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**ESCROW TRUST AGREEMENT**

**Dated as of October 1, 2021**

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**Among**

**CITY OF INDEPENDENCE, MISSOURI,**

**MISSOURI DEVELOPMENT FINANCE BOARD**

**And**

**UMB BANK, N.A.**

**Relating to the refunding of certain bonds described herein issued by the Missouri Development  
Finance Board for the benefit of the City of Independence, Missouri**

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## ESCROW TRUST AGREEMENT

**THIS ESCROW TRUST AGREEMENT** dated as of October 1, 2021 (the “Agreement”), among the **CITY OF INDEPENDENCE, MISSOURI** (the “City”), the **MISSOURI DEVELOPMENT FINANCE BOARD** (the “Board”), and **UMB BANK, N.A.**, a national banking association with an office in Kansas City, Missouri, and having full trust powers, as Escrow Agent (the “Escrow Agent”).

### RECITALS:

1. To provide funds to loan to the City, the Board has heretofore duly authorized and issued its Infrastructure Facilities Revenue Bonds, described as follows:

<u>Series Designation</u>	<u>Principal Amount Outstanding</u>
Infrastructure Facilities Revenue Bonds (City of Independence, Missouri - Annual Appropriation Sewer System Revenue Bonds), Series 2012B	\$30,430,000
Infrastructure Facilities Revenue Bonds (City of Independence, Missouri – Annual Appropriation Sewer System Revenue Bonds), Series 2013C	\$38,665,000

As referred to herein, the “Refunded Bonds” include the outstanding principal amount of the “Series 2012B Bonds” and the “Series 2013C Bonds” described above, and are referred to separately as the “Series 2012B Refunded Bonds” and the “Series 2013C Refunded Bonds.”

2. The City and the Board intend to provide for the refunding of the Refunded Bonds.

3. The Refunded Bonds will mature (or will be subject to redemption prior to maturity) and will have interest payable in the amounts and at the times shown on **Schedule 1** attached hereto.

4. The Board and the City have previously entered into financing agreements related to each of the series of Refunded Bonds (collectively, the “Prior Bonds Financing Agreements”), under which the Board has loaned the proceeds of the Refunded Bonds to the City and the City has agreed to make loan payments related thereto (the “Prior Loan Payments”) subject to the terms set forth in the Prior Bonds Financing Agreements.

5. The City and the Board have heretofore authorized a Financing Agreement dated as of October 1, 2021, under which the Board will loan moneys to the City (the “Refunding Loan”), which together with other available funds of the City, will be used to prepay the Prior Loan Payments.

6. The Board has authorized the issuance of its \$[Principal – A] Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Annual Appropriation Sewer System Revenue Bonds), Series 2021A (the “Series 2021A Bonds”) and its \$[Principal – B] Taxable Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Annual Appropriation Sewer System Revenue Bonds), Series 2021B (the “Series 2021B Bonds,” and, together with the Series 2021A Bonds, the “Refunding Bonds”) for the purpose of funding the Refunding Loan.

7. With the portion of the Prior Loan Payments prepaid by the City, together with other funds available for such purpose, the Board intends to provide for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds through the purchase of non-callable United States Treasury Obligations described in **Schedule 2** attached hereto and the deposit of cash as described herein.

8. The Board and the City have previously provided a letter of instructions to the Escrow Agent instructing the Escrow Agent to provide notice of the redemption of the Series 2012B Refunded Bonds.

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Definitions.** The following words and terms used in this Escrow Agreement shall have the following meanings:

“**Agreement**” means this Escrow Trust Agreement.

“**Board**” means the Missouri Development Finance Board.

“**Bond Counsel**” means Gilmore & Bell, P.C., or other firm of attorneys nationally recognized on the subject of municipal bonds.

“**Bond Payment Date**” means any date on which any principal of or interest on any of the Refunded Bonds is due and payable.

“**City**” means the City of Independence, Missouri.

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

“**Escrow Agent**” means UMB Bank, N.A., Kansas City, Missouri, and its successor or successors at the time acting as the Escrow Agent under this Agreement.

“**Escrow Fund**” means the fund by that name referred to in **Section 3** of this Agreement.

“**Escrowed Securities**” means the direct non-callable obligations of the United States of America listed on **Schedule 2** attached hereto and any Substitute Escrowed Securities.

“**Paying Agent(s)**” means the paying agent for the Refunded Bonds as designated in the Prior Indentures, and any successor or successors at the time acting as paying agent for any of the Refunded Bonds.

