
FIRST SUPPLEMENTAL BASE LEASE
(City of Independence, Missouri – Electric System Projects)

Dated: As of [____] 1, 2020

GRANTOR:	CITY OF INDEPENDENCE, MISSOURI City Hall 111 East Maple Avenue Independence, Missouri 64050 Attn: City Manager
GRANTEE:	MISSOURI DEVELOPMENT FINANCE BOARD Governor Office Building 200 Madison Street, Suite 1000 P.O. Box 567 Jefferson City, Missouri 65102 Attn: Executive Director
LEASED PROPERTY:	See the attached Schedule I.

FIRST SUPPLEMENTAL BASE LEASE

(City of Independence, Missouri – Electric System Projects)

THIS FIRST SUPPLEMENTAL BASE LEASE (the “First Supplemental Base Lease”) dated as of [____] 1, 2020, between the **City of Independence, Missouri** (the “City”), a constitutional charter city and political subdivision, duly organized and existing under the constitution and laws of the state of Missouri, as lessor, and the **Missouri Development Finance Board**, a body corporate and politic organized and existing under the laws of the State of Missouri, as lessee (the “Board”).

RECITALS

1. Pursuant to its Resolution adopted October 16, 2012 (the “Series 2012F Bond Resolution”), the Board issued its Infrastructure Facilities Leasehold Improvement and Refunding Revenue Bonds (City of Independence, Missouri – Electric System Projects), Series 2012F, in the principal amount of \$52,525,000 (the “Series 2012F Bonds”) for the purpose of providing funds to refund previously issued bonds and to acquire a leasehold interest in the equipment for the purpose of providing for the extension and improvement of the City’s electric production, transmission and distribution system, as described in the Series 2012F Bond Resolution, and leasing the Leased Property to the City.

2. By a Base Lease, dated as of December 1, 2012 (the “Original Base Lease”), the City leased the Leased Property to the Board, the entire consideration for which was the leasing of the Leased Property back to the City by the Board upon the terms of a Lease Purchase Agreement, dated as of December 1, 2012 (the “Original Lease Purchase Agreement”).

3. The Series 2012F Bond Resolution authorizes the issuance of Additional Bonds on a parity with the Series 2012F Bonds and any other Additional Bonds Outstanding at any time and from time to time, as those terms are defined therein, to provide funds for certain purposes, including the acquisition, purchase, or construction of additions, improvements, extensions, alterations, expansions, or modifications of all or any part of the Leased Property.

4. Pursuant to its Resolution adopted October 20, 2020 (the “Series 2020A Bond Resolution”), the Board is issuing its Infrastructure Facilities Leasehold Refunding Revenue Bonds (City of Independence, Missouri – Electric System Projects), Series 2020A, in the aggregate principal amount of \$[____] (the “Series 2020A Bonds”) and using the proceeds thereof to refund a portion of its Infrastructure Facilities Leasehold Improvement and Refunding Revenue Bonds (City of Independence, Missouri – Electric System Projects), Series 2010B (the “Series 2010B Bonds”).

5. The Board and the City desire to enter into this First Supplemental Base Lease (referred to herein collectively with the Original Base Lease as the “Base Lease”) to supplement certain provisions of the Original Base Lease in connection with the issuance of the Series 2020A Bonds.

AGREEMENTS

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein and in the Original Base Lease, the City and the Board do hereby covenant and agree as follows:

Section 1. Amendments to Section 1.1 of the Original Base Lease. The following definitions are added to Section 1.1 of the Original Base Lease:

“Base Lease” means the Base Lease dated as of December 1, 2012, as amended and supplemented by the First Supplemental Base Lease dated as of [____], 2020, as from time to time amended and supplemented in accordance with the provisions hereof.

“Bond” or “Bonds” means the Series 2012F Bonds, the Series 2020A Bonds and any Additional Bonds.

“Bond Resolution” means, collectively, the Resolution of the Board dated October 16, 2012, authorizing the issuance of the Series 2012F Bonds, as amended and supplemented; the Resolution of the Board dated October 20, 2020, authorizing the issuance of the Series 2020A Bonds, as amended and supplemented; and any Supplemental Resolutions adopted in accordance with the provisions of such resolutions.

“Indenture” means the Bond Trust Indenture dated as of December 1, 2012, as amended and supplemented by the First Supplemental Indenture dated as of [____], 2020, between the Board and the City, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of the Indenture.

“Lease Purchase Agreement” means the Lease Purchase Agreement dated as of December 1, 2012, as amended and supplemented by the First Supplemental Lease dated as of [____] 1, 2020, between the Board and the City, as from time to time amended and supplemented in accordance with the provisions of the Lease Purchase Agreement and the Bond Resolution.

“Series 2020A Bonds” means the Board’s Infrastructure Facilities Leasehold Improvement and Refunding Revenue Bonds (City of Independence, Missouri – Electric System Projects), Series 2020A, in the aggregate principal amount of \$[____].

