessments Account, and a TDD Sales Tax Account;
- (6) the Debt Service Fund, consisting of the Interest Account, the Principal Account and the Redemption Account;
- (7) the Rebate Fund; and
- (8) the Surplus Fund, consisting of a PILOTS Account, an EATS Account, a CID Sales Tax Account, a CID Special Assessments Account, and a TDD Sales Tax Account.

Section 3.5. Amount and Use of Bond Proceeds.

- (a) *Amount of Bond Proceeds.* The total proceeds to be received by the Authority from the sale of the Bonds will be as follows:

Principal Amount	\$[11,800,000].00
Net Original Issue Discount	(_____.__)
Underwriting Discount	(_____.__)
Total Proceeds Received by Authority	<u>\$_____.__</u>

- (b) *Use of Bond Proceeds.* The Bond proceeds are expected to be allocated to expenditures as follows:

- (1) \$_____ shall be deposited in the Costs of Issuance Fund and used to pay costs of issuing the Bonds;
- (2) \$_____ shall be deposited in the Capitalized Interest Fund and used to pay capitalized interest on the Bonds; and
- (3) \$_____ shall be deposited in the Bond Reserve Fund; and
- (4) \$_____ shall be deposited in the Project Fund and used to pay costs of the Project (including \$1,000,000 of Bond proceeds that shall be transferred to the City and treated as paying for and reimbursing costs of the Corridor Improvement Project (as defined in Section 5.5 of the Redevelopment Agreement)).

Section 3.6. Multipurpose Issue. The Authority is applying the arbitrage rules to separate financing purposes of the Bonds that have the same initial temporary period as if they constitute a single issue.

Section 3.7. No Refunding. No proceeds of the Bonds will be used to pay principal of or interest on any other debt obligation.

Section 3.8. Project Completion. Based on the certifications and representations of the Developer, including without limitation those contained in the Redevelopment Plan, the Authority and the City expect that (a) a substantial binding obligation to a third party to spend at least 5% of the Bond proceeds on the Financed Facility has been incurred, or will be incurred within 6 months after the Issue Date, (b) the completion of the Financed Facility and the allocation of Bond proceeds to expenditures will proceed with due diligence, and (c) at least 85% of the Bond proceeds will be allocated to expenditures on the Financed Facility within three years after the Issue Date.

Section 3.9. Financing Agreement/Sinking Funds. The City, the CID, and the TDD are required under the Financing Agreement and the Indenture to make periodic payments to the Trustee to be used for payment of the principal of and interest on the Bonds. Such payments will be applied in accordance with the Indenture and ultimately deposited into accounts within the Debt Service Fund. The Authority and the City expect to use the Debt Service Fund to pay principal of and interest on the Bonds. Except for the Debt Service Fund and the Bond Reserve Fund, neither the Authority nor the City has established or expects to establish any sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds. The Debt Service Fund is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the Authority and the City expect that the Debt Service Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.10. Reserve, Replacement and Pledged Funds.

(a) *Debt Service Reserve Fund.* The Indenture establishes the Bond Reserve Fund to be funded from Bond proceeds in an amount equal to the Bond Reserve Requirement (initially, \$_____). The amount to be held in the Bond Reserve Fund will not exceed the least of (1) 10% of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirements on the Bonds (determined as of the Issue Date), or (3) 125% of the average annual principal and interest requirements on the Bonds (determined as of the Issue Date). Any amounts in the Bond Reserve Fund in excess of the Bond Reserve Requirement will be transferred to the Interest Account or the Redemption Account of the Debt Service Fund.

(b) *Other Funds and Accounts.* Amounts held in the Revenue Fund are expected to be transferred to various funds and accounts in accordance with the Indenture and used for various purposes. Except to the extent funds are regularly transferred to the Debt Service Fund, amounts held in the Revenue Fund are not pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Authority, the CID, the TDD or the City encounters financial difficulty.

(c) *No Other Replacement or Pledged Funds.* None of the Bond proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Facility, and that instead has been or will be used to acquire Investments having a Yield greater than the Yield on the Bonds. Except for the Debt Service Fund and the Bond Reserve Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Authority or the City encounters financial difficulty.