“**Refunded Bonds**” means the bonds so designated in the recitals to this Agreement.

“**Prior Bonds Financing Agreements**” means the Prior Bonds Financing Agreements referred to in the recitals to this Agreement.

“**Prior Indentures**” means the bond trust indentures, as amended, under which the Refunded Bonds were issued.

**“Prior Loan Payments”** means payments made by the City to the Board with respect to the Refunded Bonds, as described in the recitals to this Agreement.

**“Refunding Bonds”** has the meaning set forth in the recitals hereto.

**“Refunding Ordinance”** means Ordinance No. \_\_\_\_\_ of the City adopted on September \_\_\_\_, 2021, authorizing the Refunding Loan.

**“Refunding Loan”** means the loan from the Board to the City referred to in the recitals to this Agreement.

**“Refunding Resolution”** means the resolution of the Board authorizing the Refunding Loan.

**“Substitute Escrowed Securities”** means non-callable direct obligations of the United States of America which have been acquired by the Escrow Agent and substituted for Escrowed Securities in accordance with **Section 8** of this Agreement.

**2. Receipt of Documents.** The Escrow Agent hereby acknowledges receipt of a true and correct copy of the Refunding Ordinance, the Refunding Resolution, the Prior Indentures, and reference herein to or citation herein of any provisions of said documents shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if they were fully set forth herein.

**3. Creation of Escrow Fund.** There is hereby created and established with the Escrow Agent the following special and irrevocable separate trust fund to be held in the custody of the Escrow Agent and designated as the “2021 Escrow Fund for the Independence MDFB Sewer Bonds” (the “Escrow Fund”). The following accounts shall be established in the Escrow Fund:

- (a) Series 2012B Account; and
- (b) Series 2013C Account.

The Series 2012B Account may consist of the account in the debt service fund established under the Prior Indenture for the Series 2012B Bonds.

**4. Verification of Certified Public Accountants.** Robert Thomas CPA, LLC, Certified Public Accountants, have verified the mathematical computations performed by Morgan Stanley & Co. LLC, which demonstrate that the cash held in the Escrow Fund, together with the maturing Escrowed Securities and interest to accrue thereon, will be sufficient to pay all principal of, redemption premium, if any, and interest on the Refunded Bonds on the respective Bond Payment Dates, including the redemption price of the Refunded Bonds.

**5. Deposits to the Escrow Fund.** Concurrently with the execution and delivery of this Agreement, and pursuant to the provisions of the Refunding Ordinance and the Refunding Resolution, the City and the Board herewith deposit with the Escrow Agent, and the Escrow Agent acknowledges receipt and deposit into the Escrow Fund of, proceeds of the Refunding Loan and other amounts as follows:

Series	Refunding Loan Proceeds	Transfer from Prior DSRF Accounts	Transfer from City	Total Deposit
Series 2012B Bonds	\$	\$	\$	\$
Series 2013C Bonds				

The Escrow Agent shall apply such amounts to the credit of the accounts relating to each series of Refunded Bonds, as follows:

Escrow Fund Account	Purchase of Escrowed Securities	Cash Held Uninvested	Total
Series 2012B Account	\$	\$	\$
Series 2013C Account			

Amounts shown above in the “Purchase of Escrowed Securities” column shall be used to purchase the Escrowed Securities described in **Schedule 2** hereto, which shall be delivered to and deposited in the applicable accounts of the Escrow Fund. Amounts shown above in the “Cash Held Uninvested” column shall be held uninvested in the applicable accounts of the Escrow Fund as a beginning balance.

**6. Creation of Lien.** The escrow created hereby shall be irrevocable. The holders of the Refunded Bonds are hereby given an express lien on and security interest in the Escrowed Securities and the cash in the applicable accounts of the Escrow Fund and all earnings thereon until used and applied in accordance with this Agreement. The matured principal of and earnings on the Escrowed Securities and any cash in the Escrow Fund are hereby pledged and assigned and shall be applied solely for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds, provided that such lien shall be specific with respect to each series of Refunded Bonds to the Escrowed Securities and cash held in the applicable account of the Escrow Fund.

**7. Application of Cash and Escrowed Securities in the Escrow Fund.**

(a) Except as otherwise expressly provided in this Section or in **Section 8** hereof, the Escrow Agent shall have no power or duty to invest any money held hereunder or to sell, transfer or otherwise dispose of any Escrowed Securities.