Section 2. Amendment to Description of the Leased Property. The legal description of the Leased Property is hereby amended by substituting the ***Schedule I*** attached to this First Supplemental Base Lease for the Schedule I of the Original Base Lease. Any definitions dependent on the definition of Leased Property are amended accordingly.

Section 3. Amendment to Section 3.1 of the Original Base Lease. Section 3.1 of the Original Base Lease is hereby deleted in its entirety and a new Section 3.1 is inserted in lieu thereof, to read as follows:

Section 3.1. Lease of Leased Property.

(a) The City hereby demises and leases the Leased Property to the Board, and the Board hereby leases the Leased Property from the City, subject to Permitted Encumbrances, on the terms and conditions herein set forth.

(b) The Leased Property consists of separately identifiable equipment acquired with the proceeds of the Series 2012F Bonds, the Refunded Bonds, the Series 2010B Bonds, and the Series 2020A Bonds. As of the date of delivery of the First Supplemental Base Lease, ***Schedule I*** to such document will include the list of equipment or facilities acquired with the proceeds of the Bonds.

(c) Certain property previously financed with proceeds of the Series 2012F Bonds and the Series 2010B Bonds has been decommissioned by the City due to environmental regulations that make the further operation or improvement of such facilities no longer economically feasible or in the best interest of the City. The City has provided substitute Leased Property of equivalent

value and such additional assets are reflected on **Schedule I** attached hereto.

Section 4. Amendment to Section 3.3(b) of the Original Base Lease. Section 3.3(b) of the Original Base Lease is hereby deleted in its entirety and a new Section 3.3(b) is inserted in lieu thereof, to read as follows:

(b) Under Missouri statutes, the City has the power to condemn property for its purposes, and the City acknowledges that if the City condemned the Board's interest in this Base Lease, such action could adversely affect payment of the principal of and or interest represented by the Series 2012F Bonds and the Series 2020A Bonds. The City further acknowledges that condemnation of the Leased Property would adversely affect the security for the Series 2012F Bonds and the Series 2020A Bonds and that without the Board's interest in this Base Lease the Series 2012F Bonds and the Series 2020A Bonds might not be marketable at the rates and upon terms described in the Indenture.

Section 5. Amendment to Section 4.1 of the Original Base Lease. Section 4.1 of the Original Base Lease is hereby deleted in its entirety and a new Section 4.1 is inserted in lieu thereof, to read as follows:

Section 4.1. Rent and Other Considerations. As and for rental hereunder and in consideration for the leasing of the Leased Property to the Board hereunder, the Board shall:

(a) Sell and cause to be delivered to the purchasers thereof the Series 2012F Bonds in the principal amount, bearing interest, maturing and having the other details as set forth in the Indenture;

(b) Deposit the proceeds of the sale of the Series 2012F Bonds as provided in the Indenture;

(c) Sell and cause to be delivered to the purchasers thereof the Series 2020A Bonds in the principal amount, bearing interest, maturing and having the other details as set forth in the Indenture; and

(d) Deposit the proceeds of the sale of the Series 2020A Bonds as provided in the Indenture.

Section 6. Lease of Leased Property; Applicability of Original Base Lease. The City has rented, leased and let, and does hereby rent, lease and let the Leased Property to the Board, and the Board has rented, leased and hired, and does hereby, rent, lease and hire the Leased Property from the City, in accordance with the terms of the Original Base Lease, as supplemented and amended by this First Supplemental Base Lease. Except as specifically or by necessary implication amended hereby, all other provisions of the Original Base Lease shall remain in full force and effect and are hereby ratified, approved and confirmed.

Section 7. Execution in Counterparts; Electronic Transactions. This First Supplemental Base Lease may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument. This First Supplemental Base Lease and the transactions related thereto and described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts

of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

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IN WITNESS WHEREOF, the Board and the City have caused this First Supplemental Base Lease to be executed by their respective authorized officials and officers, all as of the day and year first above written.

CITY OF INDEPENDENCE, MISSOURI

(Seal)

ATTEST:

Zachary C. Walker, City Manager

City Clerk

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF JACKSON)

This instrument was acknowledged before me on _____, 2020, by **Zachary C. Walker**, City Manager of the **City of Independence, Missouri**, a constitutional charter city and political subdivision, duly organized and existing under the constitution and laws of the state of Missouri.

(Seal)

Notary Public

My Commission Expires: _____

IN WITNESS WHEREOF, the Board and the City have caused this First Supplemental Base Lease to be executed by their respective authorized officials and officers, all as of the day and year first above written.

**MISSOURI DEVELOPMENT FINANCE
BOARD**

(Seal)

By: _____
Robert V. Miserez, Executive Director

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

This instrument was acknowledged before me on _____, 2020, by **Robert V. Miserez**, Executive Director of the **Missouri Development Finance Board**, a body corporate and politic organized and existing under the laws of the State of Missouri.

(Seal)

Notary Public

My Commission Expires: _____

SCHEDULE I

DESCRIPTION OF THE LEASED PROPERTY