

ORDINANCE NO. 136-2021

OF

CITY OF NEOSHO, MISSOURI

PASSED

JANUARY 19, 2021

AUTHORIZING

SPECIAL OBLIGATION REFUNDING BONDS

SERIES 2021

ORDINANCE

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AN ORDINANCE AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION REFUNDING BONDS, SERIES 2021, OF THE CITY OF NEOSHO, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the City of Neosho, Missouri (the “**City**”), is a constitutional charter city and political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri, and is, therefore, authorized to incur special obligation bonds and issue and sell special obligation bonds of the City for lawful purposes; and

WHEREAS, the City has previously entered into that certain Lease Purchase Agreement dated as of August 1, 2014 (the “**Refunded Lease**”), between UMB Bank, N.A. (as successor to Commerce Bank), as trustee and as lessor (the “**Refunded Certificates Trustee**”), and the City, as lessee, pursuant to which the City has leased certain property from the Refunded Certificates Trustee in consideration of the City’s payment of basic rent payments to the Refunded Certificates Trustee under the Refunded Lease, which basic rent payments are distributed to owners of Tax-Exempt Refunding Certificates of Participation, Series 2014A, delivered by the Refunded Certificates Trustee on August 15, 2014, in the original aggregate principal amount of \$3,035,000 (the “**Series 2014A Certificates**”), pursuant to a Declaration of Trust dated as of August 1, 2014 (the “**Refunded Certificates Trustee**”) granted by the Refunded Certificates Trustee; and

WHEREAS, the City has also previously issued on April 2, 2013, its Special Obligation Refunding Bonds, Series 2013, in the original aggregate principal amount of \$3,145,000 (the “**Series 2013 Bonds**”); and

WHEREAS, the City now desires (1) to exercise its option to purchase the Refunded Certificates Trustee’s interest in the leased property under the Refunded Lease and thereby refund all of the Series 2014A Certificates outstanding in the aggregate principal amount of \$1,840,000, scheduled to mature on April 1, 2021, and thereafter (the “**Refunded Certificates**”) and (2) refund all of the Series 2013 Bonds outstanding in the aggregate principal amount of \$1,830,000 scheduled to mature on April 1, 2021, and thereafter (the “**Refunded Bonds**”)

WHEREAS, the City hereby finds and determines that it is necessary and advisable and in the best interest of the City and its inhabitants that special obligation bonds be issued and secured in the form and manner as hereinafter provided to provide funds to refund the Refunded Bonds and Refunded Certificates; and

WHEREAS, the special obligation bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional or statutory limitation or provision, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys of the City to pay the principal of and interest on the Bonds; and

WHEREAS, arrangements have been made for the sale of the special obligation bonds so authorized, and it is hereby found and determined that it is necessary and advisable and in the best interest of the City and its inhabitants at this time to authorize the issuance and delivery of said bonds for the purposes aforesaid;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEOSHO, MISSOURI, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Ordinance shall have the following meanings:

“**Bond Counsel**” means Gilmore & Bell, P.C., Kansas City, Missouri, or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the City.

“**Bond Fund**” means the fund by that name referred to in **Section 501** hereof.

“**Bond Payment Date**” means any date on which principal of or interest on any Bond is payable.

“**Bond Purchase Agreement**” means the Bond Purchase Agreement, between the City and the Purchaser in the form attached hereto as **Exhibit C**.

“**Bond Register**” means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

“**Bondowner**,” “**Owner**” or “**Registered Owner**” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

“**Bonds**” means the Special Obligation Refunding Bonds, Series 2021, of the City, in the Original Principal Amount authorized in **Section 201** hereof and specified in the Certificate of Final Terms, the form of which is attached to this Ordinance as **Schedule 1**, authorized and issued by the City pursuant to this Ordinance.

“**Business Day**” means a day, other than a Saturday, Sunday or holiday, on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

“**Certificate of Final Terms**” means the Certificate of Final Terms, in substantially the form attached hereto as **Schedule 1**, executed and delivered pursuant to **Section 202** hereof and attached to this Ordinance as of the date of issuance of the Bonds.

“**City**” means City of Neosho, Missouri, and any successors or assigns.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

“**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement dated the date set forth therein, the form of which is attached to this Ordinance as **Exhibit E**.

“**Dated Date**” means the date of initial delivery and payment for the Bonds specified in the Certificate of Final Terms.

“**Defaulted Interest**” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“**Defeasance Obligations**” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody’s or Standard & Poor’s that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“**Escrow Agents**” means, collectively, UMB Bank, N.A., Kansas City, Missouri, as escrow agent under both the Refunded Bonds Escrow Trust Agreement and the Refunded Certificates Escrow Trust Agreement and any successors or assigns.

“**Escrow Agreements**” means, collectively, the Refunded Bonds Escrow Trust Agreement and the Refunded Certificates Escrow Trust Agreement, each between the City and UMB Bank, N.A., as escrow agent, in the forms attached hereto as **Exhibit B**.

“**Escrow Funds**” means, collectively, the Refunded Bonds Escrow Fund and the Refunded Certificates Escrow Fund referred to in **Section 501** hereof and established pursuant to the respective Refunded Bonds Escrow Agreement and the Refunded Certificates Escrow Agreement.

“**Escrowed Securities**” means the direct, noncallable obligations of the United States of America, as described in the Escrow Agreements.

“**Federal Tax Agreement**” means the City’s Federal Tax Agreement, in the form attached hereto as **Exhibit F**.

“**Fiscal Year**” means the fiscal year of the City, currently October 1 to September 30.

“**Interest Payment Date**” means the Stated Maturity of an installment of interest on any Bond.

“**Mandatory Redemption Date**” when used with respect to any Bond or Bonds designed as “Term Bonds” in the Certificates of Final Terms that are subject to mandatory redemption means the date fixed for the mandatory redemption of such Bond pursuant to the terms of this Ordinance and the Certificate of Final Terms.

“**Mandatory Redemption Price**” when used with respect to any Bond designated as a “Term Bond” in the Certificate of Final Terms that is subject to mandatory redemption means the price at which such Bond is to be redeemed pursuant to the terms of this Ordinance, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Mandatory Redemption Date.

“**Maturity**” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or by call for mandatory redemption or otherwise.

“**Ordinance**” means this Ordinance passed by the City Council of the City, authorizing the issuance of the Bonds, as amended from time to time.

“**Original Principal Amount**” means the Original Principal Amount of the Bonds authorized in **Section 201** hereof and specified in the Certificate of Final Terms.

“**Outstanding**” means, when used with reference to Bonds, as of any particular date of determination, all Bonds theretofore authenticated and delivered hereunder, except the following Bonds:

- (a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of **Section 701** hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“**Paying Agent**” means UMB Bank, N.A., Kansa City, Missouri, and any successors and assigns.

“**Permitted Investments**” means any of the following securities, if and to the extent the same are at the time legal for investment of the City’s funds:

- (a) United States Government Obligations;

(b) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by United States Government Obligations which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits; and

(c) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri.

“Person” means any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Purchase Price” means the purchase price of the Bonds authorized pursuant to **Section 211** hereof and specified in the Certificate of Final Terms.

“Purchaser” means Piper Sandler & Co., Leawood, Kansas, the original purchaser of the Bonds.

“Record Date” for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Refunded Bonds” means the City’s outstanding Series 2013 Bonds to be refunded with proceeds of the Bonds scheduled to mature on the dates and in the principal amounts more fully described in the Certificate of Final Terms.

“Refunded Bonds Escrow Agent” means UMB Bank, N.A., Kansas City, Missouri, and any successors or assigns.

“Refunded Bonds Escrow Agreement” means the Escrow Trust Agreement for the Refunded Bonds between the City and Refunded Bonds Escrow Agent, in the form attached hereto as **Exhibit B**.

“Refunded Bonds Escrow Fund” means the fund by that name referenced in **Section 501** hereof and established pursuant to the Refunded Bonds Escrow Agreement.

“Refunded Bonds Ordinance” means Ordinance No. 15-2013 passed by the City Council of the City on March 27, 2013, which authorized the Series 2013 Bonds.

“Refunded Certificates” means the City’s outstanding Series 2014A Certificates to be refunded with proceeds of the Bonds, if any, scheduled to mature on the dates and in the principal amounts more fully described in the Certificate of Final Terms.

“Refunded Certificates Escrow Agent” means UMB Bank, N.A., Kansas City, Missouri, and any successors or assigns.

“Refunded Certificates Escrow Agreement” means the Escrow Trust Agreement for the Refunded Certificates between the City and the Refunded Certificates Escrow Agent, in the form attached hereto as **Exhibit B**.

“**Refunded Certificates Escrow Fund**” means the fund by that name referenced in **Section 501** hereof and established pursuant to the Refunded Certificates Escrow Agreement.

“**Refunded Certificates Trustee**” means UMB Bank, N.A. (as trustee successor to Commerce Bank), its successors and assigns, as trustee under the Refunded Declaration of Trust.

“**Refunded Declaration of Trust**” means the Declaration of Trust dated as of August 1, 2014, executed and delivered by the Refunded Certificates Trustee, pursuant to which the Refunded Certificates were delivered.

“**Refunded Lease**” means the Lease Purchase Agreement dated as of August 1, 2014, between the Refunded Certificates Trustee, as lessor, and the City, as lessee.

“**Series 2013 Bonds**” means the City’s Special Obligation Refunding Bonds, Series 2013, dated April 2, 2013, originally issued in the aggregate principal amount of \$3,145,000.

“**Series 2014A Certificates**” means the Tax-Exempt Refunding Certificates of Participation, Series 2014A, originally issued in the aggregate principal amount of \$3,035,000 evidencing a proportionate interest in basic rent payments to be made by the City, pursuant to the Refunded Lease, executed and delivered pursuant to the Refunded Declaration of Trust.

“**Special Record Date**” means the date fixed by the Paying Agent pursuant to **Section 204** hereof for the payment of Defaulted Interest.

“**Stated Maturity**” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“**United States Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation) or securities which represent an undivided interest in such obligations, which obligations are rated in the same rating category or higher as the United States of America by a nationally recognized rating service and such obligations are held in a custodial account for the City’s benefit.

ARTICLE II

AUTHORIZATION OF THE BONDS

Section 201. Authorization of Bonds. There is hereby authorized and directed to be issued, subject to the limitations set forth in **Section 202** hereof, a series of bonds of the City, designated “Special Obligation Refunding Bonds, Series 2021,” in the Original Principal Amount specified in the Certificate of Final Terms (the “**Bonds**”), for the purpose of providing funds, together with funds on deposit in the bond reserve fund for the Refunded Bonds and the reserve fund for the Refunded Certificates, for the purpose of (a) paying the costs of refunding the Refunded Bonds, (b) acquiring the Refunded Certificates

Trustee's interest in the leased property under the Refunded Lease and thereby refunding the Refunded Certificates, and (c) paying certain costs related to the issuance of the Bonds.

Section 202. Description of Bonds.

(a) The Bonds shall consist of fully registered bonds without coupons, numbered from 1 upward, in denominations of \$5,000 or any integral multiple thereof. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in **Exhibit A** attached hereto and shall be subject to registration, transfer and exchange as provided in **Section 205** hereof.

(b) All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts on the Stated Maturities of April 1 in the years (subject to mandatory redemption, if any, prior to Stated Maturities thereof as provided in **Article III** hereof), shall bear interest at the rates per annum, and shall be issued with such terms and provisions specified in the Certificate of Final Terms, subject to the following terms and conditions:

- (1) The Original Principal Amount of the Bonds shall not exceed \$3,300,000.
- (2) The true interest cost on the Bonds shall not exceed 2.00%.
- (3) The underwriter's discount specified in the Purchase Price for the Bonds shall not exceed 1.00% of the Original Principal Amount of the Bonds.
- (4) The final stated maturity date shall not be later than April 1, 2027.
- (5) The refunding of the Refunded Bonds shall result in a net present value savings (using TIC) of not less than 2.50% of the principal amount of the Refunded Bonds.
- (6) The refunding of the Refunded Certificates shall result in a net present value savings (using TIC) of not less than 2.50% of the principal amount of the Refunded Certificates.

(c) The Certificate of Final Terms, in the form attached hereto as **Schedule 1**, shall be completed and shall be executed by the Mayor or Mayor Pro Tempore, and the signature of the Mayor or Mayor Pro Tempore on said Certificate of Final Terms, attested by the City Clerk, shall constitute conclusive evidence of the approval of both the Mayor or Mayor Pro Tempore and the City Council.

(d) The Bonds shall bear interest at the rates specified in the Certificate of Final Terms (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date of the Bonds or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on April 1 and October 1, beginning on the date specified in the Certificate of Final Terms.

Section 203. Designation of Paying Agent.

(a) UMB Bank, N.A., Kansas City, Missouri, is hereby designated as the City's Paying Agent for the payment of principal of and interest on the Bonds and as bond registrar with respect to the registration, transfer and exchange of Bonds (herein called the "**Paying Agent**"). The City is hereby authorized to enter into the Paying Agent Agreement between the City and the Paying Agent, in substantially the form attached to this Ordinance as **Exhibit G**, and the Mayor, the Mayor Pro Tempore, the City Manager, the Director of Finance or the City Clerk of the City are hereby authorized and directed to execute the Paying Agent Agreement with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the City.

(b) The City will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The City reserves the right to appoint a successor Paying Agent by (1) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (2) causing notice of the appointment of the successor Paying Agent to be given by first class mail to each Bondowner. The Paying Agent may resign upon giving written notice by first class mail to the City and the Bondowners not less than 60 days prior to the date such resignation is to take effect. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of the Paying Agent.

(c) Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company organized and in good standing and doing business under the laws of the United States of America or of the State of Missouri and subject to supervision or examination by federal or state regulatory authority.

(d) The Paying Agent shall be paid its fees and expenses for its services in connection herewith, which fees and expenses shall be paid as other expenses are paid.

Section 204. Method and Place of Payment of Bonds.

(a) The principal or Mandatory Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(b) The principal or Mandatory Redemption Price, if any, of each Bond shall be paid at Maturity by check, draft or electronic transfer to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the payment office of the Paying Agent.

(c) The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or, in the case of an interest payment to the Securities Depository or any Registered Owner, by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), address, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee may be applicable.

(d) Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The City shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

(e) The Paying Agent shall keep a record of payment of principal and Mandatory Redemption Price of and interest on all Bonds and shall upon the written request of the City at least annually forward a copy or summary of such records to the City.

Section 205. Registration, Transfer and Exchange of Bonds.

(a) The City covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

(b) Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

(c) In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The City shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

(d) The City and the Paying Agent shall not be required (1) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of fifteen days next preceding the first mailing of such notice of redemption; or (2) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

(e) The City and the Paying Agent may deem and treat the Person in whose name any Bond is registered in the Bond Register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Mandatory Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

(f) At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

Section 206. Execution, Authentication and Delivery of Bonds.

(a) The Bonds, including any Bonds issued in exchange or as substitution for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk, and shall have the official seal of the City affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bond ceases to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(b) The Mayor and City Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Paying Agent for authentication.

(c) The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by an authorized signatory of the Paying Agent, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to or upon the order of the Purchaser or shall hold the Bonds as FAST Agent for the benefit of the Beneficial Owners (as hereinafter defined), upon payment to the City of the Purchase Price set forth in Certificate of Final Terms.

Section 207. Mutilated, Destroyed, Lost and Stolen Bonds.

(a) If (1) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (2) there is delivered to the City and the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the City and the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Paying Agent, in its discretion may pay such Bond instead of delivering a new Bond.

(c) Upon the issuance of any new Bond under this Section, the City or the Paying Agent may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

(d) Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

Section 208. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and shall file an executed counterpart of such certificate with the City.

Section 209. Preliminary and Final Official Statement.

(a) The Preliminary Official Statement, in the form attached hereto as **Exhibit D** (the "**Preliminary Official Statement**"), is hereby ratified and approved, and the final Official Statement is hereby authorized and approved by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor or the Mayor Pro Tempore is hereby authorized to execute the final Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

(b) For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the City hereby deems the information regarding the City contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the City are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of such Rule 15c2-12(b)(1).

(c) The City agrees to provide to the Purchaser within seven business days of the date of the sale of the Bonds sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 210. Authorization of Escrow Agreement. Upon completion and execution of the Certificate of Final Terms, the City is hereby authorized to enter into the Escrow Agreements, dated as of the Dated Date, between the City and the Escrow Agents, in substantially the forms attached hereto **Exhibit B**, establishing an escrow for the Refunded Bonds and the Refunded Certificates, respectively, and the Mayor or Mayor Pro Tempore and City Clerk are hereby authorized and directed to execute the Escrow Agreements with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the City. The Escrow Agents are hereby authorized to carry out, on behalf of the City, the duties, terms and provisions of the respective Escrow Agreements, and the Escrow Agents, the officials of the City, the Purchaser and Bond Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein.

Section 211. Sale of Bonds. Upon completion and execution of the Certificate of Final Terms, the Mayor or Mayor Pro Tempore is hereby authorized to enter into the Bond Purchase Agreement between the City and the Purchaser in the form attached hereto as **Exhibit C**, under which the City will agree to sell the Bonds to the Purchaser at the Purchase Price set forth in the Certificate of Final Terms, subject to **Section 202** hereof, upon the terms and conditions set forth therein and with such changes therein as shall be approved by the Mayor or Mayor Pro Tempore, which officer is hereby authorized to execute the Bond Purchase Agreement for and on behalf of the City, such officer's signature thereon being conclusive evidence of his or her approval thereof. Delivery of the Bonds shall be made to the Purchaser upon payment therefor in accordance with the terms of Bond Purchase Agreement.

Section 212. Book-Entry Bonds; Securities Depository.

(a) For purposes of this Section, the following terms shall have the following meanings:

“Beneficial Owner” means, whenever used with respect to a Bond, the Person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such Person’s subrogee.

“Cede & Co.” means Cede & Co., the nominee of the Securities Depository, and any successor nominee of the Securities Depository with respect to the Bonds.

“Participant” means any broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as securities depository.

“Representation Letter” means, collectively, the Representation Letter from the City to the Securities Depository and the Representation Letter from the Paying Agent to the Securities Depository.

“Securities Depository” means The Depository Trust Company, New York, New York.

(b) The Bonds shall be initially issued as one single authenticated fully registered bond for each Stated Maturity. Upon initial issuance, the ownership of such Bonds shall be registered in the City’s Bond Register kept by the Paying Agent in the name of Cede & Co., as nominee of the Securities Depository. The Paying Agent and the City may treat the Securities Depository (or its nominee) as the

sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of and interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Registered Owners of Bonds under this Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Paying Agent nor the City shall be affected by any notice to the contrary. Neither the Paying Agent nor the City shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Bonds under or through the Securities Depository or any Participant, or any other Person which is not shown on the Bond Register kept by the Paying Agent as being a Registered Owner of any Bonds, with respect to the accuracy of any records maintained by the Securities Depository or any Participant, with respect to the payment by the Securities Depository or any Participant of any amount with respect to the principal of and interest on the Bonds, with respect to any notice which is permitted or required to be given to the Registered Owners of Bonds under this Resolution, with respect to the selection by the Securities Depository or any Participant of any Person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by the Securities Depository as Registered Owner of the Bonds. The Paying Agent shall pay all principal of and interest on the Bonds only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No Person other than the Securities Depository (or the Paying Agent as "FAST Agent") shall receive an authenticated Bond for each separate Stated Maturity evidencing the City's obligation to make payments of principal and interest. Upon delivery by the Securities Depository to the Paying Agent of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) If the Participants holding a majority position in the Bonds determine that it is in the best interest of the Beneficial Owners that they be able to obtain certificated Bonds, the Participants may notify the Securities Depository and the Paying Agent, whereupon the Securities Depository shall notify the Participants of the availability through the Securities Depository of Bond certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of the Securities Depository, all payments with respect to the principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Securities Depository as provided in the Representation Letter.