(b) On or prior to each Bond Payment Date, the Escrow Agent shall withdraw from the appropriate accounts of the Escrow Fund amounts equal to the principal of, redemption premium, if any, and interest on the Refunded Bonds becoming due and payable on such Bond Payment Date, as set forth in **Schedule 1** attached hereto, and shall forward such amounts to the offices of the respective Paying Agents, so that immediately available funds will reach the offices of the Paying Agents on or before 12:00 Noon, Central time, on such Bond Payment Date. In order to make the payments required by this subsection (b), the Escrow Agent is hereby authorized to redeem or otherwise dispose of Escrowed Securities held in the appropriate accounts of the Escrow Fund in accordance with the maturity schedules in **Schedule 2** attached hereto. The liability of the Escrow Agent to make the payments required by this subsection (b) shall be limited to the money and Escrowed Securities in the Escrow Fund.

(c) Notwithstanding any other provisions of this Agreement, the City and the Board hereby covenant that no part of the proceeds of the Refunding Loan or of the money or funds in the Escrow Fund shall be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Series 2021A Bonds would have caused any of the Series 2021A Bonds to be an “arbitrage bond” under Section 148 of the Code.

(d) Upon the payment in full of the principal of, redemption premium, if any, and interest on a series of the Refunded Bonds, all remaining money and Escrowed Securities in the account of the Escrow Fund established for such bonds, together with any interest thereon, shall be transferred to the City to be applied in accordance with law.

## **8. Substitute Escrowed Securities.**

(a) If any of the Escrowed Securities are not available for delivery on the date of the issuance of the Refunding Bonds, the Escrow Agent is directed to accept substitute securities in lieu thereof, provided: (1) the substitute securities are non-callable direct obligations of the United States of America, (2) the maturing principal of and interest on such substitute securities is equal to or greater than the maturity value of such unavailable Escrowed Securities, (3) principal of and interest on the substitute securities is payable on or before the maturity date of the unavailable Escrowed Securities, and (4) the City, the Board and Bond Counsel approve such substitution. If the original Escrowed Securities become available and are tendered to the Escrow Agent by or on behalf of the original purchaser of the Refunding Bonds, the Escrow Agent shall accept such Escrowed Securities, shall return the substitute securities as directed by such original purchaser and shall notify Bond Counsel, the Board and the City of the transaction.

(b) At the written request of the City and the Board, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, request the redemption of or otherwise dispose of the Escrowed Securities and to substitute for the Escrowed Securities solely cash or Substitute Escrowed Securities. The Escrow Agent shall purchase such Substitute Escrowed Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Escrowed Securities together with any other funds available for such purpose. The substitution may be effected only if: (1) the substitution of the Substitute Escrowed Securities for the original Escrowed Securities occurs simultaneously; (2) the Escrow Agent receives from an independent certified public accountant a certification to the effect that after such substitution, (A) the principal of and interest on the Escrowed Securities to be held in the applicable account of the Escrow Fund after giving effect to the substitution (including Substitute Escrowed Securities to be acquired), together with any other money to be held in the applicable account of the Escrow Fund after such transaction, will be sufficient to pay all remaining principal of, redemption premium, if any, and interest on the applicable series of Refunded Bonds as set forth on **Schedule I** hereto, and (B) the amounts and dates of the anticipated transfers from the Escrow Fund to the Paying Agent(s) for the applicable series of Refunded Bonds will not be diminished or postponed thereby; and (3) the Escrow Agent receives an opinion of Bond Counsel to the effect that such substitution is permitted under this Agreement and will not cause the interest on the Series 2021A Bonds or the applicable series of Refunded Bonds to become included in gross income for purposes of federal income taxation under then existing law. If any such substitution results in cash held in the applicable account of the Escrow Fund in excess of the amount required to fully fund the escrow for the applicable series of bonds, as certified in (2) above, the Escrow Agent shall, at the request of the City, withdraw such excess from the applicable account of the Escrow Fund and pay such excess to the City for deposit in the Debt Service Fund for the applicable series of Refunding Bonds; provided that, in the opinion of Bond Counsel, such withdrawal and application will not be contrary to State law and will not cause the interest on the Series 2021A

Bonds or the applicable series of Refunded Bonds to become included in gross income for purposes of federal income taxation.