Section 3.11. No Purpose Investment. The proceeds of the Bonds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.12. Issue Price and Yield on Bonds.

(a) *Issue Price.* **[[GENERAL RULE (AT LEAST 10% OF EACH MATURITY ACTUALLY SOLD)** Based on the Underwriter’s certifications in the Underwriter’s Receipt for Bonds and Closing Certificate, the City and the Authority hereby elect to establish the issue prices of the Bonds pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called “general rule”). Therefore, the aggregate issue price of the Bonds for such purpose is \$_____. **COMBINATION OF GENERAL RULE AND HOLD-THE-OFFERING-PRICE RULE (AT LEAST 10% OF EACH MATURITY ACTUALLY SOLD AND/OR UNDERWRITER HOLDS REOFFERING PRICES)** Based on the Underwriter’s certifications in the Underwriter’s Receipt for Bonds and Closing Certificate, the City and the Authority hereby elect to establish the issue prices of the Bonds maturing in the years _____ pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called “general rule”), and the issue prices of the Bonds maturing in the years _____ pursuant to Regulations § 1.148-1(f)(2)(ii) (relating to the so-called “hold-the-offering-price rule”). Therefore, the aggregate issue price of the Bonds for such purpose is \$_____. **HOLD-THE-OFFERING-PRICE RULE (UNDERWRITER HOLDS REOFFERING PRICES)** Based on the Underwriter’s certifications in the Underwriter’s Receipt for Bonds and Closing Certificate, the City and the Authority hereby elect to establish the issue prices of the Bonds pursuant to Regulations § 1.148-1(f)(2)(ii) (relating to the so-called “hold-the-offering-price rule”).]] Therefore, the aggregate issue price of the Bonds for such purpose is \$_____.

(b) *Bond Yield.* Based on the offering prices of the Bonds, the Yield on the Bonds is _____%, as computed by Bond Counsel and shown on **Exhibit A** attached hereto.

Section 3.13. Miscellaneous Arbitrage Matters.

(a) *No Abusive Arbitrage Device.* The Bonds are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the Authority, the CID, the TDD or the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) *No Over-Issuance.* The sale proceeds of the Bonds, together with expected Investment earnings thereon and other money contributed by the Authority, the CID, the TDD and the City, do not exceed the cost of the governmental purpose of the Bonds as described above.

(c) *Single Issue.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c). No other tax-exempt debt obligations of the Authority, the City, the CID or the TDD (1) have been or will be sold within 15 days of the sale of the Bonds, (2) are being sold under the same plan of financing as the Bonds, and (3) are expected to be paid from substantially the same source of funds as the Bonds (disregarding guarantees from unrelated parties, such as bond insurance).

Section 3.14. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the Authority does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an “arbitrage bond” within the meaning of Code § 148 and the Regulations.

ARTICLE IV

POST ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. General.

(a) *Purpose of Article.* The purpose of this Article is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The Authority, the City, the CID and the TDD recognize that interest on the Bonds will remain excludable from gross income only if Post-Issuance Tax Requirements are followed after the Issue Date. The Authority, the City, the CID and the TDD further acknowledge that written evidence substantiating compliance with Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

(b) *Written Policies and Procedures.* The Authority, the City, the CID and the TDD intend for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be the primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bonds and to supplement any other formal policies and procedures related to tax compliance that the Authority, the City, the CID or the TDD has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.

(c) *Primary Responsibility for Post-Issuance Tax Requirements.* The Authority, the City, the CID and the TDD acknowledge that the investment and expenditure of proceeds of the Bonds are primarily within the control of the City, and that substantially all of the Net Proceeds of the Bonds are expected to finance property owned by the City or the Developer. For these reasons, the Authority is relying on the City to carry out the Post-Issuance Tax Requirements as set out in this Tax Agreement, and the City hereby agrees to undertake these obligations. The CID and the TDD will cooperate with the Authority and the City to enable the Authority and the City to fulfill their Post-Issuance Tax Requirements.

(d) *Bond Compliance Officer.* The Bond Compliance Officer will be responsible for working with the Authority, the CID, the TDD, and other representatives and agents of the City, and for consulting with Bond Counsel, other legal counsel and outside experts to the extent necessary to comply with the Post-Issuance Tax Requirements.