(e) If any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Paying Agent from the Registered Owners thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this Resolution. If Bonds are issued to holders other than Cede & Co., its successor as nominee for the Securities Depository as holder of all the Bonds, or other securities depository as holder of all the Bonds, the provisions of this Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds and the method of payment of the principal of and interest on such Bonds. In the event that Bonds are issued to holders other than the Securities Depository, the Paying Agent may rely on information provided by the Securities Depository or any Participant as to the names, addresses of and principal amounts held by the Beneficial Owners of the Bonds.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Optional and Mandatory Redemption of Bonds.

(a) *No Optional Redemption.* The Bonds are not subject to optional redemption prior to their Stated Maturity.

(b) *Mandatory Redemption of Bonds.* The Bonds, if any, designated as “**Term Bonds**” in the Certificate of Final Terms will be subject to mandatory redemption and payment prior to Stated Maturity in part on the dates and in the principal amounts specified in the Certificate of Final Terms at a Mandatory Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Mandatory Redemption Date.

At its option, to be exercised on or before the 45th day next preceding any Mandatory Redemption Date, the City may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said Mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said Mandatory Redemption Date from any Registered Owner thereof, whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the City under this Section for any Term Bonds subject to mandatory redemption on said Mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection (b)) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection (b). Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the City to redeem Term Bonds of the same Stated Maturity on such Mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the City will, on or before the 45th day next preceding each Mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with respect to such mandatory redemption payment.

ARTICLE IV

SECURITY FOR AND PAYMENT OF BONDS

Section 401. Security for the Bonds.

(a) The Bonds shall be special obligations of the City payable as to both principal and interest solely from annual appropriations of legally available funds by the City Council for such purpose to be deposited in the Bond Fund. The obligation of the City to make payments into the Bond Fund and for any other obligations of the City under this Ordinance do not constitute a general obligation or indebtedness of the City for which the City is obligated to levy or pledge any form of taxation, or for which the City has levied or pledged any form of taxation and shall not be construed to be a debt of the City in contravention of any applicable constitutional, statutory or Charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor (1) out of the legally available income and revenues of the City provided for such Fiscal Year, plus (2) any unencumbered balances for previous Fiscal Years. Subject to the preceding sentence, the obligations of the City to make payments hereunder and to perform and observe any other covenant and agreement contained herein shall be absolute and unconditional.

(b) The covenants and agreements of the City contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds to the payment of the principal of and the interest on the Bonds, or otherwise, except as to the rate of interest and Stated Maturity as provided in this Ordinance.

Section 402. Covenant to Request Appropriations. The City Council hereby directs that from and after delivery of the Bonds and so long as any of the Bonds remain Outstanding, subject to **Section 401** hereof, the City Manager, the Director of Finance or any other officer of the City at any time charged with the responsibility of formulating budget proposals, shall (1) include in each annual budget an appropriation of the amount necessary (after taking into account any moneys legally available for such purpose, including moneys then on deposit in the Bond Fund) to pay debt service on the Bonds, and (2) take such further action (or cause the same to be taken) as may be necessary or desirable to assure the availability of moneys appropriated to pay debt service on the Bonds. The City is not required or obligated to make any such annual appropriation, and the decision whether or not to appropriate such funds will be solely within the discretion of the then current City Council.

Section 403. Current Fiscal Year Appropriations. Moneys sufficient to pay the principal of and interest on the Bonds scheduled to become due during the current Fiscal Year ending September 30, 2021, if any, to be forth in the Certificate of Final Terms, are hereby appropriated to such payment, and such moneys will be applied to payment of the principal of and interest on the Bonds scheduled to become due and payable during the current Fiscal Year, if any.

ARTICLE V

ESTABLISHMENT OF FUNDS;
DEPOSIT AND APPLICATION OF MONEYS**Section 501. Establishment of Funds.**

(a) There shall be established in the treasury of the City and shall be held and administered by the Director of Finance of the City the following separate funds:

- (1) Series 2021 Bond Fund (the “**Bond Fund**”); and
- (2) Series 2021 Costs of Issuance Fund (the “**Costs of Issuance Fund**”)
- (3) Series 2021 Rebate Fund (the “**Rebate Fund**”)

(b) In addition to the funds and accounts described in subsection (a) above, the Refunded Bonds Escrow Agreement establishes the Refunded Bonds Escrow Fund and the Refunded Certificates Escrow Agreement establishes the Refunded Certificates Escrow Fund to be held and administered by the respective Escrow Agents in accordance with the applicable Escrow Agreements. The investment and use of moneys in the respective Escrow Funds shall be governed by the applicable Escrow Agreements.

Section 502. Deposit of Bond Proceeds and Other Moneys. The Purchase Price received from the sale of the Bonds, together with moneys on deposit in the bond reserve fund for the Refunded Bonds and the reserve fund for the Refunded Certificates, shall be deposited simultaneously with the delivery of the Bonds as provided in the Certificate of Final Terms.

Section 503. Application of Moneys in the Bond Fund.

(a) All amounts paid and credited to the Bond Fund shall be expended and used by the City for the purpose of paying the principal or Mandatory Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Paying Agent. The City Manager, the Director of Finance, or such other appropriate office of the City is authorized and directed to withdraw from the Bond Fund sums sufficient to pay both principal or Mandatory Redemption Price of and interest on the Bonds and the fees and expenses of the Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Registered Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the City. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance and shall be held in trust by the Paying Agent for the benefit of the Registered Owners of the Bonds entitled to payment from such moneys.

(b) Any moneys or investments remaining in the Bond Fund after the redemption and payment of all the Bonds shall be transferred and paid into the appropriate fund(s) of the City as required by law.

Section 504. Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Agreement. All money in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Agreement), for payment to the United States of America, and neither the City nor the Registered Owner of any Bond shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this **Section 504** and the Federal Tax Agreement.

(b) The City shall periodically determine the rebatable arbitrage under Section 148(f) of the Code in accordance with the Federal Tax Agreement, and the City shall make payments to the United States Government at the times and in the amounts determined under the Federal Tax Agreement. Any funds remaining in the Rebate Fund after redemption and payment of all of the Bonds and the interest thereon and payment and satisfaction of any rebate amount, or provision made therefor, shall be released to the City.

(c) Notwithstanding any other provision of this Ordinance, including in particular **Article VII** hereof, the obligation to pay rebatable arbitrage to the United States and to comply with all other requirements of this Section and the Federal Tax Agreement shall survive the defeasance or payment in full of the Bonds.

Section 505. Deposits and Investment of Moneys.

(a) Moneys in each of the funds and accounts created by and referred to in this Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the banks or financial institutions holding such deposits as provided by the laws of the State of Missouri. All moneys held in the funds created by this Ordinance shall be kept separate and apart from all other funds of the City so that there shall be no commingling of such funds with any other funds of the City.

(b) Moneys held in any fund or account held in the custody of the City referred to in this Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund or account was created. All earnings on any investments held in any fund or account shall accrue to and become a part of such fund or account.

Section 506. Nonpresentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond shall have been made available to the Paying Agent all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the City without liability for interest thereon the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the

amount so repaid to it by the Paying Agent, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 507. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Mandatory Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 508. Application of Moneys in the Escrow Funds.

(a) Under the Refunded Bonds Escrow Agreement, the Refunded Bonds Escrow Agent will apply moneys in the Refunded Bonds Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Refunded Bonds Escrow Agreement. Except as otherwise provided in the Refunded Bonds Escrow Agreement, the cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely to (1) the payment on April 1, 2021, of the principal and interest on the Refunded Bonds scheduled to mature on April 1, 2021, and (2) the redemption on April 1, 2021, of the remaining outstanding Refunded Bonds scheduled to mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to April 1, 2021, as set forth in the Refunded Bonds Escrow Agreement. All money deposited with the Refunded Bonds Escrow Agent in the Refunded Bonds Escrow Fund shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Bonds Ordinance and the Refunded Bonds Escrow Agreement.

(b) Under the Refunded Certificates Escrow Agreement, the Refunded Certificates Escrow Agent will apply moneys in the Refunded Certificates Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Refunded Certificates Escrow Agreement. Except as otherwise provided in the Refunded Certificates Escrow Agreement, the cash and Escrowed Securities held in the Refunded Certificates Escrow Fund will be applied by the Refunded Certificates Escrow Agent solely to (1) the payment on April 1, 2021, of the principal portion and interest portion of basic rent scheduled to become due under the Refunded Lease on April 1, 2021, represented by the Refunded Certificates scheduled to mature on April 1, 2021, and (b) the prepayment on April 1, 2021, of the remaining principal portions of basic rent payments scheduled to become due under the Refunded Lease on April 1, 2022, and thereafter, represented by the Refunded Certificates scheduled to mature on April 1, 2022, and thereafter, at a prepayment price equal to 100% of the outstanding principal portions of basic rent represented by said Refunded Certificates, plus the interest portion of basic rent accrued thereon to April 1, 2021, as set forth in the Refunded Certificates Escrow Agreement. All money deposited with the Refunded Certificates Escrow Agent in the Refunded Certificates Escrow Fund shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Lease, the Refunded Declaration of Trust and the Refunded Certificates Escrow Agreement.

Section 509. Verification of Certified Public Accountant. Prior to or concurrently with the issuance and delivery of the Bonds and the creation of the escrows for the Refunded Bonds and the Refunded Certificates provided for herein, the City may obtain, if required by the Refunded Bonds Ordinance or the Refunded Declaration of Trust unless such requirement is waived by the Refunded Certificates Trustee, the certification of an independent certified public accountant that such accountant has verified the accuracy of the calculations that demonstrate that the money and obligations required to be deposited with the Refunded Bonds Escrow Agent and the Refunded Certificates Escrow Agent, respectively, pursuant to **Section 502** hereof and the Refunded Bonds Escrow Agreement and the Refunded Certificates Escrow Agreement, together with the earnings to accrue thereon, will be sufficient

for the timely payment of the Refunded Bonds and the Refunded Certificates as specified in the Certificate of Final Terms and the respective Refunded Bonds Escrow Agreement and the Refunded Certificates Escrow Agreement.

Section 510. Redemption of Refunded Bonds.

(a) The Refunded Bonds are hereby called for redemption and payment prior to maturity on April 1, 2021, in the amounts as shall be specified in the Certificate of Final Terms.

(b) The Refunded Bonds will be redeemed at the office of the paying agent for the Refunded Bonds by the payment on the redemption date of the principal thereof, together with accrued interest thereon to the redemption date. In accordance with the requirements of the Refunded Bonds Ordinance, the Mayor, the Mayor Pro Tempore, the City Clerk, the City Manager or the Director of Finance is hereby directed to cause notice of the call for redemption and payment of the Refunded Bonds to be given in the manner provided in the Refunded Bonds Ordinance. The officers of the City and the paying agent for the Refunded Bonds are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of such Refunded Bonds as herein provided.

Section 511. Exercise of Purchase Option Under the Refunded Lease.

(a) The City hereby elects to exercise its purchase option under the Refunded Lease by (1) paying on April 1, 2021, the principal portion and interest portion of the basic rent payments scheduled to become under the Refunded Lease on April 1, 2021, that is distributable to the owners of the Refunded Certificates maturing on April 1, 2021, and (2) prepaying on April 1, 2021, the remaining outstanding principal portion of the basic rent payments scheduled to become due under the Refunded Lease on April 1, 2022, and thereafter, this is distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2022, and thereafter; thereby, resulting in the prepayment in full of the Refunded Certificates, as specified in the Certificate of Final Terms.

(b) In accordance with the requirements of the Refunded Lease and the Refunded Declaration of Trust, the Mayor, the Mayor Pro Tempore, the City Clerk, the City Manager or the Director of Finance is hereby directed to cause notice of the City's intent to exercise its purchase option under the Refunded Lease and prepay the Refunded Certificates in the manner provided in the Refunded Lease and the Refunded Declaration of Trust.

ARTICLE VI

REMEDIES

Section 601. Remedies. The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this

Ordinance, excluding **Section 802** hereof, or by the Constitution and laws of the State of Missouri;

(b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

Section 602. Limitation on Rights of Bondowners. The covenants and agreements of the City contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds. All of the Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, or date of Maturity or right of prior redemption as provided in this Ordinance. No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Bondowner, then, and in every such case, the City and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 604. No Acceleration. Notwithstanding anything herein to the contrary, the Bonds are not subject to acceleration upon the occurrence of an event of default hereunder.

Section 605. No Obligation to Levy Taxes. Nothing contained in this Ordinance shall be construed as imposing on the City any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Bonds.

Section 606. Exception for Continuing Disclosure. This **Article VI** shall not apply to **Section 802** of this Ordinance regarding continuing disclosure requirements of the City set forth in the Continuing Disclosure Agreement, and Bondowners or Beneficial Owners of Bonds (as defined in the Continuing Disclosure Agreement) shall have no remedies for enforcement of said **Section 802** other than the remedies provided in said **Section 802** and the Continuing Disclosure Agreement.

ARTICLE VII**DEFEASANCE****Section 701. Defeasance.**

(a) When any or all of the Bonds or the interest payments thereon shall have been paid and discharged, then the requirements contained in this Ordinance and all other rights granted hereby shall terminate with respect to the Bonds or interest payments so paid and discharged. Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent or other commercial bank or trust company having full trust powers under the laws of the State of Missouri, at or prior to the Stated Maturity or Mandatory Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned thereon, will be sufficient for the payment of the principal or Mandatory Redemption Price of said Bonds, and/or interest to accrue on such Bonds to the Stated Maturity or Mandatory Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments..

(b) Any moneys and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the City, for the purpose of paying and discharging any of the Bonds or the interest payments thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of such Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

ARTICLE VIII**MISCELLANEOUS PROVISIONS****Section 801. Tax Covenants.**

(a) The City covenants and agrees that (1) it will comply with all applicable provisions of the Code necessary to maintain the exclusion from federal gross income of the interest on the Bonds and (2) comply with all provisions and requirements of the Federal Tax Agreement. The Mayor or Mayor Pro Tempore is hereby authorized to execute the Federal Tax Agreement in substantially the form attached hereto as **Exhibit F**, for and on behalf of and as the act and deed of the City. The City will also pass such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

(b) The covenants contained in this Section and in the Federal Tax Agreement shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article VII** of this Ordinance or any other provision of this Ordinance until the final Maturity of all Bonds Outstanding.

Section 802. Continuing Disclosure. The City is authorized to enter into the Continuing Disclosure Agreement in substantially the form attached hereto as **Exhibit E**. The Mayor, the Mayor Pro Tempore, the City Manager or the Director of Finance is authorized to execute the Continuing Disclosure Agreement, with such changes, omissions, insertions and revisions therein, as such official executing the Continuing Disclosure Agreement deems advisable. The execution of the Continuing Disclosure Agreement by the Mayor, the Mayor Pro Tempore, the City Manager or the Director of Finance, as attested by the City Clerk, shall be conclusive evidence of such approval. The Continuing Disclosure Agreement is subject to amendment and modification only as provided therein. Notwithstanding any other provision of this Ordinance, failure of the City to comply with the Continuing Disclosure Agreement shall not be considered a default under this Ordinance. Remedies for a default under the Continuing Disclosure Agreement shall be limited to those set forth in the Continuing Disclosure Agreement.

Section 803. Amendments.

(a) The Continuing Disclosure Agreement is exempt from the provisions of this **Section 803** and is subject to amendment and modification only as provided therein. The rights and duties of the City and the Bondowners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by ordinance of the City with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk, but no such modification or alteration shall:

- (1) extend the maturity of any payment of principal or interest due upon any Bond;
- (2) effect a reduction in the amount which the City is required to pay as principal of or interest on any Bond;
- (3) permit preference or priority of any Bond over any other Bond; or
- (4) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

(b) Any provision of the Bonds or of this Ordinance may, however, be amended or modified by ordinance duly adopted by the City Council at any time in any legal respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

(c) Without notice to or the consent of any Bondowners, the City may amend or supplement this Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein, or in connection with any other change therein which is not materially adverse to the security of the Bondowners.

(d) Every amendment or modification of the provisions of the Bonds or of this Ordinance to which the written consent of the Bondowners is given, as above provided, shall be expressed in an ordinance passed by the governing body of the City amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of this Ordinance of the City herein provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification. A

certified copy of every such amendatory or supplemental proceedings and a certified copy of this Ordinance shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental proceedings or of this Ordinance will be sent by the City Clerk to any such Bondowner or prospective Bondowner.

(e) The City shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Ordinance made hereunder which affects the duties or obligations of the Paying Agent under this Ordinance.

Section 804. Notices, Consents and Other Instruments by Bondowners.

(a) Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, other than the assignment of the ownership of a Bond, if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the City and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(1) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(2) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

(b) In determining whether the Registered Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds owned by the City shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Bondowners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Bondowners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Bondowners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the City.

Section 805. Further Authority. The officers of the City, including the Mayor, the Mayor Pro Tempore, the City Manager, the Director of Finance, and the City Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 806. Annual Audit.

(a) Annually, promptly after the end of the Fiscal Year, the City will cause an audit to be made of its funds and accounts for the preceding Fiscal Year by an independent public accountant or firm of independent public accountants.

(b) Within 30 days after the completion of each such audit and approval thereof by the City Council, a copy thereof shall be filed in the office of the City Clerk. Such audits filed in the office of the City Clerk shall at all times during the usual business hours of the City be open to the examination and inspection by any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such Registered Owner. A copy of any such audit will, upon request and upon receipt by the City of payment of the reasonable cost of preparing and mailing the same, be sent to any Bondowner or prospective Bondowner.

(c) As soon as possible after the completion of the annual audit, the City Council shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of the Ordinance, the City shall, subject to **Section 401** hereof, promptly cure such deficiency.

Section 807. Severability. If any section or other part of this Ordinance, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

Section 808. Governing Law. This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

Section 809. Electronic Storage of Documents. The City agrees that the transaction described herein may be conducted and related documents may be sent, stored and received by electronic means.

Section 810. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the City Council and approval by the Mayor.

[Remainder of this page intentionally left blank.]

APPROVED after final passage this 19th day of January, 2021.

(SEAL)

ATTEST:

CITY OF NEOSHO, MISSOURI

City Clerk

Mayor

APPROVED:

City Attorney

**SCHEDULE 1
TO BOND ORDINANCE**

FORM OF CERTIFICATE OF FINAL TERMS

**FOR
\$[Principal Amount]
CITY OF NEOSHO, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
SERIES 2021**

- 1. **Original Principal Amount** - Sections 101, 201 and 202: \$[_____].
- 2. **Purchaser** - Sections 101 and 211: Piper Sandler & Co., Leawood, Kansas, as original purchaser of the Bonds.
- 3. **Purchase Price** - Sections 101 and 211: \$[_____] (Original Principal Amount plus a premium of \$[_____] less an underwriting discount of \$[_____]), which underwriting discount is [_____] % of the Original Principal Amount.
- 4. **Dated Date, Maturity Schedule, Interest Payment Dates and Interest Rates:**
 - (a) **Interest Payment Dates** - Sections 101 and 202: Semiannually on April 1 and October 1, beginning [April 1, 2021].
 - (b) **Dated Date** - Sections 101 and 202: [February ____ 2021]
 - (c) **Maturity Schedule and Interest Rates** - Section 202: *(see table below)*

SERIAL BONDS

Stated Maturity	Principal	Annual Rate
<u>April 1</u>	<u>Amount</u>	<u>of Interest</u>

TERM BONDS*

Stated Maturity	Principal	Annual Rate
<u>April 1</u>	<u>Amount</u>	<u>of Interest</u>

*Term Bonds subject to mandatory redemption

5. **Mandatory Redemption - Section 301(b):**

(a) Term Bonds maturing April 1, 20__, shall be redeemed and paid as follows:

Year	Principal
<u>April 1</u>	<u>Amount</u>

*Final Maturity

6. **Refunded Bonds and Redemption of Refunded Bonds – (Recitals, Sections 101 and 510):**

The City will (1) pay on April 1, 2021, the principal of and interest on the Series 2013 Bonds scheduled to mature on April 1, 2021, and (2) redeem on April 1, 2021, the remaining outstanding Series 2013 Bonds scheduled to mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the April 1, 2021, redemption date (collectively, the “**Refunded Bonds**”), as further identified below:

Refunded Bonds

<u>Series of Bonds</u>	<u>Principal Amount Refunded</u>	<u>Interest Rate</u>	<u>Maturities Refunded</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
Series 2013 Bonds	\$205,000	2.500%	04/01/2021	N/A ⁽¹⁾	N/A ⁽¹⁾
	415,000	2.800	04/01/2023	04/01/2021	100%
	445,000	3.100	04/01/2025	04/01/2021	100%
	<u>765,000</u>	3.250	04/01/2027	04/01/2021	100%
Total	\$1,830,000				

⁽¹⁾ The Refunded Bonds scheduled to mature on April 1, 2021, are not subject to redemption prior to maturity and the principal and interest due on the Refunded Bonds scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Bonds Escrow Fund.