**9. Redemption of Refunded Bonds.**

(a) The Escrow Agent hereby acknowledges that it is also the Trustee and Paying Agent for the Refunded Bonds and the City and the Board hereby give the following notice and irrevocable direction to the Escrow Agent in such capacity:

The City and the Board request and direct the Escrow Agent in its capacity as Trustee to call the Refunded Bonds for redemption as described in **Schedule 1**, pursuant to the provisions of the Prior Indentures, at the redemption prices shown in **Schedule 1**, (2) directs the Trustee to give notice of such redemption to the owners of such bonds and otherwise in accordance with the requirements of the Prior Indentures (except to the extent that such notice has already been given), and (3) take or cause to be taken all further action necessary to call and redeem such bonds as provided herein.

(b) The Escrow Agent hereby acknowledges that (i) the City and the Board have elected to call the Refunded Bonds, as described in **Section 9(a)** hereof and **Schedule 1** hereof, for redemption and payment prior to maturity, and (b) the City and the Board have directed the Escrow Agent, as Trustee and Paying Agent for the Refunded Bonds, to cause notice of the call for redemption and payment of the Refunded Bonds to be given in the manner provided in the Prior Indentures. The City and the Board hereby direct the Escrow Agent to direct the Paying Agent in writing, at least 45 days prior to the redemption date (if the Escrow Agent is also the Paying Agent, the Paying Agent shall be deemed to have been given such notice by virtue of this Agreement), to give additional notice of redemption of said Refunded Bonds, by publication or mailing as provided in the Prior Indentures, said additional notice to be given not more than 60 days nor less than 30 days prior to the redemption date, it being understood, however, that said additional notice is for convenience in facilitating said redemption and failure to give any such notice shall not affect the validity of the call for redemption of any such Refunded Bonds. The City and the Board hereby direct the Escrow Agent to take such further action as may be necessary under the Prior Indentures to redeem said Refunded Bonds in the principal amounts and at the times set forth in **Schedule 1** hereof.

**10. Reports of the Escrow Agent.** As long as any of the Refunded Bonds, together with the interest thereon, have not been paid in full, the Escrow Agent shall, at least 60 days prior to each Bond Payment Date, determine the amount of money which will be available in the Escrow Fund to pay the amounts provided herein on the next Bond Payment Date and if the Escrow Agent determines that sufficient funds will not be available on such Bond Payment Date, then the Escrow Agent shall certify in writing to the City the amount so determined, and provide a list of the money and Escrowed Securities held by it in each account of the Escrow Fund on the date of such certification.

**11. Liability of Escrow Agent.**

(a) The Escrow Agent shall not be liable for any loss resulting from any investment, sale, transfer or other disposition made pursuant to this Agreement in compliance with the provisions hereof. The Escrow Agent shall have no lien whatsoever on any of the money or Escrowed Securities on deposit in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement or otherwise.

(b) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money to pay the Refunded Bonds. So long as the Escrow Agent applies the Escrowed Securities and money as provided herein, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by such calculations. Notwithstanding the foregoing, the Escrow Agent shall not be relieved of liability arising from and proximate to its failure to comply fully with the terms of this Agreement.

(c) If the Escrow Agent fails to account for any of the Escrowed Securities or money received by it, said Escrowed Securities or money shall be and remain the property of the City in trust for the holders of the applicable series of Refunded Bonds, and, if for any reason such Escrowed Securities or money are not applied as herein provided, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof until the required application shall be made.

(d) The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement.

(e) The Escrow Agent may rely and shall be protected in acting upon or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, verification, order, bond, debenture, or other paper or document believed by the Escrow Agent to be genuine and to have been signed or presented by the proper party or parties.

(f) The Escrow Agent shall not be liable for any error of judgment made in good faith by an authorized officer, employee or agent of the Escrow Agent, unless it shall be proven that the Escrow Agent was negligent in ascertaining the pertinent facts.

(g) Whether or not therein expressly so provided, every provision of this Escrow Agreement relating to the conduct or affecting the liability of or affording protection to the Escrow Agent shall be subject to the provisions of this Section.

(h) The City, to the extent permitted by law, agrees to indemnify, protect, save and hold harmless the Escrow Agent and its respective successors, and assigns, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees, expenses and disbursements, without limitation) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Fund established hereunder, the acceptance of the moneys and securities deposited therein, the purchase of the Escrowed Securities, the retention of the Escrowed Securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided however, that the City shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct.

(i) The Escrow Agent may consult with counsel who may or may not be counsel to the City or the Board, and in reliance upon the opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the City.