(e) *Authority Cooperation; Opinion of Bond Counsel.* Upon written notice given by the City (and if otherwise required or requested by the Authority, upon delivery of an Opinion of Bond Counsel addressed to the parties hereto regarding the action), the Authority will, at the expense of the Trust Estate, take any action that is necessary to cause interest on the Bonds to remain excludable from gross income for federal income tax purposes, including signing Form 8038-T in connection with the payment of arbitrage rebate, participating in any Federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (“VCAP”) or remedial action procedure pursuant to Regulations § 1.141-12.

(f) *Payment of Costs of Post-Issuance Tax Requirements.* The costs and expenses incurred by the Authority and the City shall be treated as a reasonable cost of administering the Bonds, and each such party shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Indenture, the Financing Agreement or State law, including payment under **Section 505(b)(1)** of the Indenture.

Section 4.2. Record Keeping, Use of Bond Proceeds and Use of Financed Facility.

(a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in an Opinion of Bond Counsel or to the extent otherwise provided in this Tax Agreement, the Bond Compliance Officer shall retain records related to Post-Issuance Tax Requirements until 3 years following the final maturity of the Bonds or any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the City and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the City's premises.

(b) *Accounting and Allocation of Bond Proceeds to Expenditures.* The Bond Compliance Officer will account for the investment and expenditure of Bond proceeds in the level of detail required by the Tax Compliance Procedure. The Bond proceeds are expected to be used as described in **Section 3.5**. The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Bond File. The expected allocation of Bond proceeds to Project expenditures is set forth on Exhibit C. The Bond Compliance Officer will cause to be prepared the Final Written Allocation, a sample form of which is attached as Exhibit E, no later than the earlier of 18-months after the date the Financed Facility is placed in service or 5 years after the Issue Date.

(c) *Annual Compliance Checklist.* Attached as Exhibit D is a form of annual compliance checklist for the Bonds. The Bond Compliance Officer will prepare and complete an annual compliance checklist for the Bonds, at least annually, in accordance with the Tax Compliance Procedure. In the event the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Bond Compliance Officer will consult with legal counsel or Bond Counsel and take the actions identified in the Tax Compliance Procedure or an Opinion of Bond Counsel to correct any deficiency.

(d) *Opinions of Bond Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the Authority, the City, the CID, the TDD and the Trustee any Opinion of Bond Counsel required under the provisions of this Tax Agreement.

Section 4.3. Temporary Periods/Yield Restriction. Except as described below, Gross Proceeds must not be invested at a Yield greater than the Yield on the Bonds:

(a) *Project Fund; Costs of Issuance Fund; Capitalized Interest Fund.* Bond proceeds deposited in the Project Fund, the Costs of Issuance Fund or the Capitalized Interest Fund, and Investment earnings on such proceeds, may be invested without Yield restriction for up to three years following the Issue Date. If any unspent proceeds remain in those accounts after three years, such amounts may continue to be invested without Yield restriction so long as the Authority (but solely from amounts in the Rebate Fund) pays to the IRS all Yield reduction payments in accordance with Regulations § 1.148-5(c), which payments are required whether or not the Bonds are exempt from the arbitrage rebate requirements of Code § 148.

(b) *Debt Service Fund.* To the extent that the Debt Service Fund qualifies as a Bona Fide Debt Service Fund, money in such account may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.

(c) *Bond Reserve Fund.* Money in the Bond Reserve Fund may be invested without Yield restriction up to the least of (1) 10% of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirements on the Bonds in any future fiscal year following such date, (3) 125% of the average annual principal and interest requirements on the Bonds in any future fiscal year following such date or (4) the Bond Reserve Requirement.

(d) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.4. Procedures for Establishing Fair Market Value of Investments.

(a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with § 1.148-5 of the Regulations.

(b) *Established Securities Market.* Except for Investments purchased for a Yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with § 1.148-5 of the Regulations.

(c) *Certificates of Deposit.* The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD Authority to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts.* The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

(1) Bona Fide Solicitation for Bids. The Authority, the City or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(A) The bid specifications are in writing and are timely forwarded to potential providers.