7. **Refunded Certificates and Prepayment of Refunded Certificates – (Recitals, Sections 101 and 511):**

In order to City’s option to purchase the Refunded Certificates Trustee’s interest in the leased property under the Refunded Lease, the City will (a) pay on April 1, 2021, the principal portion and interest portion of basic rent scheduled to become due under the Refunded Lease on April 1, 2021, represented by the Series 2014A Certificates scheduled to mature on April 1, 2021, and (b) prepay on April 1, 2021, the remaining principal portions of basic rent payments scheduled to become due under the Refunded Lease on April 1, 2022, and thereafter, represented by the Series 2014A Certificates scheduled to mature on April 1, 2022, and thereafter, at a prepayment price equal to 100% of the outstanding principal portions of basic rent represented by said Series 2014A Certificates, plus the interest portion of basic rent represented by said Series 2014A Certificates accrued thereon to the April 1, 2021, prepayment date (collectively, the “**Refunded Certificates**”), as further identified below:

Refunded Certificates

<u>Series of Certificates</u>	<u>Principal Portion Prepaid</u>	<u>Interest Rate</u>	<u>Maturities Prepaid</u>	<u>Prepayment Date</u>	<u>Prepayment Price</u>
Series 2014A Certificates	\$230,000	3.000%	04/01/2021	N/A ⁽¹⁾	N/A ⁽¹⁾
	240,000	2.500	04/01/2022	04/01/2021	100%
	245,000	2.750	04/01/2023	04/01/2021	100%
	515,000	3.000	04/01/2025	04/01/2021	100%
	<u>610,000</u>	3.250	04/01/2027	04/01/2021	100%
Total	\$1,840,000				

⁽¹⁾ The Refunded Certificates scheduled to mature on April 1, 2021, are not subject to prepayment prior to maturity and the principal portion and interest portion of basic rent due under the Refunded Lease and distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Certificates Escrow Fund.

8. Compliance with provisions of Section 202(b) of the Ordinance:

- (a) **Original Principal Amount of the Bonds (*not to exceed \$3,300,000*) – Section 202(b)(1):**\$[_____]
- (b) **True Interest Cost on the Bonds (*not to exceed 2.00%*) – Section 202(b)(2):** _____%
- (c) **Underwriter’s discount specified in the Purchase Price of the Bonds (*not to exceed 1.00% of the Original Principal Amount of the Bonds*) – Section 202(b)(3):** _____%
- (d) **Final Stated Maturity of the Bonds (*not later than April 1, 2027*) – Section 202(b)(4):**April 1, _____
- (e) **Net present value savings resulting from the refunding of the Refunded Bonds (*not less than 2.50% of the principal amount of the Refunded Bonds*) Section 202(b)(5):**\$[_____]
or [_____] % of the principal amount of the Refunded Bonds
- (f) **Net present value savings resulting from the refunding of the Refunded Certificates (*not less than 2.50% of the principal amount of the Refunded Certificates*) Section 202(b)(6):**\$[_____]
or [_____] % of the principal amount of the Refunded Certificates

9. Deposit of Purchase Price of Bonds - Section 502: The Purchase of the Bonds in the amount of \$[_____] shall be deposited simultaneously with the delivery of the Bonds as follows:

- (a) the amount of \$[_____] from the Purchase Price of the Bonds, together with \$[_____] contributed by the City from funds on deposit in the bond reserve fund for the Refunded Bonds, shall be deposited in the Refunded Bonds Escrow Fund and used by the Refunded Bonds Escrow Agent to purchase Escrowed Securities and to establish an initial cash balance in the Refunded Bonds Escrow Fund in order to provide for (1) the payment on April 1,

2021, of the principal and interest due on the Refunded Bonds scheduled to mature on April 1, 2021, and (2) the redemption on April 1, 2021, of the remaining outstanding Refunded Bonds scheduled to mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the April 1, 2021, redemption date; and

(b) the amount of \$[] from the Purchase Price of the Bonds, together with \$[] from funds on deposit in the reserve fund for the Refunded Certificates held by the Refunded Certificates Trustee, shall be deposited in the Refunded Certificates Escrow Fund and used by the Refunded Certificates Escrow Agent to purchase Escrowed Securities and to establish an initial cash balance in the Refunded Certificates Escrow Fund in order to exercise the City’s option to purchase the Refunded Certificates Trustee’s interest in the leased property under the Refunded Lease by providing for (1) the payment on April 1, 2021, of the principal portion and interest portion of basic rent scheduled to become due under the Refunded Lease on April 1, 2021, represented by the Refunded Certificates scheduled to mature on April 1, 2021, and (b) the prepayment on April 1, 2021, of the remaining principal portions of basic rent payments scheduled to become due under the Refunded Lease on April 1, 2022, and thereafter, represented by the Refunded Certificates scheduled to mature on April 1, 2022, and thereafter, at a prepayment price equal to 100% of the outstanding principal portions of basic rent represented by Refunded Certificates, plus the interest portion of basic rent accrued thereon to the April 1, 2021, prepayment date; and

(c) the remaining proceeds received from the Purchase Price of the Bond (\$[]) shall be deposited in the Costs of Issuance Fund and disbursed by the Director of Finance on orders of the City Council to pay the costs of issuing the Bonds, including the fees of Bond Counsel, other attorneys, financial consultants, accountants, rating agencies, printers and others employed to render professional services and other costs, fees and expenses incurred in connection with the issuance of the Bonds. Upon the payment in full of said costs of issuance, any remaining money in the Cost of Issuance Fund will be transferred to the Bond Fund and shall be applied in accordance with **Section 503** of the Ordinance.

APPROVED this []th day of January, 2021.

Mayor

(SEAL)

ATTEST:

City Clerk

**EXHIBIT A
TO ORDINANCE**

(FORM OF BONDS)

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE DESCRIBED HEREIN), THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (DESCRIBED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**Registered
No. _____**

**Registered
\$ _____**

**CITY OF NEOSHO, MISSOURI
SPECIAL OBLIGATION REFUNDING BOND
SERIES 2021**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP Number</u>
	April 1, 20__	February __, 2021	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THE CITY OF NEOSHO, MISSOURI, a constitutional charter city and a political subdivision of the State of Missouri (the “**City**”), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon, but solely from the source and in the manner herein specified, at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on April 1 and October 1 in each year, beginning on [April 1, 2021], until said Principal Amount has been paid.

The Principal Amount [****or Mandatory Redemption Price****] of this Bond shall be paid at Maturity or upon earlier [****mandatory redemption****] by check, draft or electronic transfer to the Person in whose name this Bond is registered at the Maturity or [****Mandatory Redemption Date****] thereof, upon presentation and surrender of this Bond at the payment office of **UMB Bank, N.A.**, Kansas City, Missouri (the “**Paying Agent**”). The interest payable on this Bond on any Interest Payment Date shall be paid to the Person in whose name this Bond is registered on the Bond Register at the close of business on the Record Date for such interest (being the 15th day, whether or not a Business Day, of the calendar

month next preceding the Interest Payment Date) by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or, in the case of an interest payment to the Securities Depository or any Registered Owner, by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest (being the 15th day, whether or not a Business Day, of the calendar month next preceding the Interest Payment Date), containing the electronic transfer instructions including the bank (which shall be in the continental United States), address, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee may be applicable.

This Bond is one of an authorized series of bonds of the City designated “Special Obligation Refunding Bonds, Series 2021,” aggregating the principal amount of \$[Principal Amount] (the “**Bonds**”), issued by the City for the purpose of providing funds, together with other available funds of the City, to refund and redeem certain outstanding obligations of the City and paying the costs of issuance of the Bonds, under the authority of and in full compliance with the constitution and laws of the State of Missouri, the City’s Charter, and pursuant to ordinance duly passed by the City Council (herein called the “**Ordinance**”). *Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance.*

The Bonds are not subject to optional redemption prior to Stated Maturity.

[[The Bonds are subject to mandatory redemption and payment prior to maturity in the amounts and on the dates in accordance with and pursuant to the mandatory redemption requirements of the Ordinance, at a Mandatory Redemption Price equal to 100% of the Principal Amount thereof plus accrued interest to the Mandatory Redemption Date.]]

The Bonds shall be special obligations of the City payable as to both principal and interest solely from annual appropriations of legally available funds by the City Council for such purpose. The obligation of the City to make payments into the Bond Fund and for any other obligations of the City under the Ordinance do not constitute a general obligation or indebtedness of the City for which the City is obligated to levy or pledge any form of taxation, or for which the City has levied or pledged any form of taxation and shall not be construed to be a debt of the City in contravention of any applicable constitutional, statutory or City Charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor (i) out of the legally available income and revenues of the City provided for such Fiscal Year plus (ii) any unencumbered balances for previous Fiscal Years.

The Bonds are issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. This Bond may be exchanged at the office of the Paying Agent for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations upon the terms provided in the Ordinance.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One Bond certificate with respect to each date on which the Bonds are stated to mature, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository’s participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The City and the Paying Agent will recognize the Securities

Depository nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfers of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfers of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The City and the Paying Agent will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of and interest on this Bond shall be made in accordance with existing arrangements among the City, the Paying Agent and the Securities Depository.

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the principal payment office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination having the same Maturity Date and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The City and the Paying Agent may deem and treat the Person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or [****Mandatory Redemption Price****] hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions and things required to be done and to exist precedent to and in the issuance of the Bonds have been done and performed and do exist in due and regular form and manner as required by the constitution and laws of the State of Missouri.

IN WITNESS WHEREOF, CITY OF NEOSHO, MISSOURI, has caused this Bond to be executed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk and its official seal to be affixed or imprinted hereon.

CERTIFICATE OF AUTHENTICATION

CITY OF NEOSHO, MISSOURI

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

By: _____
Mayor

Registration Date: _____

UMB BANK, N.A.,
Paying Agent

(Seal)

ATTEST:

By _____
Authorized Officer or Signatory

City Clerk

ASSIGNMENT

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

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bond on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

By: _____
Title: _____

EXHIBIT B
TO ORDINANCE

FORM OF ESCROW TRUST AGREEMENTS

[See Attached]

Gilmore & Bell, P.C.
Draft v2 – December 30, 2020

ESCROW TRUST AGREEMENT

Dated as of February 11, 2021

BETWEEN

CITY OF NEOSHO, MISSOURI

AND

UMB BANK, N.A.,
as Escrow Agent

Entered in Connection with the
Refunding, Payment and Discharge of
an issue of Special Obligation Refunding Bonds, Series 2013
of the City of Neosho, Missouri

ESCROW TRUST AGREEMENT

THIS ESCROW TRUST AGREEMENT dated as of February 11, 2021 (the “**Escrow Agreement**”), is by and between **CITY OF NEOSHO, MISSOURI**, constitutional charter city and political subdivision organized and existing under the laws of the State of Missouri (the “**City**”), and **UMB BANK, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, as Escrow Agent (the “**Escrow Agent**”).

RECITALS:

1. The City has heretofore duly authorized and issued its Special Obligation Refunding Bonds, Series 2013 (the “**Series 2013 Bonds**”), and has determined to refund all of the Series 2013 Bonds scheduled to mature on April 1, 2021, and thereafter, outstanding in the aggregate principal amount of \$1,830,000 (the “**Refunded Bonds**”), described as follows:

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
04/02/2013	04/01/2021	\$205,000	2.500%	640629 BD2	N/A ⁽¹⁾	N/A ⁽¹⁾
04/02/2013	04/01/2023	415,000 ⁽¹⁾	2.800	640629 BE0	04/01/2021	100.000%
04/02/2013	04/01/2025	445,000 ⁽¹⁾	3.100	640629 BF7	04/01/2021	100.000
04/02/2013	04/01/2027	765,000 ⁽¹⁾	3.250	640629 BG5	04/01/2021	100.000

⁽¹⁾ The Refunded Bonds scheduled to mature on April 1, 2021, are not subject to redemption prior to maturity and the principal and interest due on the Refunded Bonds scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Bonds Escrow Fund.

⁽²⁾ The Refunded Bonds scheduled to mature on April 1, 2023, April 1, 2025, and April 1, 2027, will include the following mandatory redemption amounts:

<u>Refunded Bonds Maturing April 1, 2023</u>		<u>Refunded Bonds Maturing April 1, 2025</u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>	<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
<u>April 1</u>		<u>April 1</u>	
2022	\$205,000	2024	\$215,000
2023 ⁺	210,000	2025 ⁺	230,000

<u>Refunded Bonds Maturing April 1, 2027</u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
<u>April 1</u>	
2026	\$235,000
2027 ⁺	530,000

⁺ Final Maturity

2. The Refunded Bonds maturing on April 1, 2022, and thereafter will be subject to redemption prior to maturity on April 1, 2021 (the “**Redemption Date**”) as shown on **Schedule 1** attached hereto.

3. Pursuant to an ordinance passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms executed by the Mayor of the City on January [____], 2021 (collectively, the “**Ordinance**”), the City has heretofore authorized the sale and delivery of an issue of Special Obligation Refunding Bonds, Series 2021, in the aggregate principal amount of \$[Principal Amount] (the “**Series 2021 Bonds**”), for the purpose of, among other things, providing funds, together with funds on deposit in the

bond reserve fund for the Refunded Bonds, to (a) pay on April 1, 2021, the principal of and interest on the Refunded Bonds maturing and becoming due on April 1, 2021, and (2) redeem, on the Redemption Date (April 1, 2021), the remaining outstanding Refunded Bonds scheduled to mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal thereof, plus accrued interest thereon to Redemption Date (April 1, 2021).

4. As provided herein, a portion of the net proceeds from the sale of the Series 2021 Bonds in the amount of \$[_____], together with \$[_____] transferred by the City from moneys on deposit in the bond reserve fund for the Refunded Bonds, will be deposited with the Escrow Agent in the Escrow Fund (hereinafter defined). The City will direct the Escrow Agent to use such moneys to purchase Escrowed Securities (hereinafter defined) described in **Schedule 2** hereto, which Escrowed Securities, together with cash to be held uninvested by the Escrow Agent in the Escrow Fund, will mature in such principal amounts and at such times as shall be sufficient, together with interest to accrue on such Escrowed Securities, to (a) pay, on April 1, 2021, the principal of and interest on the Refunded Bonds scheduled to become due and mature on April 1, 2021, and (b) redeem, on the Redemption Date (April 1, 2021), the remaining outstanding Refunded Bonds scheduled to mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal thereof, plus accrued interest thereon to the Redemption Date (April 1, 2021).

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

1. **Definitions.** In addition to the terms defined in the Recitals of this Agreement, the following words and terms used in this Agreement shall have the following meanings:

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

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

“**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 noncallable obligations of, or the noncallable obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America listed on **Schedule 2** attached hereto and any Substitute Escrowed Securities.

“**Paying Agent**” means UMB Bank, N.A. (successor to Commerce Bank), as paying agent for the Refunded Bonds.

“**Redemption Date**” means April 1, 2021.

“**Refunded Bonds**” means all of the outstanding Series 2013 Bonds in the aggregate principal amount of \$1,830,000.

“**Refunded Bonds Ordinance**” means Ordinance No. 15-2013 passed by the City Council of the City on March 27, 2013, authorizing the issuance of the Series 2013 Bonds.

“**Series 2013 Bonds**” means the Special Obligation Refunding Bonds, Series 2013, dated April 2, 2013, issued by the City referred to in the recitals to this Agreement.

“**Series 2021 Bonds**” means the \$[Principal Amount] aggregate principal amount of the Special Obligation Refunding Bonds, Series 2021, of the City referred to in the recitals to this Agreement.

“**Series 2021 Bond Ordinance**” means, collectively, the Ordinance passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms executed by the Mayor on January [___], 2021, authorizing the issuance of the Series 2021 Bonds.

“**State**” means the State of Missouri.

“**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 true and correct copies of the Series 2021 Bond Ordinance and the Refunded Bonds Ordinance, 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 such provisions 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 “Escrow Fund for Special Obligation Refunding Bonds, Series 2013” (the “**Escrow Fund**”).

[****4. Verification of Certified Public Accountants.** Robert Thomas CPA, LLC, Shawnee Mission, Kansas, Certified Public Accountants, have verified the mathematical computations performed by Piper Sandler & Co., the underwriter of the Series 2021 Bonds, 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 (a) pay on April 1, 2021, the principal of and interest on the Refunded Bonds scheduled to mature and become due on April 1, 2021, and (b) redeem on the Redemption Date (April 1, 2021), the remaining outstanding Refunded Bonds scheduled mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date (April 1, 2021). A copy of the verification report has been delivered to the City, the Paying Agent and the Escrow Agent concurrently with the execution and delivery of this Agreement.**]

5. Deposits to the Escrow Fund. Concurrently with the execution and delivery of this Agreement, and pursuant to the provisions of the Series 2021 Bond Ordinance, the Escrow Agent acknowledges receipt and deposit into the Escrow Fund of (a) \$[_____] from the proceeds of the Series 2021 Bonds and (b) \$[_____] from moneys on deposit in the bond reserve fund for the Refunded Bonds (aggregating \$[_____] in total). The Escrow Agent shall apply such amount as follows:

(a) \$[] shall be used to purchase the Escrowed Securities described in **Schedule 2** hereto, which shall be delivered to and deposited in the Escrow Fund; and

(b) \$[] shall be held uninvested in the Escrow Fund as a beginning cash 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 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, except as provided in **Section 7(e)** hereof, and shall be applied solely for (a) payment of the principal and interest on the Refunded Bonds maturing and becoming due and payable on April 1, 2021 (b) redeem the remaining outstanding Refunded Bonds maturing on and after April 1, 2022, on the Redemption Date (April 1, 2021), at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date (April 1, 2021).

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 the Redemption Date (April 1, 2021), the Escrow Agent shall withdraw from the Escrow Fund an amount equal to (i) the principal of and interest on the Refunded Bonds maturing and becoming due and payable on April 1, 2021, and (ii) the principal of and accrued interest on the Refunded Bonds maturing on and after April 1, 2022, to be redeemed prior to maturity on the Redemption Date (April 1, 2021), as set forth in **Schedule 1** attached hereto, and shall forward such amount to the offices of the Paying Agent, so that immediately available funds will reach the offices of the Paying Agent on or before **12:00 noon**, Central Standard Time, on the Redemption Date (April 1, 2021). 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 in accordance with the maturity schedule 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 cash and Escrowed Securities in the Escrow Fund.