**12. Fees and Costs of the Escrow Agent.** The aggregate amount of the costs, fees and expenses of the Escrow Agent in connection with the creation of the escrow described in and created by this Agreement and in carrying out any of the duties, terms or provisions of this Agreement shall be paid by the City when due.

Notwithstanding the preceding paragraph, the Escrow Agent shall be entitled to reimbursement from the City of reasonable out-of-pocket, legal or extraordinary expenses incurred in carrying out the duties, terms or provisions of this Agreement. Claims for such reimbursement may be made to the City and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Agreement.

If the Escrow Agent resigns prior to the expiration of this Agreement, the Escrow Agent shall rebate to the City a ratable portion of any annual fee theretofore paid by the City to the Escrow Agent for its services under this Agreement for the then current fee period.

**13. Resignation or Removal of Escrow Agent; Successor Escrow Agent.** The Escrow Agent at the time acting hereunder may at any time resign and be discharged from its duties and responsibilities hereby created by giving written notice by registered or certified mail to the City, to the Board, to the Paying Agents and to all of the owners of record of the Refunded Bonds not less than 60 days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the acceptance of the City and the Board of the resignation, the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent) by the City and the Board, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the resigning Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent, the Board and the City and signed by the owners of a majority in principal amount of the Refunded Bonds then outstanding; provided that written notice thereof is mailed on or before the date of such removal by registered or certified mail, postage prepaid, to all registered owners of such Refunded Bonds, who are not parties to such instruments. The Escrow Agent may also be removed by the City and the Board if the Escrow Agent fails to make timely payment on any Bond Payment Date to the Paying Agent(s) of the amounts required to be paid by it on such Bond Payment Date by **Section 7(b)** of this Agreement; provided that written notice thereof is mailed on or before the date of such removal by registered or certified mail, postage prepaid, to the Paying Agents and to all registered owners of such Bonds, who are not parties to such instruments. Any removal pursuant to this paragraph shall become effective upon the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the City and the Board, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the Escrow Agent being removed.

If the Escrow Agent resigns or is removed, or is dissolved, or is in the course of dissolution or liquidation, or otherwise becomes incapable of acting hereunder, or if the Escrow Agent is taken under the control of any public officer or officers, or of a receiver appointed by a court, the City and the Board shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent is appointed

by the City and the Board in the manner above provided, and any such temporary Escrow Agent so appointed by the City and the Board shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent has been made by such holders or the City and the Board pursuant to the foregoing provisions of this Section within 60 days after written notice of resignation of the Escrow Agent has been given to the City and the Board, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent is a corporation with trust powers authorized to do business in the State of Missouri and organized under the banking laws of the United States or the State of Missouri and has at the time of appointment capital and surplus of not less than \$25,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor, to the Board and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Agent without any further act, deed or conveyance shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent, the Board or the City, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Agent shall deliver all securities and money held by it to its successor. Should any transfer, assignment or instrument in writing from the City be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the City and the Board.

Any corporation into which the Escrow Agent, or any successor to it of the duties and responsibilities created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it may be a party, shall, if satisfactory to the City and the Board, be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

**14. Limitation on Liability of the City.** The City shall not be liable (a) for any loss resulting from any investment made pursuant to this Agreement, (b) for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money in the Escrow Fund to pay the principal of and interest on the Refunded Bonds, or (c) for any acts of the Escrow Agent.

**15. Limitation on Liability of the Board.** The Board shall not be liable (a) for any loss resulting from any investment made pursuant to this Agreement, (b) for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money in the Escrow Fund to pay the principal of and interest on the Refunded Bonds, or (c) for any acts of the Escrow Agent.

**16. Amendments to this Agreement.** This Agreement is made for the benefit of the City, the Board and the holders from time to time of the Refunded Bonds, and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent, the Board and the City; provided, however, that the City, the Board and the Escrow Agent may, without the consent of or

notice to such holders, enter into agreements supplemental to this Agreement if such supplemental agreements do not adversely affect the rights of such holders and are not inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of Bond Counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

**17. Termination.** This Agreement shall terminate when all transfers required to be made by the Escrow Agent under the provisions hereof shall have been made.