- (B) The bid specifications include all “material” terms of the bid. A term is material if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.
 - (C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Authority, the Trustee, or any other person (whether or not in connection with the Bond issue), and (iii) that the bid is not being submitted solely as a courtesy to the Authority, the City, the Trustee, or any other person, for purposes of satisfying the requirements of the Regulations.
 - (D) The terms of the bid specifications are “commercially reasonable.” A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the Yield of the Guaranteed Investment Contract.
 - (E) The terms of the solicitation take into account the Authority’s or the City’s reasonably expected deposit and draw-down schedule for the amounts to be invested.
 - (F) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (*i.e.*, a last look) before providing a bid.
 - (G) At least three “reasonably competitive providers” are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of Investments being purchased.
- (2) Bids Received. The bids received must meet all of the following requirements:
- (A) At least three bids are received from providers that were solicited as described above and that do not have a “material financial interest” in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Issue Date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.
 - (B) At least one of the three bids received is from a reasonably competitive provider, as defined above.
 - (C) If an agent or broker is used to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

- (3) Winning Bid. The winning bid is the highest Yielding bona fide bid (determined net of any broker's fees).
- (4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.
- (5) Records. The Authority, the City and the Trustee retain the following records with the Bond documents until three years after the last outstanding Bond is redeemed:
 - (A) A copy of the Guaranteed Investment Contract.
 - (B) The receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Authority, the City or Trustee, and the certification as to fees paid, described in paragraph (d)(4) above.
 - (C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.
 - (D) The bid solicitation form and, if the terms of Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.
- (e) *Other Investments*. If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:
 - (1) at least three bids on the Investment must be received from persons with no financial interest in the Bonds (*e.g.*, as underwriters or brokers); and
 - (2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

Section 4.5. Certain Gross Proceeds Exempt from the Rebate Requirement.

- (a) *General*. A portion of the Gross Proceeds of the Bonds may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Bonds and will not otherwise affect the application of the Investment limitations described in Section 4.2. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in Section 4.5 applies even if a portion of the Gross Proceeds of the Bonds is exempt from the rebate requirement. To the extent all or a portion of the Bonds is exempt from rebate, the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in Section 4.5. The Authority may defer the final rebate Computation Date and the payment of rebate for the Bonds to the extent permitted by Regulations § 1.148-7(b)(1) and § 1.148-3(e)(2), but only in accordance with specific written instructions provided by the Rebate Analyst.

(b) *Applicable Spending Exceptions.*

The following optional rebate spending exceptions can apply to the Bonds:

- (1) 6-month Exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c))
- (2) 18-month Exception (Regulations § 1.148-7(d)).

(c) *Special Elections Made with Respect to Spending Exception Elections.* No special elections are being made in connection with the application of the spending exceptions.

(d) *Bona Fide Debt Service Fund.* To the extent that the Debt Service Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings in the account cannot be taken into account in computing arbitrage rebate.

(e) *Documenting Application of Spending Exception.* At any time prior to the first Computation Date, the Authority or the City may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the Authority must continue to comply with Section 4.5 hereof.

(f) *General Requirements for Spending Exception.* The following general requirements apply in determining whether a spending exception is met.

- (1) Using Adjusted Gross Proceeds to pay principal of any Bonds is not taken into account as expenditure for purposes of meeting any of the spending tests.
- (2) The six-month spending exception generally is met if all Adjusted Gross Proceeds are spent within six months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial six-month period, so long as this amount is spent within one year of the Issue Date.
- (3) The 18-month spending exception generally is met if all Adjusted Gross Proceeds are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Adjusted Gross Proceeds Spent
6 months	15%
12 months	60%
18 months (Final)	100%

(4) For purposes of applying the 18-month spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the Authority uses due diligence to complete the Financed Facility and the failure does not exceed the lesser of 3% of the aggregate issue price of the Bonds or \$250,000. **No such exception applies for any other spending period.**

(5) For purposes of applying the 18-month spending exception only, the Bonds meet the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such

Reasonable Retainage is spent within 30 months (in the case of the 18 month exception) after the Issue Date.

Section 4.6. Computation and Payment of Arbitrage Rebate.