(c) Any other cash held from time to time in the Escrow Fund shall be held uninvested.

(d) Notwithstanding any other provisions of this Agreement, the City and the Escrow Agent hereby covenant that no part of the proceeds of the Series 2021 Bonds 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 2021 Bonds would have caused any of the Series 2021 Bonds or the Refunded Bonds to be an "arbitrage bond" under Section 148 of the Code.

(e) Upon the payment in full of the principal of and accrued interest on the Refunded Bonds on the Redemption Date as described in subsection (b) above, all remaining money and Escrowed Securities in the Escrow Fund, together with any interest thereon, shall be transferred to the City for deposit in the bond fund for the Series 2021 Bonds.

8. Substitute Escrowed Securities.

(a) If any of the Escrowed Securities are not available for delivery on the date of the delivery of the Series 2021 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 (excluding any interest after any optional call date) is equal to or greater than the maturity value of such unavailable Escrowed Securities;

(3) the principal of and interest on the substitute securities is payable on or before the maturity date of the unavailable Escrowed Securities;

(4) the Escrow Agent receives from an independent certified public accountant a certification addressed to the Escrow Agent and Bond Counsel, satisfactory in form and substance to the Escrow Agent, to the effect that after such substitution, the principal of and interest on the Escrowed Securities to be held in 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 Escrow Fund after such transaction, will be sufficient to (i) pay the principal of and interest on the Refunded Bonds scheduled to mature and become due on April 1, 2021, and (ii) pay all principal of and accrued interest on the Refunded Bonds maturing on April 1, 2022, and thereafter on the Redemption Date pursuant to **Schedule 1** attached hereto; and

(5) the Escrow Agent receives an opinion of Bond Counsel to the effect that such substitution is permitted hereunder and will not cause the interest on the Refunded Bonds to become included in gross income for purposes of federal income taxation under then existing law.

(b) If the original Escrowed Securities become available and are tendered to the Escrow Agent by or on behalf of the original purchaser of the Series 2021 Bonds, the Escrow Agent shall accept such Escrowed Securities, shall return the substitute securities as directed in writing by such original purchaser and shall notify Bond Counsel and the City of the transaction.

(c) At the written request of the City 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 addressed to the Escrow Agent and Bond Counsel, satisfactory in form and substance to Bond Counsel, to the effect that after such substitution:

(A) the principal of and interest on the Escrowed Securities to be held in 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 Escrow Fund after such transaction, will be sufficient to (i) pay the principal of and interest on the Refunded Bonds scheduled to mature and become due on April 1, 2021, and (ii) pay all principal of and accrued interest on the Refunded Bonds maturing on April 1, 2022, and thereafter on the Redemption Date pursuant to **Schedule 1** attached hereto;

(B) the amounts and dates of the anticipated transfers from the Escrow Fund to the Paying Agent 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 Refunded Bonds to become included in gross income for purposes of federal income taxation under then existing law.

(d) In the event that any such substitution results in cash held in the Escrow Fund in excess of the cash required for the certification of an independent certified public accountant referred to in this **subsection (c)** (as evidenced by such certification), the Escrow Agent shall, at the request of the City, withdraw such excess from the Escrow Fund and pay such excess to the City; 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 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 (i) the City has elected to call the Refunded Bonds, as described in **Schedule 1** hereto, for redemption and payment prior to maturity, and (ii) the City has instructed the Escrow Agent, as Paying Agent for the Refunded Bonds, to give a notice of refunding and redemption of such Refunded Bonds, in substantially the form of **Exhibit A** attached hereto, on behalf of the City pursuant to the requirements of the Refunded Bonds Ordinance to the owners thereof by mailing a copy of the applicable redemption notice by first class mail at least 30 days prior to the date fixed for redemption to the owner of each Refunded Bond to be redeemed at the address shown on the registration books maintained by such Paying Agent.

(b) The Escrow Agent agrees to take such further action as may be within its power and (i) which is necessary to comply with the provisions of the Refunded Bonds Ordinance concerning notice of redemption for the Refunded Bonds, and (ii) which may be reasonably requested by the City or the Paying Agent for the Refunded Bonds, to cause the redemption of said Refunded Bonds in the principal amounts and at the time set forth in **Schedule 1** hereto.

10. 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, claim or set off right whatsoever on or against 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, any amounts due and owing to the Escrow Agent by the City, 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 held in the Escrow Fund to pay the Refunded Bonds. So long as the Escrow Agent applies the Escrowed Securities and money held in the Escrow Fund 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 to be held in trust for the holders of the 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) All covenants, stipulations, promises, agreements and obligations of the Escrow Agent contained in this Agreement shall be deemed to be the respective limited covenants, stipulations, promises, agreements and obligations of the Escrow Agent, and not of any officer, employee or agent of the Escrow Agent, nor of any incorporator, employee or agent of any successor corporation to the Escrow Agent, in its individual capacity. No recourse shall be had against any such individual, either directly or otherwise under or upon any obligation, covenant, stipulation, promise or agreement contained herein or in any other documents executed in connection therewith.

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

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

(g) No provision of this Agreement shall be construed to relieve the Escrow Agent from liability for its own negligent action, its own negligent failure to act, or its willful misconduct, except that 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 proved that the Escrow Agent was negligent in ascertaining the pertinent facts.

(h) Whether or not therein expressly so provided, every provision of this 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.

11. Fees and Costs of the Escrow Agent.

(a) 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 is a one-time fee in the amount of \$500.00, to be paid from the Series 2021 Bond proceeds on deposit with the City, in accordance with the Series 2021 Bond Ordinance, concurrently with the issuance and delivery of the Series 2021 Bonds.

(b) 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.

(c) 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 fee theretofore paid by the City to the Escrow Agent for its services under this Agreement.

12. Resignation or Removal of Escrow Agent; Successor Escrow Agent.

(a) 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 and the Paying Agent and by first class mail, postage prepaid, to all of the owners 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 of the resignation, the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent) by the City, 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.

(b) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent 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 first class 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 if the Escrow Agent fails to make timely payment to the Paying Agent of the amounts required to be paid by it on the Redemption Date (April 1, 2021) under **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 to the Paying Agent and by first class mail, postage prepaid, to all registered owners of such Refunded 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, 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.

(c) If the Escrow Agent shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, the City shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the City in the manner above provided, and any such temporary Escrow Agent so appointed by the City shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

(d) If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by the City 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, 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.

(e) No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be 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 shall have at the time of appointment capital and surplus of not less than \$50,000,000.

(f) Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor 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 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.

(g) 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, 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.

13. 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.

14. Amendments to this Agreement.

(a) This Escrow Agreement is made for the benefit of the City 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, and the City; provided, however, that the City and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the security of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

(1) to cure any ambiguity or formal defect or omission in this Agreement;

(2) to grant to, or confer upon, the Escrow Agent for the benefit of the owners 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

(3) to subject to this Agreement additional funds, securities or properties.

(b) 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 owners of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

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

16. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by the Indenture, the Refunded Indenture or this Agreement to be given to or filed with the City or the Escrow Agent if the same shall be duly mailed by first class mail addressed:

(a) If to the City:

City of Neosho, Missouri
203 E. Main Street
Neosho, Missouri 64850
Attention: Director of Finance

(b) To the Paying Agent and the Escrow Agent:

UMB Bank, N.A.
928 Grand Blvd.
Kansas City, Missouri 64106
Attention: Corporate Trust Department

17. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City 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.

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

19. Governing Law. This Escrow Agreement shall be governed by the applicable law of the State of Missouri.

20. Counterparts. This Escrow 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.

21. Electronic Storage of Documents. The transaction described herein may be conducted and related documents may be sent, stored and received 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.

[Remainder of page intentionally left 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 NEOSHO, MISSOURI

(SEAL)

By: _____
Name: Carmin Allen
Title: Mayor

ATTEST:

Name: Cheyenne Wright
Title: City Clerk

UMB BANK, N.A.

(Seal)

By _____
Name:
Title:

ATTEST:

Name:
Title:

**SCHEDULE 1
TO ESCROW TRUST AGREEMENT**

PAYMENT SCHEDULE FOR REFUNDED BONDS

Payment Date	<u>Principal</u>	<u>Interest</u>	Redeemed <u>Principal</u>	Total <u>Payment</u>
04/01/2021 ⁽¹⁾	\$205,000.00_	\$[_____]	\$1,625,000.00 ⁽¹⁾	\$[_____]

⁽¹⁾ Reflects the entire \$1,625,000 outstanding principal amount of the Refunded Bonds maturing on April 1, 2022, and thereafter, being called for redemption on April 1, 2021.

**SCHEDULE 2
TO ESCROW TRUST AGREEMENT**

SCHEDULE OF ESCROWED SECURITIES

EXHIBIT A

NOTICE OF DEFEASANCE AND REDEMPTION

CITY OF NEOSHO, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
SERIES 2013

DATED: APRIL 2, 2013

NOTICE IS HEREBY GIVEN that the City of Neosho, Missouri (the “City”), has refunded and made provision for the payment, discharge and defeasance of the above-described bonds in the aggregate principal amount of **\$1,830,000**, as more fully described below (the “**Refunded Bonds**”) in accordance with the requirements of the Ordinance of the City authorizing the issuance of said Refunded Bonds. Such provision has been made pursuant to a current refunding of the Refunded Bonds and by the depositing of sufficient moneys and direct obligations of the United States of America which, together with the interest to be earned on such obligations, will be sufficient (1) to pay, on April 1, 2021, the principal of and interest on the Refunded Bonds scheduled to mature on April 1, 2021, and (2) to redeem prior to maturity, on April 1, 2021 (the “**Redemption Date**”), all of the Refunded Bonds scheduled to mature on April 1, 2022, and thereafter remaining outstanding on such date (as shown in the table below) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date. Said moneys and securities have been deposited in an irrevocable escrow fund for the Refunded Bonds pursuant to an Escrow Trust Agreement dated as of February 11, 2021, between the City and UMB Bank, N.A., Kansas City, Missouri, as escrow agent. Consequently, all of the Refunding Bonds are deemed to be paid and discharged within the meaning of said Ordinance.

The Refunded Bonds are further described below:

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
04/02/2013	04/01/2021 ⁽¹⁾	\$205,000	2.500%	640629 BD2	N/A ⁽¹⁾	N/A ⁽¹⁾
04/02/2013	04/01/2023	415,000 ⁽²⁾	2.800	640629 BE0	04/01/2021	100.00%
04/02/2013	04/01/2025	445,000 ⁽²⁾	3.100	640629 BF7	04/01/2021	100.00%
04/02/2013	04/01/2027	765,000 ⁽²⁾	3.250	640629 BG5	04/01/2021	100.00%

⁽¹⁾ The Refunded Bonds scheduled to mature on April 1, 2021, are not subject to redemption prior to maturity and the principal and interest due on the Refunded Bonds scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Bonds Escrow Fund.

⁽²⁾ The Refunded Bonds scheduled to mature on April 1, 2023, April 1, 2025, and April 1, 2027, are subject to mandatory redemption and will include the following mandatory redemption amounts:

<u>Refunded Bonds Maturing April 1, 2023</u>		<u>Refunded Bonds Maturing April 1, 2025</u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>	<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
<u>April 1</u>		<u>April 1</u>	
2022	\$205,000	2024	\$215,000
2023 ⁺	210,000	2025 ⁺	230,000

<u>Refunded Bonds Maturing April 1, 2027</u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
<u>April 1</u>	
2026	\$235,000
2027 ⁺	530,000

The CUSIP numbers are included solely for the convenience of the owners. The City and the Paying Agent are not responsible for the use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in this notice or as printed on any Bond.

The Refunded Bonds maturing on April 1, 2022, and thereafter have been called for optional prepayment and will be redeemed on the Redemption Date (**April 1, 2021**), in accordance with the requirements of the Ordinance, at UMB Bank, N.A. (as successor paying to Commerce Bank), 928 Grand Boulevard, Kansas City, Missouri 64106, Attn: Corporate Trust Department, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the Redemption Date (**April 1, 2021**). The redemption price of the Refunded Bonds will be due and payable on the Redemption Date (**April 1, 2021**) and the Refunded Bonds will cease to bear interest from and after Redemption Date (**April 1, 2021**).

Dated: _____, 2021

UMB BANK, N.A., as Paying Agent

Gilmore & Bell, P.C.
Draft v2 – December 30, 2020

ESCROW TRUST AGREEMENT

AND

RESTATED LEASE AGREEMENT

Dated as of February 11, 2021

BETWEEN

CITY OF NEOSHO, MISSOURI

AND

UMB BANK, N.A.

**Entered in Connection with the
Payment and Discharge of the
Tax-Exempt Refunding Certificates of Participation, Series 2014A
Evidencing Proportionate Interests of the Owners Thereof in Basic Rent Payments to be Made by the
CITY OF NEOSHO, MISSOURI, as Lessee,
Pursuant to an Annually-Renewable Lease Purchase Agreement dated as of August 1, 2014
With UMB BANK, N.A. (as successor trustee to Commerce Bank), as Trustee and Lessor**

**ESCROW TRUST AGREEMENT
AND
RESTATED LEASE AGREEMENT**

THIS ESCROW TRUST AGREEMENT AND RESTATED LEASE AGREEMENT dated as of February 11, 2021 (the “**Escrow Agreement**”), is by and between **CITY OF NEOSHO, MISSOURI**, a constitutional charter city and political subdivision organized and existing under the laws of the State of Missouri (the “**City**”), and **UMB BANK, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, as Escrow Agent (the “**Escrow Agent**”).

RECITALS:

1. Pursuant to a Declaration of Trust dated as of August 1, 2014 (the “**2014 Declaration of Trust**”), granted by UMB Bank, N.A., as trustee (the “**Refunded Certificates Trustee**”), the Refunded Certificates Trustee has hereto for executed and delivered a series of Tax-Exempt Refunding Certificates of Participation, Series 2014A (the “**Series 2014A Certificates**”) in the original principal amount of \$3,035,000. The Series 2014A Certificates evidence interests of the owners thereof in the right to receive basic rent payments to be paid by the City pursuant to an annually-renewable Lease Purchase Agreement dated as of August 1, 2014 (the “**Refunded Lease**”) between the Refunded Certificates Trustee, as lessor and trustee, and the City, as lessee.

2. The City intends to provide for the payment, defeasance and discharge, of all of the outstanding Series 2014A Certificates in the aggregate principal amount of \$1,840,000 through (1) the payment on April 1, 2021, of the principal portion and interest portion of the basic rent payments represented by the Series 2014A Certificates scheduled to become due on April 1, 2021, and (2) the prepayment on April 1, 2021, of the remaining principal portion of the basic rent payments represented by the Refunded Certificates scheduled to become due on April 1, 2022, and thereafter, and accrued interest portion attributable thereto, as further described below and as shown in **Schedule 1** attached hereto (collectively, the “**Refunded Certificates**”):

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Prepayment Date</u>	<u>Prepayment Price</u>
08/15/2014	04/01/2021 ⁽¹⁾	\$230,000	3.000%	640600 FL1	N/A ⁽¹⁾	N/A ⁽¹⁾
08/15/2014	04/01/2022	240,000	2.5000	640600 FM9	04/01/2021	100.000%
08/15/2014	04/01/2023	245,000	2.750	640600 FN7	04/01/2021	100.000
08/15/2014	04/01/2025	515,000 ⁽²⁾	3.000	640600 FP2	04/01/2021	100.000
08/15/2014	04/01/2027	610,000 ⁽²⁾	3.250	640600 FQ0	04/01/2021	100.000

⁽¹⁾ The Refunded Certificates scheduled to mature on April 1, 2021, are not subject to prepayment prior to maturity and the principal portion and interest portion of basic rent due under the Refunded Lease and distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Certificates Escrow Fund.

⁽²⁾ The Refunded Certificates scheduled to mature on April 1, 2025 and April 1, 2027, will include the following mandatory prepayment amounts (see next page):

<u>Refunded Certificates Maturing April 1, 2025</u>		<u>Refunded Certificates Maturing April 1, 2027</u>	
<u>Mandatory Prepayment Date</u>	<u>Principal Amount</u>	<u>Mandatory Prepayment Date</u>	<u>Principal Amount</u>
<u>April 1</u>		<u>April 1</u>	
2024	\$255,000	2026	\$280,000
2025 ⁺	260,000	2027 ⁺	330,000

⁺ Final Maturity

4. Pursuant to an ordinance passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms executed by the Mayor of the City on January 21, 2021 (collectively, the “**Ordinance**”), the City has heretofore authorized the sale and delivery of an issue of Special Obligation Refunding Bonds, Series 2021, in the aggregate principal amount of \$[Principal Amount] (the “**Series 2021 Bonds**”), for the purpose of, among other things, providing funds, together with funds on deposit in the reserve fund for the Refunded Certificates, to pay, prepay and defease the Refunded Certificates on April 1, 2021 (the “**Prepayment Date**”); and

5. As provided herein, a portion of the net proceeds from the sale of the Series 2021 Bonds in the amount of \$[_____], together with \$[_____] from moneys on deposit in the reserve fund for the Refunded Certificates transferred by the Refunded Certificates Trustee, will be deposited with the Escrow Agent in the Escrow Fund (hereinafter defined). The City will direct the Escrow Agent to use such moneys to purchase Escrowed Securities (hereinafter defined) described in **Schedule 2** hereto, which Escrowed Securities, together with cash to be held uninvested by the Escrow Agent in the Escrow Fund, will mature in such principal amounts and at such times as shall be sufficient, together with interest to accrue on such Escrowed Securities, to (a) pay, on April 1, 2021, the principal portion and interest portion of basic rent payments due under the Refunded Lease on April 1, 2021, and distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2021, and (b) prepay on the Prepayment Date (April 1, 2021), the remaining principal portions of basic rent payments scheduled to become due under the Refunded Lease on April 1, 2022, and thereafter, distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2022, and thereafter, at a prepayment price equal to 100% of the outstanding principal portions of basic rent represented such Refunded Certificates, plus the interest portion of basic rent accrued thereon to the Prepayment Date (April 1, 2021).

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

1. **Definitions.** In addition to the terms defined in the Recitals of this Agreement, the following words and terms used in this Agreement shall have the following meanings:

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

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

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

“**Escrow Agent**” means UMB Bank, N.A., Kanss 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 noncallable obligations of, or the noncallable obligations

the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America listed on **Schedule 2** attached hereto and any Substitute Escrowed Securities.

“Prepayment Date” means April 1, 2021.

“Refunded Certificates” means all of the outstanding Tax-Exempt Refunding Certificates of Participation, Series 2014A, in the aggregate principal amount of \$1,840,000.

“Refunded Certificates Trustee” means UMB Bank, N.A. (as successor trustee to Commerce Bank), as the trustee and paying agent for the Refunded Certificates as provided in the Refunded Declaration of Trust, and any successor or successors at the time acting as paying agent for any of the Refunded Certificates.

“Refunded Declaration of Trust” means the Declaration of Trust dated as of August 1, 2014, made and granted by the Refunded Certificates Trustee.

“Refunded Lease” means the Lease Purchase Agreement dated as of August 1, 2014, between the Refunded Certificates Trustee, as trustee and lessor, and the City, as lessee.

“Series 2014A Certificates” means the Tax-Exempt Refunding Certificates of Participation, Series 2014A, dated as of August 15, 2014, executed and delivered by the Refunded Certificates Trustee pursuant to the Refunded Declaration of Trust, evidencing proportionate interests of the owners thereof in basic rent payments to be made by the City under the Refunded Lease.

“Series 2021 Bonds” means the \$[Principal Amount] aggregate principal amount of the Special Obligation Refunding Bonds, Series 2021, of the City referred to in the recitals to this Agreement.