**18. Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by the Refunding Ordinance, the Refunding Resolution or this Agreement to be given to or filed with the following parties if the same is duly mailed by first class, certified or registered mail addressed:

- (a) To the Board at:

Missouri Development Finance Board  
Governor Office Building  
200 Madison Street, Suite 1000  
Jefferson City, Missouri 65102  
Attention: Executive Director

- (b) To the Escrow Agent at:

UMB Bank, N.A., as Trustee  
928 Grand Blvd, 12th Floor  
Kansas City, MO 64106  
Attention: Corporate Trust Department

- (c) To the City at:

City of Independence, Missouri  
City Hall  
111 East Maple Ave.  
Independence, Missouri 64050  
Attention: Director of Finance

**19. Severability.** If any one or more of the covenants or agreements provided in this Agreement on the part of the City, the Board or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed

and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

**20. Successors and Assigns.** All of the covenants, promises and agreements in this Agreement contained by or on behalf of the City, the Board or the Escrow Agent shall be binding upon and inure to the benefit of their respective successors and assigns whether so expressed or not.

**21. Governing Law.** This Agreement shall be governed by the applicable law of the State of Missouri.

**22. Counterparts.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of page intentionally blank]

**IN WITNESS WHEREOF**, the parties hereto have each caused this Agreement to be executed by their duly authorized officers or elected officials and their corporate seals to be hereunder affixed and attested as of the date first above written.

**CITY OF INDEPENDENCE, MISSOURI**

By: \_\_\_\_\_  
City Manager

(Seal)

ATTEST:

\_\_\_\_\_  
City Clerk

**MISSOURI DEVELOPMENT FINANCE BOARD**

(seal)

By: \_\_\_\_\_  
Name: Kim Martin  
Title: Acting Executive Director

**UMB BANK, N.A.**

(Seal)

By: \_\_\_\_\_  
Name:  
Title:

ATTEST:

\_\_\_\_\_  
Name:  
Title:

**SCHEDULE 1  
TO ESCROW TRUST AGREEMENT**

**IDENTIFICATION OF REFUNDED BONDS**

**Series 2012B Refunded Bonds**

<b><u>Maturity Date</u></b>	<b><u>Principal Outstanding</u></b>	<b><u>Interest Rate</u></b>	<b><u>Principal Refunded</u></b>	<b><u>CUSIP Number</u></b>
11/1/21	\$940,000	3.000%	\$940,000	60636C 6Q7
11/1/27	6,405,000	3.625	6,405,000	60636C 6R5
11/1/32	6,580,000	4.000	6,580,000	60636C 6S3
11/1/41	16,505,000	5.000	16,505,000	60636C 6T1

**Series 2013C Refunded Bonds**

<b><u>Maturity Date</u></b>	<b><u>Principal Outstanding</u></b>	<b><u>Interest Rate</u></b>	<b><u>Principal Refunded</u></b>	<b><u>CUSIP Number</u></b>
11/1/21	\$1,025,000	4.000%	\$1,025,000	60636S CL6
11/1/22	1,065,000	4.000	1,065,000	60636S CM4
11/1/23	1,115,000	5.000	1,115,000	60636S CN2
11/1/28	6,390,000	4.375	6,390,000	60636S CP7
11/1/33	8,075,000	5.000	8,075,000	60636S CQ5
11/1/42	20,995,000	5.250	20,995,000	60636S CR3



**BOND PAYMENT SCHEDULES FOR REFUNDED BONDS**

**Series 2012B Refunded Bonds**

<b><u>Bond Payment Date</u></b>	<b><u>Principal Due</u></b>	<b><u>Principal Redeemed</u></b>	<b><u>Premium</u></b>	<b><u>Interest</u></b>	<b><u>Total Payment</u></b>
11/1/2021	\$940,000	\$29,490,000	\$-0-	\$ _____	\$ _____

**Series 2013C Refunded Bonds**

<b><u>Bond Payment Date</u></b>	<b><u>Principal Due</u></b>	<b><u>Principal Redeemed</u></b>	<b><u>Premium</u></b>	<b><u>Interest</u></b>	<b><u>Total Payment</u></b>
11/1/2021	\$1,025,000	-	\$-0-	\$ _____	\$ _____
5/1/2022	-	-	-0-	\$ _____	\$ _____
11/1/2022	1,065,000	-	-0-	\$ _____	\$ _____
5/1/2023	-	-	-0-	\$ _____	\$ _____
11/1/2023	1,115,000	\$35,460,000	-0-	\$ _____	\$ _____

**SCHEDULE 2  
TO ESCROW TRUST AGREEMENT**

**SCHEDULE OF ESCROWED SECURITIES - SERIES 2013C ACCOUNT**