- (a) *Rebate Fund.* The Trustee will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund under this Tax Agreement. Any Investment earnings derived from the Rebate Fund will be credited to the Rebate Fund, and any Investment loss will be charged to the Rebate Fund.
- (b) *Computation of Rebate Amount.* The Trustee will provide the Rebate Analyst Investment reports relating to each fund held by the Trustee that contains Gross Proceeds of the Bonds at such times as reports are provided to the Authority and the City, and not later than ten days following each Computation Date. The City will provide the Rebate Analyst with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Bonds, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the Trustee, the City and the Authority together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals.
- (c) *Rebate Payments.* Within 60 days after each Computation Date, the Trustee must pay (but solely from money in the Rebate Fund) to the United States the rebate amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center
Ogden, UT 84201

Section 4.7 Successor Rebate Analyst. If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if either the Authority or the City desires that a different firm act as the Rebate Analyst, then such party, by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, will engage a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder. In the event the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason and the Authority or the City fails to appoint a qualified successor Rebate Analyst within thirty (30) days following notice of such resignation then the Trustee will appoint a firm to act as the successor Rebate Analyst.

Section 4.8. Filing Requirements. The Trustee, the Authority and the City, at the expense of the Trust Estate, will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Bond Counsel.

Section 4.9. Survival After Defeasance. Notwithstanding anything in the Indenture or the Financing Agreement to the contrary, the obligation to pay arbitrage rebate to the United States will survive the payment or defeasance of the Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Agreement. This Tax Agreement will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that, the provisions of Section 4.5 of this Tax Agreement regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions of 4.7 relating to recordkeeping responsibilities will remain in force for the period described therein for records to be retained.

Section 5.2. Amendments. This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of any of the Bond Owners, but only if such amendment is in writing and is accompanied by an Opinion of Bond Counsel to the effect that, under then-existing law, assuming compliance with this Tax Agreement as so amended such amendment will not cause interest on any Bond to be included in gross income for federal income tax purposes. No such amendment will become effective until the Authority, the City, the CID, the TDD and the Trustee receive this Opinion of Bond Counsel.

Section 5.3. Opinion of Bond Counsel. The Authority, the City, the CID, the TDD and the Trustee may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Bond Counsel addressed to each of them to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Authority, the City, the CID, the TDD and the Trustee will comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the exclusion from gross income of interest on the Bonds.

Section 5.4. Reliance. In delivering this Tax Agreement, the Authority, the City, the CID, the TDD and the Trustee are making only those certifications, representations and agreements as are specifically attributed to each in this Tax Agreement. None of the Authority, the City, the CID, the TDD or the Trustee is aware of any facts or circumstances that would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Agreement and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. Each party to this Tax Agreement understands that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

Section 5.5. Severability. If any provision in this Tax Agreement or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.6. Benefit of Agreement. This Tax Agreement is binding upon the Authority, the City, the CID, the TDD and the Trustee, and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owners of the Bonds. Nothing in this Tax Agreement, the Indenture, the Financing Agreement or the Bonds, express or implied, gives to any person, other than the parties to this Tax Agreement, and their successors and assigns, and the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement.

Section 5.7. Default; Breach and Enforcement. Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement may be pursued by the Bond owners or the other parties to this Tax Agreement pursuant to the terms of the Indenture or any other document which references this Tax Certificate and gives remedies for a misrepresentation or breach thereof.

Section 5.8. Execution in Counterparts. This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

Section 5.9. Governing Law. This Tax Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

[Remainder of Page Intentionally Left Blank.]

The parties hereto have caused this Tax Compliance Agreement to be duly executed by their duly authorized officers as of the Issue Date of the Bonds.

**THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF INDEPENDENCE, MISSOURI**

By: _____
Title: President

CITY OF INDEPENDENCE, MISSOURI

By: _____
Title: City Manager

**HUB DRIVE COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Title: Executive Director

**HUB DRIVE TRANSPORTATION
DEVELOPMENT DISTRICT**

By: _____
Title: Executive Director

UMB BANK, N.A., as Trustee

By: _____
Name:
Title:

EXHIBIT A

DEBT SERVICE SCHEDULE AND PROOF OF YIELD

EXHIBIT B

IRS FORM 8038-G

EXHIBIT C

DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY

EXHIBIT D

FORM OF ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt obligations (the “Bonds”) financing Financed Asset:	The Industrial Development Authority of the City of Independence, Missouri Tax Increment and Special Districts Revenue Bonds (HUB Drive Redevelopment Project) Series 2023
Issue Date of Bonds:	_____ October __, 2023
Name of Bond Compliance Officer:	_____
Period covered by request (“Annual Period”):	_____

Item	Question	Response
1. Rebate Calculations	Has the City obtained required rebate calculations for the Bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a copy in the Tax-Exempt Bond File, if No; consult with the Rebate Analyst and include all correspondence in the Tax-Exempt Bond File.	
2. Private Security or Payment	Has the City, the CID or the TDD entered into any agreement or arrangement with any entity whereby an entity pays the City, the CID or the TDD for the use of any portion of the Financed Facility or agrees to provide security for the Bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has the City, the CID or the TDD entered into any special agreement or arrangement with any entity relating to the payment of the taxes securing the Bonds (<i>i.e.</i> , economic activity taxes, payments in lieu of taxes, community improvement district sales taxes, transportation development district sales taxes)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, consult with Bond Counsel and include correspondence – including any Written Opinion of Bond Counsel – in the Tax-Exempt Bond File.	

Signature, Name and Title of Person Completing Questionnaire:

Printed Name: _____
Title: _____
Date Completed: _____

EXHIBIT E

FORM OF FINAL WRITTEN ALLOCATION

The Industrial Development Authority of the City of Independence, Missouri

[\$11,800,000]

Tax Increment and Special Districts Revenue Bonds (HUB Drive Redevelopment Project)

Series 2023

Final Written Allocation

The undersigned is the City Administrator of the City of Independence, Missouri (the “City”) and in that capacity is authorized to execute federal income tax returns required to be filed by the City and to make certain elections and designations regarding federal income tax matters on behalf of the City and The Industrial Development Authority of the City of Independence, Missouri (the “Authority”), as issuer of the above-referenced bonds (the “Bonds”). This allocation of the Bond proceeds is necessary for the City and the Authority to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of Bond proceeds to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code (the “Code”). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the City or, if later, the date the Project was placed in service (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Bonds.

Background. The Bonds were issued by the Authority on October __, 2023 (the “Issue Date”) under the Trust Indenture dated as of October 1, 2023, between the Authority and UMB Bank, N.A., as trustee, for the purpose of making the Bond proceeds available under the Financing Agreement dated as of October 1, 2023, among the Authority, the City, the HUB Drive Community Improvement District (the “CID”) and the HUB Drive Transportation Development District (the “TDD”), in order to provide a portion of the funds needed to construct the “project” as described in the Redevelopment Agreement (the “Project”). Proceeds of the Bonds were deposited to the following accounts: Project Fund, Costs of Issuance Fund, Capitalized Interest Fund and Bond Reserve Fund.

Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs. A portion of Project costs was paid from sale and investment proceeds of the Bonds and the remaining portions of Project costs have been or will be paid from other debt obligations of the Authority, the City, the CID, the TDD, and other money contributed by these parties, as shown on **Exhibit A** to this Final Written Allocation.

Identification of Financed Assets. The portions of the Project financed from Bond proceeds (*i.e.*, the “Financed Facility” referenced in the Tax Compliance Agreement for the Bonds) are listed on page 1 of **Exhibit B** to this Final Written Allocation.

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the City allocates the proceeds of the Bonds to the various expenditures described in the invoices, requisitions or other substantiation attached as **Exhibit B** to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or as reimbursement for such cost paid. Amounts received from the sale of the Bonds and retained as underwriter’s discount are allocated to that

purpose and spent on the Issue Date, and amounts allocated to interest expense are treated as paid on the interest payment dates for the Bonds (*e.g.*, Bond proceeds deposited in the Capitalized Interest Fund).

Placed In Service. Various components of the Project were “placed in service” on the dates set out on **Exhibit B** to this Final Written Allocation. For this purpose, assets are considered to be “placed in service” as of the date on which, based on all the facts and circumstances: (1) the construction and equipping of the asset has reached a degree of completion which would permit its operation at substantially its design level; and (2) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The City reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

CITY OF INDEPENDENCE, MISSOURI

By: _____
Title: _____

Dated: _____

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:

Date of Review: _____