“Series 2021 Bond Ordinance” means, collectively, the Ordinance passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms executed by the Mayor on January [___], 2021, authorizing the issuance of the Series 2021 Bonds.

“State” means the State of Missouri.

“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 true and correct copies of the Series 2021 Bond Ordinance, the Refunded Declaration of Trust and the Refunded Lease, 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 such provisions 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 “Escrow Fund for Tax-Exempt Refunding Certificates of Participation, Series 2014A” (the “**Escrow Fund**”).

[**4. **Verification of Certified Public Accountants.** Robert Thomas CPA, LLC, Shawnee Mission, Kansas, Certified Public Accountants, have verified the mathematical computations performed by

Piper Sandler & Co., the Underwriter of the Series 2021 Bonds, 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 (a) pay on April 1, 2021, the principal portion and accrued interest portion of basic rent represented by the Refunded Certificates scheduled to become due and payable on April 1, 2021, and (b) prepay on the Prepayment Date (April 1, 2021), of the remaining principal portion of the basic rent payments represented by the Refunded Certificates scheduled to become due and payable on April 1, 2022, and thereafter, and the accrued interest portion of basic rent payments attributable thereto. A copy of the verification report has been delivered to the City, the Refunded Certificates Trustee and the Escrow Agent concurrently with the execution and delivery of this Agreement.**]

5. Deposits to the Escrow Fund. Concurrently with the execution and delivery of this Agreement, and pursuant to the provisions of the Resolution, the Escrow Agent acknowledges receipt and deposit into the Escrow Fund of (a) \$[] from the proceeds of the Series 2021 Bonds and (b) \$[] from moneys on deposit in the reserve fund for the Refunded Certificates (aggregating \$[] in total). The Escrow Agent shall apply such amount as follows:

(a) \$[] shall be used to purchase the Escrowed Securities described in **Schedule 2** hereto, which shall be delivered to and deposited in the Escrow Fund; and

(b) \$[] shall be held uninvested in the Escrow Fund as a beginning cash balance.

6. Creation of Lien. The escrow created hereby shall be irrevocable. The holders of the Refunded Certificates are hereby given an express lien on and security interest in the Escrowed Securities and the cash in 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, except as provided in **Section 7(e)** hereof, and shall be applied solely for (a) payment on April 1, 2021, of the principal portion and accrued interest portion of basic rent represented by the Refunded Certificates scheduled to become due and payable on April 1, 2021, and (b) the prepayment on the Prepayment Date (April 1, 2021), of the remaining principal portion of the basic rent payments represented by the Refunded Certificates scheduled to become due and payable on April 1, 2022, and thereafter, and the accrued interest portion of basic rent payments attributable thereto. In consideration of the termination of the Refunded Lease relating to the Refunded Certificates, the City agrees (i) to the deposit of funds in the Escrow Fund, and (ii) to pay and prepay the basic rent payments represented by the Refunded Certificates specified in the Refunded Lease in accordance with **Schedule 1** solely from the cash and Escrowed Securities in 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 the Prepayment Date (April 1, 2021), the Escrow Agent shall withdraw from the Escrow Fund an amount equal to (i) the principal portion and interest portion of the basic rent payments represented by the the Refunded Certificates becoming due and payable on April 1, 2021, and (ii) the remaining principal portion of the basic rent payments represented by the Refunded Certificates scheduled to become due and payable on April 1, 2022, and thereafter, and the accrued interest portion of basic rent payments attributable thereto, to be redeemed prior to maturity on the Prepayment Date, as set forth in **Schedule 1** attached hereto, and shall forward such amount to the offices of the Refunded Certificates Trustee, so that immediately available funds will reach the offices of the Refunded Certificates Trustee on

or before **12:00 noon**, Central Standard Time, on the Prepayment Date (April 1, 2021). 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 in accordance with the maturity schedule 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 cash and Escrowed Securities in the Escrow Fund.

(c) Any other cash held from time to time in the Escrow Fund shall be held uninvested.

(d) Notwithstanding any other provisions of this Agreement, the City and the Escrow Agent hereby covenant that no part of the proceeds of the Series 2021 Bonds 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 2021 Bonds would have caused any of the Series 2021 Bonds or the Refunded Certificates to be an “arbitrage bond” under Section 148 of the Code.

(e) Upon the payment in full of the principal portion and interest portion of basic rent payments represented by the Refunded Certificates on the Prepayment Date as described in subsection (b) above, all remaining money and Escrowed Securities in the Escrow Fund, together with any interest thereon, shall be transferred to the City for deposit in the debt service fund for the Series 2021 Bonds.

8. Substitute Escrowed Securities.

(a) If any of the Escrowed Securities are not available for delivery on the date of the delivery of the Series 2021 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 (excluding any interest after any optional call date) is equal to or greater than the maturity value of such unavailable Escrowed Securities;

(3) the principal of and interest on the substitute securities is payable on or before the maturity date of the unavailable Escrowed Securities;

(4) the Escrow Agent receives from an independent certified public accountant a certification addressed to the Escrow Agent and Bond Counsel, satisfactory in form and substance to the Escrow Agent, to the effect that after such substitution, the principal of and interest on the Escrowed Securities to be held in 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 Escrow Fund after such transaction, will be sufficient to pay all remaining principal portions and interest portions of basic rent payments distributable to the owners of the Refunded Certificates pursuant to **Schedule 1** hereto;

(5) the Escrow Agent receives an opinion of Bond Counsel to the effect that such substitution is permitted hereunder and will not cause the interest portion of the basic rent payment distributable to the owners of the Refunded Certificates to become included in gross income for purposes of federal income taxation under then existing law.

(b) If the original Escrowed Securities become available and are tendered to the Escrow Agent by or on behalf of the original purchaser of the Series 2021 Bonds, the Escrow Agent shall accept such

Escrowed Securities, shall return the substitute securities as directed in writing by such original purchaser and shall notify Bond Counsel and the City of the transaction.

(c) At the written request of the City 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 addressed to the Escrow Agent and Bond Counsel, satisfactory in form and substance to Bond Counsel, to the effect that after such substitution:

(A) the principal of and interest on the Escrowed Securities to be held in 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 Escrow Fund after such transaction, will be sufficient to pay all remaining principal portions and interest portions of basic rent distributable to the owners of the Refunded Certificates pursuant to **Schedule 1** hereto;

(B) the amounts and dates of the anticipated transfers from the Escrow Fund to the Refunded Certificates Trustee 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 portion of basic rent distributable to the owners of the Refunded Certificates to become included in gross income for purposes of federal income taxation under then existing law.

(d) In the event that any such substitution results in cash held in the Escrow Fund in excess of the cash required for the certification of an independent certified public accountant referred to in this **subsection (c)** (as evidenced by such certification), the Escrow Agent shall, at the request of the City, withdraw such excess from the Escrow Fund and pay such excess to the City; 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 portion of the basic rent payments distributable to the owners of the Refunded Certificates to become included in gross income for purposes of federal income taxation.

9. Purchase of Leased Property; Prepayment of Refunded Certificates; Restatement of City's Obligations Under Refunded Lease.

(a) The City has exercised its option to demand conveyance of the leased property to the City on February 11, 2021. The City has instructed the Refunded Certificates Trustee, to call for prepayment the Refunded Certificates maturing on April 1, 2022 and thereafter, as described in **Schedule 1** hereof, for prepayment prior to maturity on the Prepayment Date (April 1, 2021), and the Escrow Agent, acknowledges that the City has elected to call such Refunded Certificates for prepayment. The City has further directed the Refunded Certificates Trustee to give a notice of defeasance and prepayment of the Refunded Certificates on the Prepayment Date (April, 1, 2021) to the owners of the Refunded Certificates, in

substantially the form of **Exhibit A** attached hereto, on behalf of the City pursuant to the requirements of the Refunded Declaration of Trust.

[**(b) It is the intention of the City and the Refunded Certificates Trustee that the Refunded Lease remain in effect until April 1, 2021, the Prepayment Date for the Refunded Certificates then outstanding. Other than the payment and prepayment of the basic rent payments distributable by the owners of the Refunded Certificates as provided for by the deposit into the Escrow Fund described in **Section 7** hereof, the City shall have no further liabilities under the Refunded Lease. The City waives its right to terminate such limited obligation with respect to the Refunded Certificates by failing to appropriate sufficient funds to pay such limited obligation with respect to the Refunded Certificates.**]

10. 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, claim or set off right whatsoever on or against 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, any amounts due and owing to the Escrow Agent by the City, 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 held in the Escrow Fund to pay the Refunded Certificates. So long as the Escrow Agent applies the Escrowed Securities and money held in the Escrow Fund as provided herein, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Certificates 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 to be held in trust for the holders of the Refunded Certificates, 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) All covenants, stipulations, promises, agreements and obligations of the Escrow Agent contained in this Agreement shall be deemed to be the respective limited covenants, stipulations, promises, agreements and obligations of the Escrow Agent, and not of any officer, employee or agent of the Escrow Agent, nor of any incorporator, employee or agent of any successor corporation to the Escrow Agent, in its individual capacity. No recourse shall be had against any such individual, either directly or otherwise under or upon any obligation, covenant, stipulation, promise or agreement contained herein or in any other documents executed in connection therewith.

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

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

(g) No provision of this Agreement shall be construed to relieve the Escrow Agent from liability for its own negligent action, its own negligent failure to act, or its willful misconduct, except that 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 proved that the Escrow Agent was negligent in ascertaining the pertinent facts.

(h) Whether or not therein expressly so provided, every provision of this 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.

11. Fees and Costs of the Escrow Agent.

(a) 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 is a one-time fee in the amount of \$500.00, to be paid from the Series 2021 Bond proceeds on deposit with the City, in accordance with the Series 2021 Bond Ordinance, concurrently with the issuance and delivery of the Series 2021 Bonds.

(b) 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.

(c) 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 fee theretofore paid by the City to the Escrow Agent for its services under this Agreement.

12. Resignation or Removal of Escrow Agent; Successor Escrow Agent.

(a) 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 and the Refunded Certificates Trustee and by first class mail, postage prepaid, to all of the owners of the Refunded Certificates 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 of the resignation, the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent) by the City, 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.

(b) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and the City and signed by the owners of a majority in principal amount of the Refunded Certificates then outstanding; provided that written notice thereof is mailed on or before the date of such removal by first class mail, postage prepaid, to all registered owners of such Refunded Certificates, who are not parties to such instruments. The Escrow Agent may also be removed by the City if the Escrow Agent fails to make timely payment to the Refunded Certificates Trustee of the amounts required to be paid by it on the Prepayment Date (April 1, 2021) under **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 to the Refunded Certificates Trustee and by first class mail, postage prepaid, to

all registered owners of such Refunded Certificates, 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, 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.

(c) If the Escrow Agent shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, the City shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the City in the manner above provided, and any such temporary Escrow Agent so appointed by the City shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

(d) If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by the City 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, the holder of any of the Refunded Certificates 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.

(e) No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be 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 shall have at the time of appointment capital and surplus of not less than \$50,000,000.

(f) Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor 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 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.

(g) 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, 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.

13. 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 Certificates, or (c) for any acts of the Escrow Agent.

14. Amendments to this Agreement.

(a) This Escrow Agreement is made for the benefit of the City and the holders from time to time of the Refunded Certificates and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent, Assured Guaranty and the City; provided, however, that the City and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the security of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

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

(b) 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 owners of the Refunded Certificates, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

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

16. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by the Indenture, the Refunded Indenture or this Agreement to be given to or filed with the City or the Escrow Agent if the same shall be duly mailed by first class mail addressed:

(a) If to the City:

City of Neosho, Missouri
203 E. Main Street
Neosho, Missouri 64850
Attention: Director of Finance

(b) To the Refunded Certificates Trustee and the Escrow Agent:

UMB Bank, N.A.
928 Grand Blvd.
Kansas City, Missouri 64106
Attention: Corporate Trust Department

17. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City 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.

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

19. Governing Law. This Escrow Agreement shall be governed by the applicable law of the State of Missouri.

20. Counterparts. This Escrow 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.

21. Electronic Storage of Documents. The transaction described herein may be conducted and related documents may be sent, stored and received 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.

[Remainder of page intentionally left 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 NEOSHO, MISSOURI

(SEAL)

By: _____
Name: Carmin Allen
Title: Mayor

ATTEST:

Name: Cheyenne Wright
Title: City Clerk

UMB BANK, N.A.

(Seal)

By _____
Name:
Title:

ATTEST:

Name:
Title:

**SCHEDULE 1
TO ESCROW TRUST AGREEMENT**

PAYMENT SCHEDULE FOR REFUNDED CERTIFICATES

Payment Date	<u>Principal</u>	<u>Interest</u>	Redeemed <u>Principal</u>	Total <u>Payment</u>
04/01/2021 ⁽¹⁾	\$230,000.00_	\$[_____]	\$1,610,000.00 ⁽¹⁾	\$[_____]

⁽¹⁾ Reflects the entire \$1,610,000 outstanding principal amount of the Series 2014A Certificates maturing on April 1, 2022, and thereafter, being called for prepayment on April 1, 2021.

**SCHEDULE 2
TO ESCROW TRUST AGREEMENT**

SCHEDULE OF ESCROWED SECURITIES

EXHIBIT A

NOTICE OF DEFEASANCE AND PREPAYMENT

TAX-EXEMPT REFUNDING CERTIFICATES OF PARTICIPATION
SERIES 2014A

Evidencing Proportionate Interests of the Owners Thereof in Basic Rent Payments to be Made by the
CITY OF NEOSHO, MISSOURI, as Lessee,
Pursuant to an Annually-Renewable Lease Purchase Agreement dated as of August 1, 2014
with UMB BANK, N.A. (as successor trustee to Commerce Bank), as Trustee and Lessor

DATED: AUGUST 15, 2014

NOTICE IS HEREBY GIVEN that the City of Neosho, Missouri (the “City”), has prepaid and made provision for the payment, discharge and defeasance of the above-described Tax-Exempt Refunding Certificates of Participation, Series 2014A, outstanding in the aggregate principal amount of **\$1,840,000** scheduled to mature on April 1, 2021, and thereafter, as more fully described below (the “**Refunded Certificates**”) in accordance with the requirements of the Declaration of Trust dated as of August 1, 2014 (the “**Declaration of Trust**”), made and granted by UMB Bank, N.A., as trustee (the “**Trustee**”) pursuant to which the Refunded Certificates were issued. Such provision has been made pursuant to a current refunding of the Refunded Certificates and by the depositing of sufficient moneys and direct obligations of the United States of America which, together with the interest to be earned on such obligations, will be sufficient (1) to pay, on April 1, 2021, the principal of and interest on the Refunded Certificates scheduled to mature on April 1, 2021, and (2) to prepay prior to maturity, on April 1, 2021 (the “**Prepayment Date**”), all of the Refunded Certificates scheduled to mature on April 1, 2022, and thereafter remaining outstanding on such date (as shown in the table below) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the Prepayment Date. Said moneys and securities have been deposited in an irrevocable escrow fund for the Refunded Certificates pursuant to an Escrow Trust Agreement dated as of February 11, 2021, between the City and UMB Bank, N.A., Kansas City, Missouri, as escrow agent. Consequently, all of the Refunding Certificates are deemed to be paid and discharged within the meaning of the Declaration of Trust.

The Refunded Certificates are further described below:

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Prepayment Date</u>	<u>Prepayment Price</u>
08/15/2014	04/01/2021 ⁽¹⁾	\$230,000	3.000%	640600 FL1	N/A ⁽¹⁾	N/A ⁽¹⁾
08/15/2014	04/01/2022	240,000	2.5000	640600 FM9	04/01/2021	100.000%
08/15/2014	04/01/2023	245,000	2.750	640600 FN7	04/01/2021	100.000
08/15/2014	04/01/2025	515,000 ⁽²⁾	3.000	640600 FP2	04/01/2021	100.000
08/15/2014	04/01/2027	610,000 ⁽²⁾	3.250	640600 FQ0	04/01/2021	100.000

⁽¹⁾ The Refunded Certificates scheduled to mature on April 1, 2021, are not subject to prepayment prior to maturity and the principal portion and interest portion of basic rent due under the Refunded Lease and distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Certificates Escrow Fund.

⁽²⁾ The Refunded Certificates scheduled to mature on April 1, 2025 and April 1, 2027, will include the following mandatory prepayment amounts (see next page):

Refunded Certificates Maturing April 1, 2025

Mandatory Prepayment Date	Principal
<u>April 1</u>	<u>Amount</u>
2024	\$255,000
2025 ⁺	260,000

Refunded Certificates Maturing April 1, 2027

Mandatory Prepayment Date	Principal
<u>April 1</u>	<u>Amount</u>
2026	\$280,000
2027 ⁺	330,000

⁺ Final Maturity

The Refunded Certificates maturing on April 1, 2022, and thereafter have been called for optional prepayment and will be prepaid on the Prepayment Date (**April 1, 2021**), in accordance with the requirements of the Declaration of Trust, at UMB Bank, N.A. (as successor trustee to Commerce Bank), 928 Grand Boulevard, Kansas City, Missouri 64106, Attn: Corporate Trust Department, at a prepayment price equal to 100% of the principal amount thereof plus accrued interest thereon to the Prepayment Date (**April 1, 2021**). The prepayment price of the Refunded Certificates will be due and payable on the Prepayment Date (**April 1, 2021**) and the Refunded Certificates will cease to bear interest from and after Prepayment Date (**April 1, 2021**).

Dated: _____, 2021

UMB BANK, N.A. (successor trustee to Commerce Bank), as Trustee

EXHIBIT C
TO ORDINANCE

FORM OF BOND PURCHASE AGREEMENT

[See Attached]

Gilmore & Bell, P.C.
Draft v1 – December 30, 2020

[\$Principal Amount]
CITY OF NEOSHO, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
SERIES 2021

January 21, 2021

BOND PURCHASE AGREEMENT

City of Neosho, Missouri
203 East Main Street
Neosho, Missouri 64850

Ladies and Gentlemen:

The undersigned, Piper Sandler & Co (the “**Purchaser**”), hereby offers to purchase from City of Neosho, Missouri (the “**City**”), \$[Principal Amount] aggregate principal amount of Special Obligation Refunding Bonds, Series 2021 (the “**Bonds**”), to be issued by the City under and pursuant to an ordinance passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms executed by the Mayor and attested by the City Clerk of the City on the date hereof (collectively, the “**Bond Ordinance**”). The words and terms used herein shall have the respective meanings ascribed to them in the Bond Ordinance unless some other meaning is plainly indicated.

The City is a constitutional charter city and political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution, laws of the State of Missouri and the City’s charter (the “**Charter**”). The Bonds are being issued for the purpose of providing funds to (1) exercise the City’s option to purchase the Refunded Certificates Trustee’s interest in the leased property under the Refunded Lease and thereby refund all of the Tax-Exempt Refunding Certificates of Participation, Series 2014A, outstanding in the aggregate principal amount of \$1,840,000, scheduled to mature on April 1, 2021, and thereafter (the “**Refunded Certificates**”) and (2) refund all of the City’s Special Obligation Refunding Bonds, Series 2013, outstanding in the aggregate principal amount of \$1,830,000 scheduled to mature on April 1, 2021, and thereafter (the “**Refunded Bonds**”), and the City is authorized under the provisions of the Constitution, laws of the State of Missouri and its Charter to issue and sell the Bonds to refund the Refunded Certificates and the Refunded Bonds, and to provide that the principal of and interest on such Bonds shall be payable solely from amounts appropriated on an annual basis by the City Council of the City.

The Bonds shall be special obligations of the City payable as to both principal and interest solely from annual appropriations of legally available funds by the City Council for such purpose to be deposited in the Bond Fund. The obligation of the City to make payments into the Bond Fund and for any other obligations of the City under Bond Ordinance do not constitute a general obligation or indebtedness of the City for which the City is obligated to levy or pledge any form of taxation, or for which the City has levied or pledged any form of taxation and shall not be construed to be a debt of the City in contravention of any applicable constitutional, statutory or Charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor (1) out of the legally available income and revenues of the City provided for such Fiscal Year, plus (2) any unencumbered balances for previous Fiscal Years. Subject to the preceding sentence, the obligations of the City to make payments hereunder and to perform and observe any other covenant and agreement contained herein shall be absolute and unconditional.

The Bonds shall bear interest and shall be subject to certain other terms as provided in **Schedule I** hereto.

This offer is made subject to your acceptance of this Bond Purchase Agreement on or before 11:00 p.m., Kansas City, Missouri time, on January 21, 2021. Upon your acceptance of the offer, the following agreement will be binding upon you and the Purchaser.

The words “**Transaction Documents**” when used herein shall mean, individually and collectively, the following: the Bonds; the Bond Ordinance; this Bond Purchase Agreement; the Preliminary Official Statement; the Official Statement; the Continuing Disclosure Agreement; the Federal Tax Agreement; the Escrow Trust Agreements and any and all other documents or instruments that evidence or are a part of the transactions referred to herein or in the Official Statement or contemplated hereby or by the Official Statement; provided, however, that when the words “Transaction Documents” are used in the context of the authorization, execution, delivery, approval or performance of Transaction Documents by a party hereto, the same shall mean only those Transaction Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

1. **Purchase of Bonds.** Upon the terms and conditions and upon the basis of the respective representations, warranties and covenants hereinafter set forth, the Purchaser hereby agrees to purchase from the City, and the City hereby agrees to sell to the Purchaser, all (but not less than all) of the Bonds at a purchase price of \$[] (the principal amount of the Bonds plus a[n] [net] original issue premium of \$[], less an underwriter’s discount of \$[]).

2. **Public Offering.** The Purchaser intends to make an initial bona fide public offering of all of the Bonds at the prices set forth in **Schedule I** attached hereto; provided, however, that the Purchaser may subsequently change such offering price or prices without any requirement of prior notice to the City. The Purchaser may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the initial offering price or prices set forth in **Schedule I**. The Purchaser also reserves the right to (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

3. **Establishment of Issue Price.**

(a) The Purchaser agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing Time (as defined herein) an “**issue price**” or similar

certificate, together with the supporting pricing wires or equivalent communications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the City and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) Except as otherwise set forth in **Schedule I** attached hereto, the City will treat the first price at which 10% of each maturity of the Bonds (the **"10% Test"**) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Purchaser shall report to the City the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% Test has not been satisfied as to any maturity of the Bonds, the Purchaser agrees to promptly report to the City the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Time has occurred, until either (i) the Purchaser has sold all Bonds of that maturity or (ii) the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the Purchaser's reporting obligation after the Closing Time may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Purchaser confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the **"Initial Offering Price"**) set forth in **Schedule I** attached hereto, except as otherwise set forth therein. **Schedule I** also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% Test has not been satisfied and for which the City and the Purchaser agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the Initial Offering Price to the public of each such maturity as of the sale date as the issue price of that maturity (the **"Hold-The-Offering-Price Rule"**). So long as the Hold-The-Offering-Price Rule remains applicable to any maturity of the Bonds, the Purchaser will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the Initial Offering Price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Purchaser has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the Initial Offering Price to the public.

The Purchaser will advise the City promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the Initial Offering Price to the public.

(d) The Purchaser confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

- (A) (1) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Time has occurred, until

either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Time may be at reasonable periodic intervals or otherwise upon request of the Purchaser, and (2) to comply with the Hold-The-Offering-Price Rule, if applicable, if and for so long as directed by the Purchaser;

(B) to promptly notify the Purchaser of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below); and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Purchaser shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Time has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser or the dealer that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Time may be at reasonable periodic intervals or otherwise upon request of the Purchaser or the dealer, and (B) comply with the Hold-The-Offering-Price Rule, if applicable, if and for so long as directed by the Purchaser or the dealer and as set forth in the related pricing wires.

(e) The City acknowledges that, in making the representations set forth in this section, the Purchaser will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-The-Offering-Price Rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-The-Offering-Price Rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that the Purchaser shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-The-Offering-Price Rule, if applicable to the Bonds.

(f) The Purchaser acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) **“public”** means any person other than an underwriter or a related party;

(ii) **“underwriter”** means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

(iii) a purchaser of any of the Bonds is a **“related party”** to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) **“sale date”** means the date of execution of this Bond Purchase Agreement by all parties.

(g) At the request of the City, the Purchaser will provide information, to the extent of the Purchaser’s actual knowledge and subject to the Purchaser’s privacy policies respecting the confidentiality of customer information, explaining the factual basis for the Purchaser’s issue price or similar certificate. This agreement by the Purchaser to provide such information will continue to apply after the closing if (i) the City requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (ii) the information is required to be retained by the City pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

4. Official Statement.

(a) The City hereby agrees to deliver to the Purchaser, within seven business days after the date hereof, the Official Statement, dated the date hereof, relating to the Bonds (which, together with the cover page, and all exhibits, appendices, maps, pictures, diagrams, reports and statements included therein or attached thereto and any amendments and supplements that may be authorized for use with respect to the Bonds are herein called the **“Official Statement”**) executed on behalf of the City by a duly authorized officer in such quantity that the Purchaser may request to enable the Purchaser to provide the Official Statement to potential customers and to comply with any rules of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission. The City hereby deems the information contained in the Preliminary Official Statement regarding the City to be “final” as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1) of the Securities and Exchange Commission (**“Rule 15c2-12”**), such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

(b) The City consents to the use by the Purchaser (subject to the right of the City to withdraw such consent for cause by written notice to the Purchaser) prior to the date upon which the

Official Statement is executed and available for distribution, of the Preliminary Official Statement dated January [___], 2021 (the “**Preliminary Official Statement**”), in connection with the proposed offering of the Bonds.

(c) The Preliminary Official Statement and the Official Statement may be delivered in printed and/or a “designated electronic format” as defined in the MSRB’s Rule G-32 and as may be agreed by the City and the Purchaser. If the Official Statement has been prepared in electronic form, the City hereby confirms that it does not object to distribution of the Official Statement in electronic form.

(d) The City authorizes the Purchaser to file, to the extent required by any applicable Securities and Exchange Commission or Municipal Securities Rulemaking Board rule, and the Purchaser agrees to so file, the Official Statement with the Municipal Securities Rulemaking Board or its designee. If an amended Official Statement is prepared during the “primary offering disclosure period,” and if required by any applicable Securities and Exchange Commission or Municipal Securities Rulemaking Board rule, the Purchaser also shall make the required filings of the amended Official Statement. The City shall provide the Purchaser with the information necessary to complete Municipal Securities Rulemaking Board Form G-32 for all filings to be made.

5. City’s Representations and Warranties. The City hereby represents and warrants to the Purchaser that:

(a) The City is and will be at Closing a constitutional charter city and political subdivision of the State of Missouri created and existing under the laws of the State of Missouri, with the power and authority set forth in the City’s Charter and the Constitution and laws of the State of Missouri.

(b) The City is authorized by the laws of the State of Missouri, including particularly the City’s Charter, (i) to issue, sell and deliver the Bonds for the purposes set forth in the opening paragraphs hereof and in the Bond Ordinance and (ii) to enter into and perform its obligations under this Bond Purchase Agreement and the Bond Ordinance.

(c) The City has full power and authority to consummate the transactions contemplated by the Transaction Documents and has duly authorized and approved the execution and delivery of this Bond Purchase Agreement.

(d) The information contained in the Official Statement is and, as of the date of Closing, will be correct in all material respects and does not, and at the Closing, will not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in light of the circumstances under which it was made, not misleading; provided that the City makes no representation with respect to any information contained under the heading “**MISCELLANEOUS – Underwriting**” in the Official Statement.

(e) Prior to the Closing, the City shall have duly authorized all necessary action to be taken by it for: (i) the issuance and sale of the Bonds upon the terms set forth herein and in the Official Statement; (ii) the approval, execution, delivery and receipt by the City of the Transaction Documents and any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to, and consummate the transactions contemplated hereby and by the Official Statement; and (iii) the approval of the use of the Official Statement.

(f) The Bonds when executed, issued, authenticated, delivered and paid for as herein and in the Bond Ordinance provided and the Transaction Documents to which the City is a party when executed will have been duly authorized and issued and will constitute valid and binding obligations of the City enforceable in accordance with their terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar law or laws affecting the enforcement of creditors' rights generally or against municipal corporations such as the City from time to time in effect and further subject to the availability of equitable remedies).

(g) Except as may be set forth in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body, pending or, to the knowledge of the City, threatened against the City wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated hereby or by the Official Statement, (ii) the validity or enforceability in accordance with their respective terms of the Bonds, the Bond Ordinance, this Bond Purchase Agreement or any agreement or instrument to which the City is a party, used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement, (iii) the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation, or (iv) the existence or powers of the City.

(h) The execution and delivery by the City of this Bond Purchase Agreement, the Bonds, the Bond Ordinance and the other documents contemplated hereby and by the Official Statement to be executed and delivered by the City, and compliance with the provisions thereof, and the approval of the use of the Official Statement do not conflict with or constitute on the part of the City a breach of or a default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the City is or may be bound.

(i) The City agrees to reasonably cooperate with the Purchaser in any endeavor to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Purchaser may request; provided, however, that the City shall not be required with respect to the offer or sale of the Bonds, or otherwise, to file written consent to suit or to file written consent to service of process in any jurisdiction. The City consents to the use of drafts of the Preliminary Official Statement, the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement, by the Purchaser in obtaining such qualifications, subject to the right of the City to withdraw such consent for cause by written notice to the Purchaser. The Purchaser shall pay all expenses and costs (including registration and filing fees and legal fees of bond counsel) incurred in connection therewith.

(j) Any certificate signed by an authorized officer of the City and delivered to the Purchaser shall be deemed a representation and warranty by the City to the Purchaser as to the statements made therein.

(k) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction that are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Bonds or the due performance by the City of its obligations under the City's Charter, the Transaction Documents and the Bonds have been duly obtained or will be obtained prior to the Closing, except for such authorizations,

approvals, consents and orders, if any, as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds.

(l) The City has entered or will enter into the Continuing Disclosure Agreement and, except as described in the Official Statement, the City has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

6. The Purchaser's Representations and Warranties. The Purchaser hereby agrees with, and makes the following representations and warranties to, the City, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) The Purchaser is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

(b) This Bond Purchase Agreement has been duly authorized, executed and delivered by the Purchaser and, assuming the due authorization, execution and delivery by the City, is the legal, valid and binding obligation of the Purchaser enforceable in accordance with its terms, except as the enforceability of this Bond Purchase Agreement may be limited by application of creditors' rights laws.

(c) The Purchaser represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

7. Closing.

(a) Prior to or at 12:00 noon, Kansas City, Missouri time, on February 11, 2021, or at such other time or such other date as shall have been mutually agreed upon by the City and the Purchaser (the "**Closing Time**"), the City will deliver, or cause to be delivered, to the Purchaser, the Bonds, in definitive form duly executed and authenticated by UMB Bank, N.A., Kansas City, Missouri, as paying agent for the Bonds (the "**Paying Agent**"), together with the other documents hereinafter mentioned; and the Purchaser will accept such delivery and pay the purchase price of the Bonds by delivering to the City immediately available funds payable to the order of the City (or such other arrangement as shall be mutually agreed upon by the City and the Purchaser) in an amount equal to the purchase price. Such payment and delivery is referred to herein as the "**Closing.**"

(b) Payment and delivery of the Bonds as aforesaid shall be made in Kansas City, Missouri, New York, New York, or such other place as is mutually agreed to by the City and the Purchaser. The Bonds will be delivered in denominations as set forth in the Bond Ordinance as definitive Bonds in fully registered form. The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("**DTC**"). One fully registered Bond certificate for each maturity in the principal amount of such maturity (as set forth in **Schedule I** hereto) will be deposited with DTC, or delivered to the Paying Agent for "**FAST**" delivery prior to the Closing pursuant to the rules and procedures of DTC.

(c) It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for any Bonds.

8. Events Permitting Purchaser To Terminate.

(a) The Purchaser shall have the right to cancel its obligations to purchase the Bonds if between the date hereof and the date of the Closing:

(i)(A) legislation shall be enacted or be actively considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or (B) a decision by a Federal court of the United States or the United States Tax Court shall be rendered, or a ruling or regulation by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made with respect to Federal taxation upon interest on the Bonds, or (C) other action or events shall have occurred or transpired, any of the foregoing of which has the purpose or effect, directly or indirectly, of adversely affecting the Federal income tax consequences of any of the transactions contemplated in connection herewith, or materially adversely affects the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering price; or

(ii) there shall exist any fact or any event shall have occurred which either (A) makes untrue or incorrect any statement of a material fact or material information contained in the Official Statement as then amended or supplemented or (B) is not reflected in the Official Statement as then amended or supplemented but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect; or

(iii) there shall have occurred any outbreak or escalation of hostilities or any national or international calamity, pandemic or crisis, including a financial crisis, the effect of which on the financial markets of the United States being such as would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering prices; or

(iv) there shall be in force a general suspension of trading on the New York Stock Exchange or a general banking moratorium shall have been declared by Federal, Missouri or New York authorities, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, the effect of which on the financial markets of the United States is such as would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering prices; or

(v) there shall have occurred since September 30, 2019, any material adverse change in the affairs of the City from that reflected in the financial statements or other information concerning the City contained in the Official Statement not otherwise disclosed in the Official Statement; or

(vi) legislation shall be enacted, or actively considered for enactment by the Congress, with an effective date on or prior to the date of Closing, or a decision by a court of the United States shall be rendered, or a ruling or regulation by the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made, the effect of which is that the Bonds are not exempt from the registration, qualification or

other requirements of the Securities Act of 1933, as amended, and as then in effect, or the Securities Exchange Act of 1934, as amended, and as then in effect; or

(vii) a stop order, ruling or regulation by the Securities and Exchange Commission shall be issued or made, the effect of which is that the issuance, offering or sale of the Bonds, as contemplated herein or in the Preliminary Official Statement or the Official Statement, is in violation of any provision of the Securities Act of 1933, as amended, and as then in effect, the Securities Exchange Act of 1934, as amended, and as then in effect, or the Trust Indenture Act of 1939, as amended, and as then in effect; or

(viii) the Official Statement is not executed, approved and delivered in accordance with **Section 4** above.

The Purchaser acknowledges that no such event exists as of the date hereof that would permit the Purchaser to cancel its obligations pursuant to this Bond Purchase Agreement.

(b) The City shall have the right to terminate this Bond Purchase Agreement if the Bonds are not purchased by the Purchaser for any reason on or prior to the Closing Time.

9. Conditions to Closing. The obligations hereunder of each party hereto shall be subject to the performance by the other party of its obligations to be performed hereunder at and prior to the Closing Time, to the accuracy in all material respects of the representations and warranties herein of the other party as of the date hereof and as of the Closing Time, and to the following conditions, including the delivery by the appropriate party or parties hereto or other entities of such documents as are enumerated herein:

(a) At the Closing Time, (i) the Transaction Documents shall have been authorized, executed and delivered, and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Purchaser and the City, the Closing in all events, however, to be deemed such approval, (ii) the proceeds of the sale of the Bonds shall have been deposited and applied as described in the Bond Ordinance and the Official Statement, (iii) the City shall have duly adopted and there shall be in full force and effect such ordinances as, in the opinion of Gilmore & Bell, P.C., Kansas City, Missouri (herein called "**Bond Counsel**"), shall be necessary in connection with the transactions contemplated hereby, and (iv) the City shall have undertaken, pursuant to a Continuing Disclosure Agreement, to provide annual reports and notices of certain events.

(b) At or prior to the Closing Time, the Purchaser and the City shall have received counterparts, copies or certified copies (as appropriate) of the following documents in such number as shall be reasonably required:

(i) The approving opinion of Bond Counsel, dated the date of Closing, addressed to the City and the Purchaser, in form and substance satisfactory to the Purchaser.

(ii) A certificate of the City, dated the date of Closing, signed by an official of the City, in form and substance satisfactory to the Purchaser.

(iii) The Official Statement authorized and approved on behalf of the City by a duly authorized official thereof.

(iv) The Bond Ordinance duly passed by the City.

(v) Letter from S&P Global Ratings, a division of Standard & Poor's Financial Services, LLC, assigning a rating of "A" to the Bonds based on the City's underlying creditworthiness.

(vi) Other certificates listed on a closing agenda to be approved by counsel to the City, Bond Counsel, and the Purchaser, including any certificates or representations of the City required in order for Bond Counsel to deliver the opinion referred to in **section (b)(i)** above.

(vii) Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel, the Purchaser, or counsel to the City may reasonably request to evidence compliance with all legal requirements, the truth and accuracy, as of the Closing, of the representations herein and the due performance or satisfaction of all agreements then to be performed and all conditions then to be satisfied.

Unless performance is waived by the party or parties for whose benefit a condition or obligation is intended, if any person shall be unable to satisfy the above conditions to the obligations of any party to this Bond Purchase Agreement, or if the obligations hereunder of any party shall be terminated for any reason permitted by this Bond Purchase Agreement and unless otherwise waived, this Bond Purchase Agreement shall terminate and neither the Purchaser nor the City shall be under further obligation hereunder.

10. Conditions To City's Obligations. The obligations of the City hereunder are subject to the performance by the Purchaser of its obligations hereunder.

11. Survival of Representations, Warranties and Agreements. All representations, warranties and agreements of the City and the Purchaser, respectively, shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of any other party and shall survive the Closing.

12. Expenses.

(a) If the Bonds are sold to the Purchaser by the City on or prior to the Closing Time, the City shall pay out of the proceeds of the Bonds the following expenses incident to the performance of its obligations hereunder: (i) the cost of preparing, duplicating or printing, mailing and delivering the Transaction Documents, including the cost of electronically distributing and printing copies of the Preliminary Official Statement and the Official Statement and any amendment or supplement of either; (ii) the cost of preparation and printing of the definitive Bonds; (iii) the fees and expenses of the City, the Paying Agent, the Escrow Agent, Bond Counsel, and any entity performing continuing disclosure compliance research or providing continuing disclosure compliance reports and any other experts or consultants retained by the City; (iv) the charges of any rating agency with respect to the Bonds; (v) the fees and expenses of the any other experts or consultants retained by the City, if any, in connection with the issuance of the Bonds; and (vi) all other fees and expenses reasonably incurred in connection with the preparation of the Transaction Documents and/or the initial offering and sale of the Bonds.

(b) If the Bonds are sold to the Purchaser by the City on or prior to the Closing Time, the City shall pay out of the proceeds of the Bonds the discount of the Purchaser or the purchase price paid for the Bonds shall reflect such discount and the City shall pay out of the proceeds of the Bonds the fees and expenses related to the issuance of the Bonds.

13. Amendments to Official Statement. If, after the date of this Bond Purchase Agreement and until the earlier of (i) ninety (90) days after the “end of the underwriting period” (as defined in Rule 15c2-12) or (ii) the time when the Official Statement is available to any person from the Municipal Securities Rulemaking Board, but in no case less than twenty-five (25) days following the end of the underwriting period, an event relating to or affecting the City shall occur as a result of which it is necessary, in the opinion of Bond Counsel or the Purchaser, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances then existing, the City will forthwith prepare and furnish to the Purchaser a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Purchaser) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements not misleading. The expenses of preparing such amendment or supplement shall be borne by the City. Thereafter, all references to and representations regarding the Official Statement contained herein shall refer to or regard the Official Statement as so amended or supplemented. For the purpose of this Section the City will furnish to the Purchaser such information with respect to the City as the Purchaser may from time to time reasonably request.

14. Third Party Beneficiary. The City agrees that the Purchaser is and shall be a third party beneficiary of any and all representations and warranties made by the City in the Transaction Documents, to the same effect as if the City had made such representations and warranties to the Purchaser in this Bond Purchase Agreement.

15. No Fiduciary Relationship. The City acknowledges that (a) the transaction contemplated by this Bond Purchase Agreement is an arm’s length, commercial transaction between the City and the Purchaser in which the Purchaser is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the City; (b) the Purchaser has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the City on other matters); (c) the only obligations the Purchaser has to the City with respect to the transaction contemplated hereby are expressly set forth in this Bond Purchase Agreement; and (d) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The City waives to the full extent permitted by applicable law any claims it may have against the Purchaser arising from an alleged breach of fiduciary duty in connection with the offering of the Bonds.

16. Notices. Any notice or other communication to be given to the City under this Bond Purchase Agreement may be given by delivering the same in writing at its address set forth above, and any notice or other communications to be given to the Purchaser under this Bond Purchase Agreement may be given by delivering the same in writing to the Purchaser at the following addresses:

Piper Sandler & Co.
11635 Rosewood Street
Leawood, Kansas 66211
Attention: Todd Goffoy

17. **Successors.** This Bond Purchase Agreement is made for the benefit of the City and the Purchaser (including the successors or assigns of the Purchaser) and no other person including any purchaser of the Bonds shall acquire or have any rights hereunder or by virtue hereof.

18. **Governing Law.** This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

19. **Effectiveness.** This Bond Purchase Agreement shall become effective upon acceptance by the City.

20. **Counterparts.** This Bond Purchase Agreement may be executed in any number of counterparts, each of which so executed and delivered shall constitute an original and all together shall constitute but one and the same instrument.

21. **Captions.** The captions or headings in this Bond Purchase Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Bond Purchase Agreement.

22. **Electronic Transaction.** The transaction described herein may be conducted and this Bond Purchase Agreement and related documents may be stored, delivered and received 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.

[remainder of page intentionally left blank]

Very truly yours,

PIPER SANDLER & CO.

By: _____
Name: Todd Goffoy
Title: Managing Director

Accepted and agreed to as of
the date first above written:

CITY OF NEOSHO, MISSOURI

By: _____

Name: Carmin Allen

Title: Mayor

**SCHEDULE I
TO BOND PURCHASE AGREEMENT**

MATURITY SCHEDULE

SERIAL BONDS

Stated Maturity	Principal	Interest	Initial	Hold-The-	General Rule
<u>April 1</u>	<u>Amount</u>	<u>Rate</u>	<u>Officering</u>	<u>Price</u>	<u>Maturities</u>
			<u>Price</u>	<u>Maturities</u>	<u>Initial Offering Price)</u>
2021					
2022					
2023					
2024					
2025					
2026					
2027					

No Optional Redemption of Bonds. The Bonds are not subject to optional redemption prior to Stated Maturity.

EXHIBIT D
TO ORDINANCE

FORM OF PRELIMINARY OFFICIAL STATEMENT

[See Attached]

NEW ISSUE/BOOK-ENTRY ONLY
BANK-QUALIFIEDS&P RATING: "A"
See "RATING" herein.

In the opinion of Gilmore & Bell, P.C., as Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See the section captioned "TAX MATTERS" herein and Appendix F hereto.

CITY OF NEOSHO, MISSOURI
\$3,130,000*
SPECIAL OBLIGATION REFUNDING BONDS
SERIES 2021

Dated: Date of Issuance

Due: April 1, as shown on inside cover page

The Special Obligation Refunding Bonds, Series 2021 (the "Bonds"), will be issued by the City of Neosho, Missouri (the "City"), for the purpose of providing funds, together with other legally available funds of the City, to (1) refund all of the outstanding (a) Tax-Exempt Refunding Certificates of Participation, Series 2014A and (b) Special Obligation Refunding Bonds, Series 2013 as further described herein under the section captioned "PLAN OF FINANCING - The Refunding" and (2) pay the costs of issuing the Bonds.

The Bonds and the interest thereon will constitute special obligations of the City payable solely from amounts appropriated in each Fiscal Year (defined herein) (1) out of the income and revenues of the City provided for such Fiscal Year, plus (2) any unencumbered balances from previous Fiscal Years. The City is not obligated to make any such annual appropriation. The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional or statutory limitation or provision, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds. The fiscal year of the City begins on each October 1 and ends on September 30 (each a "Fiscal Year").

The Bonds will be issued as fully registered bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner (defined herein) and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. The Bonds will be available for purchase in denominations of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. So long as DTC or its nominee, Cede & Co., is the Bondowner, DTC will receive all payments with respect to the Bonds from UMB Bank, N.A., Kansas City, Missouri, as paying agent for the Bonds. DTC is required to remit such payments to DTC Participants (defined herein) for subsequent disbursement to the beneficial owners of the Bonds, as more fully described in *Appendix E* to this Official Statement.

Principal of the Bonds will be paid on April 1 in the years in which the Bonds mature (see the inside cover page of this Official Statement). Interest on the Bonds is payable semiannually on each April 1 and October 1, commencing April 1, 2021.

See inside cover for maturities, principal amounts, interest rates, yields and CUSIP numbers.

The Bonds are not subject to redemption prior to maturity. See the section captioned "THE BONDS - No Redemption" in this Official Statement.

THE BONDS ARE SUBJECT TO CERTAIN RISKS. SEE THE SECTION CAPTIONED "RISK FACTORS" HEREIN.

The Bonds are offered when, as and if issued by the City, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, as Bond Counsel to the City. Certain matters relating to this Official Statement will be passed upon by Gilmore & Bell, P.C., as disclosure counsel to the City. It is expected that the Bonds will be available for delivery in book-entry form through DTC, New York, New York on or about February ___, 2021.*



* Preliminary, subject to change.

\$3,130,000*
CITY OF NEOSHO, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
SERIES 2021

MATURITY SCHEDULE*

Serial Bonds

<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Yield</u>	<u>CUSIP</u>
<u>April 1</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u>
2021	\$475,000			
2022	455,000			
2023	465,000			
2024	475,000			
2025	490,000			
2026	515,000			
2027	255,000			

* Preliminary, subject to change.

CITY OF NEOSHO, MISSOURI

203 East Main Street
Neosho, Missouri 64850
417-451-8050

CITY OFFICIALS

Mayor

Carmin Allen

City Council Members

Angela Thomas, Mayor Pro Tempore and Councilwoman
William J.P. Doubek, Councilman
Tom Workman, Councilman
Tyler DeWitt, Councilman

Administrative Officials

David Kennedy, City Manager
Cheyenne Wright, City Clerk
Daphne Pevahouse, Director of Finance

BOND COUNSEL AND DISCLOSURE COUNCIL

Gilmore & Bell, P.C.
Kansas City, Missouri

UNDERWRITER

Piper Sandler & Co.
Leawood, Kansas

PAYING AGENT

UMB Bank, N.A.,
Kansas City, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the City and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

In connection with this offering, the Underwriter may overallocate or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or "blue sky" laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the City's current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE CITY ON THE DATE HEREOF, AND THE CITY ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS SET FORTH IN **APPENDIX D - FORM OF CONTINUING DISCLOSURE UNDERTAKING** TO THIS OFFICIAL STATEMENT.

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OFFICIAL STATEMENT

\$3,130,000*
CITY OF NEOSHO, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
SERIES 2021

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (1) the City of Neosho, Missouri (the “**City**”) and (2) the Special Obligation Refunding Bonds, Series 2021 (the “**Bonds**”), to be issued by the City in the aggregate principal amount of \$3,130,000*.

The City

The City is a constitutional charter city and political subdivision of the State of Missouri. The City is the county seat of Newton County, Missouri, located in the southwest part of the State of Missouri, approximately 170 miles south of Kansas City, Missouri, and 20 miles southeast of Joplin, Missouri. As of July 1, 2019, the United States Census Bureau estimated the City’s population to be 12,054 constituting approximately 21% of the entire population of Newton County, Missouri. For more information about the City, see *Appendix A* and *Appendix B* to this Official Statement.

The Bonds

Proceeds received from the sale of the Bonds, together with other legally available funds of the City, will be used to (1) refund all of the City’s Tax-Exempt Refunding Certificates of Participation, Series 2014A (the “**Series 2014A Certificates**”), outstanding in the aggregate principal amount of \$1,840,000, scheduled to mature on April 1, 2021, and thereafter (the “**Refunded Certificates**”), (2) refund all of the City’s Special Obligation Refunding Bonds, Series 2013, outstanding in the aggregate principal amount of \$1,830,000 scheduled to mature on April 1, 2021, and thereafter (the “**Refunded Bonds**”), and (3) pay costs of issuing the Bonds. See also the section herein captioned “**PLAN OF FINANCING – The Refunding.**”

The City has previously entered into a Base Lease dated as of August 1, 2014, between the City, as lessor, and UMB Bank, N.A. (as successor trustee to Commerce Bank), as trustee and lessee (the “**Refunded Certificates Trustee**”), pursuant to which the City leased certain property to the Refunded Certificates Trustee in exchange for the Refunded Certificates Trustee’s delivery of the Series 2014A Certificates, under a Declaration of Trust dated as of August 1, 2014 (the “**Refunded Declaration of Trust**”), granted by the Refunded Certificates Trustee. Simultaneously with the delivery of the Series 2014A Certificates, the City and the Refunded Certificates Trustee also entered into a Lease Purchase Agreement dated as of August 1, 2014 (the “**Refunded Lease**”), pursuant to which the Refunded Certificates Trustee, as lessor and trustee, leased the property back to the City, as lessee, in exchange for basic rent payments to be paid by the City to the Refunded Certificates Trustee, which basic rent payments are distributed to the owners of the Series 2014A Certificates pursuant to the Refunded Lease and Refunded Declaration of Trust. A portion of the proceeds of the Bonds will be used to acquire the Refunded Certificates Trustee’s interest in the property that is subject to the Refunded Lease, and thereby refund the Refunded Certificates.

* Preliminary, subject to change.

The Bonds are being issued pursuant to an ordinance expected to be passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms expected to be executed by the Mayor on January 21, 2021 (collectively, the “**Bond Ordinance**”).

Security and Source of Payment

The payment of the principal of and interest on the Bonds is subject to annual appropriation by the City Council. The City Council is not required or obligated to make any such appropriation. No property of the City is pledged or encumbered, and no reserve fund has been established, to secure payment of the Bonds.

The Bonds and the interest thereon will constitute special obligations of the City payable solely from amounts appropriated in each Fiscal Year (defined herein) (1) out of the income and revenues of the City provided for such Fiscal Year, plus (2) any unencumbered balances from previous Fiscal Years. The City is not obligated to make any such annual appropriation.

The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional or statutory limitation or provision, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds. The fiscal year of the City begins on each October 1 and ends on September 30 (each a “**Fiscal Year**”). See the section captioned “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” in this Official Statement.

Financial Statements

Audited financial statements of the City as of and for the Fiscal Year ended September 30, 2019, are included in *Appendix B* to this Official Statement. These financial statements have been audited by KPM CPA’s, P.C., Springfield, Missouri, independent certified public accountants, to the extent and for the periods indicated in their report, which is also included in *Appendix B* to this Official Statement.

Rating

The Bonds have been assigned the rating set forth on the cover page of this Official Statement by S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC (“**S&P**”). See the section captioned “**RATING**” herein.

Summary of the Bond Ordinance

A summary of the Bond Ordinance, including definitions of certain capitalized words and terms used in this Official Statement and in the Bond Ordinance, is included in *Appendix C* - “**Summary of the Bond Ordinance**” to this Official Statement. Such summary and definitions do not purport to be complete, comprehensive or definitive and is qualified in its entirety by reference thereto. All references herein to the Bond Ordinance are qualified in their entirety by reference to the Bond Ordinance. Copies of the Bond Ordinance and this Official Statement may be viewed at the office of the underwriter, Piper Sandler & Co., 11635 Rosewood Street, Leawood, Kansas 66211, (913) 345-3373, or will be provided to any prospective purchaser requesting the same. All capitalized terms used in this Official Statement and not otherwise defined in this Official Statement have the meanings assigned to those terms in the Bond Ordinance.

Continuing Disclosure Information

The City has agreed to provide certain annual financial information and notices of certain enumerated events relating to the Bonds to the Municipal Securities Rulemaking Board (the “**MSRB**”) via the Electronic Municipal Market Access system (“**EMMA**”), in accordance with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “**Rule**”). Pursuant to a Continuing Disclosure Undertaking, the City has agreed to provide to the MSRB via EMMA the annual financial information and notices of certain enumerated events relating to the Bonds in compliance with the Rule. For further details, see the section captioned

“CONTINUING DISCLOSURE” herein and *Appendix D* - “Form of Continuing Disclosure Undertaking” to this Official Statement.

PLAN OF FINANCING

Authorization and Purpose of the Bonds

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, the City’s Charter and the Bond Ordinance. Proceeds received from the sale of the Bonds will be used to (1) pay the City’s purchase option price for the property currently being leased by the City under the Refunded Lease, thereby resulting in the prepayment of the Refunded Certificates, (2) refund and redeem the Refunded Bonds, and (3) pay the costs of issuing the Bonds.

The Refunding

Refunding of the Refunded Bonds. On the date of issuance of the Bonds, the City will transfer a portion of the proceeds of the Bonds in the amount of \$[_____], together with \$[_____] from moneys on deposit in the bond reserve fund for the Refunded Bonds, to UMB Bank, N.A., Kansas City, Missouri, as escrow agent (the “**Refunded Bonds Escrow Agent**”), for deposit in the escrow fund (the “**Refunded Bonds Escrow Fund**”) established under an Escrow Trust Agreement (the “**Refunded Bonds Escrow Trust Agreement**”) between the City and the Refunded Bonds Escrow Agent. Such moneys deposited with the Refunded Bonds Escrow Agent will be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the “**Escrowed Securities**”) maturing in such principal amounts and at such times as shall be sufficient, together with the interest to accrue thereon, to (1) pay on April 1, 2021, the principal and interest on the Refunded Bonds scheduled to mature and become due on April 1, 2021, and (2) redeem on April 1, 2021, the remaining outstanding Refunded Bonds scheduled to mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to April 1, 2021.

After the issuance of the Bonds and the deposit of the portion of the proceeds thereof, together with moneys on deposit in the bond reserve fund for the Refunded Bonds, with the Refunded Bonds Escrow Agent pursuant to the Refunded Bonds Escrow Trust Agreement, the Refunded Bonds will be payable solely from the maturing principal of the Escrowed Securities, together with the interest earnings on the Escrowed Securities and any other moneys held by the Refunded Bonds Escrow Agent in the Refunded Bonds Escrow Fund for such purpose. Under the Refunded Bonds Escrow Trust Agreement, the Escrowed Securities and the moneys held by the Refunded Bonds Escrow Agent in the Refunded Bonds Escrow Fund are irrevocably pledged to the payment of the Refunded Bonds and may be applied only to such payment.

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Set forth below is a description of the Refunded Bonds being refunded:-

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
04/02/2013	04/01/2021 ⁽¹⁾	\$205,000	2.500%	640629 BD2	N/A ⁽¹⁾	N/A ⁽¹⁾
04/02/2013	04/01/2023	415,000 ⁽¹⁾	2.800	640629 BE0	04/01/2021	100.000%
04/02/2013	04/01/2025	445,000 ⁽¹⁾	3.100	640629 BF7	04/01/2021	100.000
04/02/2013	04/01/2027	765,000 ⁽¹⁾	3.250	640629 BG5	04/01/2021	100.000

⁽¹⁾ The Refunded Bonds scheduled to mature on April 1, 2021, are not subject to redemption prior to maturity and the principal and interest due on the Refunded Bonds scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Bonds Escrow Fund.

⁽²⁾ The Refunded Bonds scheduled to mature on April 1, 2023, April 1, 2025, and April 1, 2027, are subject to mandatory redemption and will include the following mandatory redemption amounts:

<u>Refunded Bonds Maturing April 1, 2023</u>		<u>Refunded Bonds Maturing April 1, 2025</u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>	<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
<u>April 1</u>		<u>April 1</u>	
2022	\$205,000	2024	\$215,000
2023 ⁺	210,000	2025 ⁺	230,000

<u>Refunded Bonds Maturing April 1, 2027</u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
<u>April 1</u>	
2026	\$235,000
2027 ⁺	530,000

⁺ Final Maturity

Prepayment of the Refunded Certificates. On the date of issuance of the Bonds, the City will transfer a portion of the proceeds of the Bonds in the amount of \$[_____], together with \$[_____] from moneys on deposit in the reserve fund for the Refunded Certificates, to UMB Bank, N.A., Kansas City, Missouri, as escrow agent (the “**Refunded Certificates Escrow Agent**”), for deposit in the escrow fund (the “**Refunded Certificates Escrow Fund**”) established under an Escrow Trust Agreement (the “**Refunded Certificates Escrow Trust Agreement**”) between the City and the Refunded Certificates Escrow Agent. Such moneys deposited with the Refunded Certificates Escrow Agent will be used to purchase Escrowed Securities maturing in such principal amounts and at such times as shall be sufficient, together with the interest to accrue thereon, to (1) pay on April 1, 2021, the principal portion and interest portion of the basic rent payments scheduled to become due under the Refunded Lease on April 1, 2021, distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2021, and (2) prepay on April 1, 2021, the remaining principal portions of basic rent payments scheduled to become due under the Refunded Lease on April 1, 2022, and thereafter, distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2022, and thereafter, at a prepayment price equal to 100% of the outstanding principal portions of basic rent represented such Refunded Certificates, plus the interest portion of basic rent accrued thereon to April 1, 2021.

After the issuance of the Bonds and the deposit of the portion of the proceeds thereof, together with moneys on deposit in the reserve fund for the Refunded Certificates, with the Refunded Certificates Escrow Agent pursuant to the Refunded Certificates Escrow Trust Agreement, the Refunded Certificates shall be payable solely from the maturing principal of the Escrowed Securities, together with the interest earnings on the Escrowed Securities and any other moneys held by the Refunded Certificates Escrow Agent in the Refunded Certificates Escrow Fund for such purpose. Under the Refunded Certificates Escrow Trust Agreement, the Escrowed Securities and the moneys held by the Refunded Certificates Escrow Agent in the Refunded Certificates Escrow Fund are irrevocably pledged to the payment of the Refunded Certificates and may be applied only to such payment.

Set forth below is a description of the Refunded Certificates being prepaid:

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Prepayment Date</u>	<u>Prepayment Price</u>
08/15/2014	04/01/2021 ⁽¹⁾	\$230,000	3.000%	640600 FL1	N/A ⁽¹⁾	N/A ⁽¹⁾
08/15/2014	04/01/2022	240,000	2.5000	640600 FM9	04/01/2021	100.000%
08/15/2014	04/01/2023	245,000	2.750	640600 FN7	04/01/2021	100.000
08/15/2014	04/01/2025	515,000 ⁽²⁾	3.000	640600 FP2	04/01/2021	100.000
08/15/2014	04/01/2027	610,000 ⁽²⁾	3.250	640600 FQ0	04/01/2021	100.000

⁽¹⁾ The Refunded Certificates scheduled to mature on April 1, 2021, are not subject to prepayment prior to maturity and the principal portion and interest portion of basic rent due under the Refunded Lease and distributable to the owners of the Refunded Certificates scheduled to mature on April 1, 2021, will be paid from moneys on deposit in the Refunded Certificates Escrow Fund.

⁽²⁾ The Refunded Certificates scheduled to mature on April 1, 2025 and April 1, 2027, will include the following mandatory prepayment amounts:

Refunded Certificates Maturing April 1, 2025

<u>Mandatory Prepayment Date April 1</u>	<u>Principal Amount</u>
2024	\$255,000
2025 ⁺	260,000

Refunded Certificates Maturing April 1, 2027

<u>Mandatory Prepayment Date April 1</u>	<u>Principal Amount</u>
2026	\$280,000
2027 ⁺	330,000

⁺ Final Maturity

[**Upon delivery of the Bonds, Robert Thomas, CPA, LLC, Shawnee Mission, Kansas, a firm of independent certified public accountants, will deliver to the Underwriter a report verifying the mathematical accuracy of certain computations relating to the adequacy of the maturing principal amount of the securities held in the Refunded Bonds Escrow Fund and the Refunded Certificates Escrow Fund, interest earned thereon and certain uninvested cash to pay the amounts required with respect to the Refunded Bonds and the Refunded Certificates as described under this section captioned “**PLAN OF FINANCING - The Refunding Plan.**”]**]

Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Bonds, and the expected uses of such funds, in connection with the plan of financing:

Sources of Funds:

Principal amount of the Bonds	\$3,130,000.00*
[Net] reoffering [premium]/[discount]	_____
Transfer from Reserve Fund for Refunded Certificates	_____
Transfer from Bond Reserve Fund for Refunded Bonds	_____
Total	\$ _____

Uses of Funds:

Deposit to Escrow Fund for Refunded Bonds	\$ _____
Deposit to Escrow Fund for Refunded Certificates	_____
Costs of issuance for the Bonds, including Underwriter’s discount	_____
Total	\$ _____

* Preliminary, subject to change.

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Ordinance for the detailed terms and provisions thereof.

General Description

The Bonds are being issued in the aggregate principal amount of \$3,130,000*. The Bonds are dated as of the date of original delivery of and payment for such Bonds and the principal is payable on April 1 in the years and in the principal amounts set forth on the inside cover page hereof. Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or the most recent date to which said interest has been paid and is payable semiannually on April 1 and October 1 (each an **“Interest Payment Date”**), beginning April 1, 2021.

The interest payable on each Bond on any Interest Payment Date will be paid to the person in whose name such Bond is registered (the **“Registered Owner”** or **“Owner”**) as shown on the registration books (the **“Bond Register”**) at the close of business on the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date (the **“Record Date”**) for such interest (1) by check or draft mailed by UMB Bank, N.A., Kansas City, Missouri, as paying agent for the Bonds (the **“Paying Agent”**), to the address of such Registered Owner shown on the Bond Register or such other address furnished to the Paying Agent in writing by such Registered Owner, or (2) or, in the case of an interest payment to the Securities Depository or any Registered Owner, by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank (which shall be in the continental United States), its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee may be applicable.

The principal of each Bond will be paid at Maturity by check, draft or electronic transfer to the Registered Owner at the Maturity thereof, upon presentation and surrender of such Bond at the principal payment office of the Paying Agent, or such other office designated by the Paying Agent.

No Redemption

The Bonds are not subject to optional redemption prior to maturity.

Book-Entry Only System

Ownership interests in the Bonds will be available to purchasers only through a book-entry only system (the **“Book-Entry Only System”**) described in *Appendix E - “Book-Entry Only System”* to this Official Statement.

Registration, Transfer and Exchange of Bonds Upon Discontinuance of Book-Entry Only System

The City will cause the Bond Register to be kept at the payment office of the Paying Agent for the registration, transfer and exchange of Bonds as provided in the Bond Ordinance. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in the Bond Ordinance. Upon surrender of any Bond at the principal payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds

presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of the Bond Ordinance. The City shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for in the Bond Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The City and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of fifteen days next preceding the first mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant the Bond Ordinance.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

The Bonds are special obligations of the City payable solely from amounts appropriated by the City in each Fiscal Year (1) out of the income and revenues provided for such Fiscal Year plus (2) any unencumbered balances from previous Fiscal Years. **The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional, statutory or City Charter limitation or provision, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds.**

The payment of the principal of and interest on the Bonds is subject to an annual appropriation by the City Council. Pursuant to the Bond Ordinance, the City Council has directed the City Manager, the Director of Finance or any other officer of the City at any time charged with the responsibility of formulating budget proposals to include in each annual budget an appropriation of the amount necessary (after taking into account any moneys legally available for such purpose) to pay debt service on the Bonds. However, the City Council is not required or obligated to make any such annual appropriation and the decision whether or not to appropriate such funds will be solely within the discretion of the then current City Council. No property of the City is pledged or encumbered, and no reserve fund has been established, as security for payment of the Bonds.

It is the current intention of the City to satisfy its obligation to make debt service payments on the Bonds, subject to annual appropriation by the City Council, from revenues generated by (1) the City's 0.250% capital improvements sales tax for the municipal auditorium and the senior citizens center and (2) the City's 0.125% streets/bridges sales tax. However, the City's obligation to make such debt service payments is not limited to the such sales tax revenues, and such sales tax revenues are not and cannot be pledged to the payment of the Bonds. See the section captioned "**RISK FACTORS - Revenue Sources**" herein and the section captioned "**PROPERTY TAX AND SALES TAX INFORMATION - Sales Tax Collections**" in *Appendix A* to this Official Statement.

RISK FACTORS

The following section describes certain risk factors affecting the payment of and security for the Bonds. The following discussion of risks is not meant to be an exhaustive list of the risks associated with the purchase of Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following factors along with all other information in this Official Statement in evaluating the Bonds. There can be no assurance that other risk factors will not become material in the future.

Limited Obligations

THE BONDS DO NOT GIVE RISE TO A GENERAL OBLIGATION OR OTHER INDEBTEDNESS OF THE CITY, THE STATE OF MISSOURI, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CITY CHARTER DEBT LIMITATION OR PROVISION.

THE BONDS SHALL BE SPECIAL OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE ANNUAL APPROPRIATION OF FUNDS BY THE CITY FOR THAT PURPOSE. IN EACH FISCAL YEAR, PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS SHALL BE MADE SOLELY FROM THE AMOUNTS APPROPRIATED THEREFOR (1) OUT OF THE INCOME AND REVENUES OF THE CITY PROVIDED FOR SUCH FISCAL YEAR PLUS (2) ANY UNENCUMBERED BALANCES FOR PREVIOUS FISCAL YEARS, AND THE DECISION WHETHER TO MAKE SUCH APPROPRIATION EACH YEAR SHALL BE WITHIN THE SOLE DISCRETION OF THE THEN CURRENT CITY COUNCIL. SUBJECT TO THE PRECEDING SENTENCE, THE OBLIGATIONS OF THE CITY TO MAKE PAYMENTS HEREUNDER AND TO PERFORM AND OBSERVE ANY OTHER COVENANT AND AGREEMENT CONTAINED IN THE BOND ORDINANCE SHALL BE ABSOLUTE AND UNCONDITIONAL.

IF THE CITY FAILS TO APPROPRIATE AMOUNTS SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON THE BONDS IN ANY FISCAL YEAR, NO OTHER FUNDS OR PROPERTY WILL BE AVAILABLE TO PAY SUCH PRINCIPAL AND INTEREST. NO PROPERTY OF THE CITY IS PLEDGED OR ENCUMBERED, NOR HAS ANY RESERVE FUND BEEN ESTABLISHED, TO SECURE PAYMENT OF THE BONDS.

Revenue Sources

The City intends to apply revenues from its 0.250% capital improvements sales tax for the City's municipal auditorium and the senior citizens center to satisfy its obligations to pay the principal and interest on the Bonds allocable to municipal auditorium and senior citizens center improvements, which were originally financed with the City's Certificates of Participation, Series 2007A, and refinanced with proceeds of the Series 2014A Certificates (which Series 2014A Certificates are now being refunded with a portion of the proceeds of the Bonds). The City intends to apply revenues from its 0.125% streets/bridges sales tax to satisfy its obligations to pay the principal and interest on the Bonds allocable to street-related improvements, which were originally financed with the City's Certificates of Participation, Series 2007B, and refinanced with proceeds of the Series 2013 Bonds (which Series 2013 Bonds are now being refunded with a portion of the proceeds of the Bonds). **The City's obligation to pay principal and interest on the Bonds is not, however, limited to such sales tax revenues, and such sales tax revenues are not, and cannot be, pledged to the payment of principal and interest on the Bonds.**

The table below shows the intended allocation of the above-described sources of funds to pay the annual principal and interest payments on the Bonds:

Fiscal Year Ended September 30	Total Annual Payment	Allocation By Purpose	
		Municipal Auditorium & Senior Citizens Center Improvements ⁽¹⁾	Street Improvements ⁽²⁾
2021			
2022			
2023			
2024			
2025			
2026			
2027			
TOTAL			

⁽¹⁾ Intended to be paid from the City’s 0.25% capital improvements sales tax for the City’s municipal auditorium and the senior citizens center.

⁽²⁾ Intended to be paid from the City’s 0.125% street/bridge sales tax.

In each Fiscal Year, payments of principal of and interest due on the Bonds will be made solely from amounts appropriated by the City Council for that purpose (1) out of the income and revenues of the City for such Fiscal Year, which may include revenues generated by (a) the City’s 0.250% capital improvements sales tax for the City’s municipal auditorium and the senior citizens center and (b) the City’s 0.125% streets/bridges sales tax, plus (2) any unencumbered balances for previous Fiscal Years. For more detailed information on the potential revenue sources, including the City’s sales taxes, see the section captioned **“PROPERTY TAX AND SALES TAX INFORMATION - Sales Tax Collections”** in *Appendix A* attached to this Official Statement.

Secondary Market Prices and Liquidity

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor’s or the issuer’s circumstances, and may require commitment of the investor’s funds for an indefinite period of time, perhaps until maturity.

No Credit Enhancement or Reserve Fund

No debt service reserve fund will be funded and no financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to ensure payment of the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the City to pay the Bonds.

Rating

S&P has assigned the Bonds the rating set forth on the cover page of this Official Statement. Such rating reflects only the views of S&P, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely, by S&P if, in their judgment, circumstances warrant. Any such downward revisions or withdrawal of the rating may have an adverse effect on the market price of the Bonds. See also the section captioned “**RATING**” in this Official Statement.

Enforcement of Remedies

The enforcement of the remedies under the Bond Ordinance may be limited or restricted by federal or State of Missouri laws or by the application of judicial discretion, and may be delayed in the event of litigation to enforce the remedies. State of Missouri laws concerning the use of assets of political subdivisions and federal and State of Missouri laws relating to bankruptcy, fraudulent conveyances, and rights of creditors may affect the enforcement of remedies. Similarly, the application of general principles of equity and the exercise of judicial discretion may preclude or delay the enforcement of certain remedies. The legal opinions to be delivered with the issuance of the Bonds will be qualified as they relate to the enforceability of the various legal instruments by reference to the limitations on enforceability of those instruments under (1) applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors’ rights, (2) general principles of equity, and (3) the exercise of judicial discretion in appropriate cases.

Amendment of the Bond Ordinance

Certain amendments, effected by ordinance of the City, to the Bonds and the Bond Ordinance may be made with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (1) extend the maturity of any payment of principal or interest due upon any Bond; (2) effect a reduction in the amount which the City is required to pay as principal of or interest on any Bond; (3) permit preference or priority of any Bond over any other Bond; or (4) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Bond Ordinance without the written consent of the Registered Owners of all of the Bonds at the time outstanding. The City may also amend or supplement the Bond Ordinance, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

Tax-Exempt Status and Risk of Audit

The failure of the City to comply with certain covenants set forth in the Bond Ordinance could cause the interest on the Bonds to become included in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bond Ordinance does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal and Missouri income tax purposes. See the section captioned “**TAX MATTERS**” in this Official Statement.

The Internal Revenue Service (the “**IRS**”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, the IRS, in accordance with its current published procedures, is likely to treat the City as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Defeasance Risks

When all Bonds are deemed paid and discharged as provided in the Bond Ordinance, the requirements contained in the Bond Ordinance and all other rights granted thereby will terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the Stated Maturity. There is no legal requirement in the Bond Ordinance that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

Cybersecurity Risks

The City relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the City's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the City and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the City may incur significant costs to remediate possible injury to the affected persons, and the City may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the City's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

Pensions and Other Postemployment Benefits

The City participates in the Missouri Local Government Employees' Retirement System ("LAGERS"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. As a LAGERS participant, the City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS, which rate is the estimated amount necessary to finance the cost of benefits earned by City employees during the year, with an additional amount to finance an unfunded accrued liability. See the section captioned "FINANCIAL INFORMATION CONCERNING THE CITY – Pension and Employee Retirement Plans" in *Appendix A* of this Official Statement. Future required contribution increases to LAGERS beyond the then current Fiscal Year may require the City to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the City's operations or limit the City's ability to generate additional revenues in the future.

Potential Risks Relating to COVID-19

In December 2019, a novel strain of coronavirus (which leads to the disease known as "COVID-19"), was discovered in Wuhan, China. Since that date, the virus has spread throughout the world and has been characterized by the World Health Organization as a pandemic. The impact of the COVID-19 pandemic on the U.S. economy is expected to be broad based and to negatively impact national, state and local economies.

In response to such expectations, the President of the United States on March 13, 2020, declared a "national emergency," which, among other effects, allows the executive branch to disburse disaster relief funds to address the COVID-19 pandemic and related economic dislocation. On March 13, 2020, the Governor of the State signed an Executive Order declaring a state of emergency in the State in response to COVID-19. On April 24, 2020, the Governor signed another Executive Order extending the state of emergency in the State through June 15, 2020. On June 11, 2020, the Governor signed an additional Executive Order extending the

state of emergency in the State through December 31, 2020 and, on November 19, 2020, the Governor signed yet another Executive Order further extending the state of emergency in the State through March 31, 2021. The stated purpose of the Executive Orders is to allow more flexibility in utilizing resources and deploying them around the State where they are most appropriate, including allowing the Governor to waive certain State laws and regulations where necessary.

On April 3, 2020, the Governor issued a “stay at home order,” which began on April 6, 2020, and ended on May 4, 2020, requiring all Missourians to avoid leaving their residences unless necessary and to practice social distancing when travel outside their residences was necessary. Although the “stay at home order” required all school districts in the State to remain closed through the duration of the “stay at home order,” the Governor announced on April 9, 2020 that all school districts in the State, including the District, were required to remain closed through the remainder of the current 2019-2020 school year. On April 27, 2020, the Missouri Department of Health and Senior Services (“DHS”) issued the “Show Me Strong Recovery Order,” which went into effect on May 4, 2020 and ended on May 31, 2020. On May 28, 2020, DHS issued the “Economic Reopening Order,” which went into effect on June 1, 2020 and ended on June 15, 2020. Both DHS orders provided guidelines for individuals and businesses in the State to gradually reopen economic and social activity. The State remains under a “State of Emergency” through March 31, 2021 per Executive Order 20-19; however, the State is not currently under a statewide public health order. Despite the expiration of statewide orders, cities and counties have the ability, and continue, to impose local public health orders restricting economic activities within the State.

No local health authority has imposed additional public health orders that would close or restrict operations of businesses within the City. Any State or local measures implemented in the future restricting economic and social activity may have an adverse effect on sales taxes generated in the City and on the timing of receipt of sales taxes by the City. The emergence of COVID-19 and the spread thereof is an emerging and evolving issue. As the federal, state, and local governments continue efforts to contain and limit the spread of COVID-19, future sales tax and other revenue collections may deviate from historical or anticipated collections and may have an adverse impact on the financial position and operations of the City and its ability to fund debt obligations, including its obligation to pay principal and interest on the Bonds. The City is not able to predict and makes no representations as to the economic impact of the COVID-19 pandemic on the City or its financial position. The City’s obligation to pay principal and interest on the Bonds and to make other is subject to annual appropriation by its City, and will not constitute a debt of liability of the City, the State or any political subdivision thereof. The Bonds do not constitute an indebtedness within the meaning of any constitutional, Charter or statutory debt limit or restriction. The issuance of the Bonds will not obligate the City to levy any form of taxation therefor or to make any appropriation for their payment in any Fiscal Year subsequent to a Fiscal Year in which the Lease is in effect.

Other Factors Affecting the City

One or more of the following factors or events could adversely affect the City’s operations and financial performance to an extent that cannot be determined at this time:

1. *Changes in Management.* Changes in key management personnel could affect the capability of the management of the Board.
2. *Future Economic Conditions.* Adverse economic conditions or changes in demographics in the City, including increased unemployment and inability to control expenses in periods of inflation, could adversely impact the City’s financial performance, including its sales tax revenues and property tax revenues.
3. *Insurance Claims.* Increases in the cost of general liability insurance coverage and the amounts paid in settlement of liability claims not covered by insurance could adversely impact the City’s financial performance.
4. *Natural Disasters.* The occurrence of natural disasters, such as floods, droughts, tornadoes or earthquakes, could damage the City’s facilities, or otherwise impair operations of the City.

LEGAL MATTERS

Legal Proceedings

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax which may provide a revenue source to pay, subject to annual appropriation by the City Council, the principal and interest on the Bonds.

Approval of Legality

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Kansas City, Missouri, as bond counsel to the City. Gilmore & Bell, P.C., as disclosure counsel to the City, will also pass upon certain legal matters relating to this Official Statement.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., as bond counsel to the City (“**Bond Counsel**”), under the law existing as of the issue date of the Bonds:

Federal and State of Missouri Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Bonds are “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds, but has reviewed the discussion under the section captioned “**TAX MATTERS**” in this Official Statement. See *Appendix F* for a form of Bond Counsel’s legal opinion.

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

RATING

S&P has assigned the Bonds the rating of “A”. The rating reflects only the view of S&P at the time such rating is given, and the Underwriter and the City make no representation as to the appropriateness of such rating. An explanation of the significance of such rating may be obtained from S&P.

The City has furnished S&P with certain information and materials relating to the Bonds and the City that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. The above rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of S&P originally establishing such rating, circumstances so warrant. Neither the Underwriter nor the City has undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. Any such revision or withdrawal of the rating could have an adverse effect on the market price and marketability of the Bonds. Pursuant to the Disclosure Undertaking, the City is required to bring to the attention of the holders of the Bonds any change of the rating of the Bonds but has not undertaken any responsibility to oppose any such change. See the “**FORM OF CONTINUING DISCLOSURE UNDERTAKING**” attached as *Appendix C* to this Official Statement.

CONTINUING DISCLOSURE

Pursuant to a Continuing Disclosure Undertaking (the “**Disclosure Undertaking**”), the City has agreed to provide to the MSRB, *via* the EMMA system, not later than March 31st after the end of each Fiscal Year, beginning with the City’s Fiscal Year ended September 30, 2020, (1) the audited financial statements of the City for the prior Fiscal Year and (2) certain operating data of the City in accordance with the Rule. The financial statements of the City are audited by the City’s independent certified public accountants. Under the Disclosure Undertaking, the City has also agreed to provide prompt notice of the occurrence of certain enumerated material events relating to the Bonds in compliance with the Rule. See also *Appendix D* - “**Form of Continuing Disclosure Undertaking**” to this Official Statement.

The City has previously entered into similar continuing disclosure undertakings under the Rule in connection with certain other financial obligations previously issued by the City. The City believes it has complied in all material respects during the past five years with its prior undertakings under the Rule.

MISCELLANEOUS**Financial Statements**

The City's audited financial statements as of and for the Fiscal Year ended September 30, 2019, are included in *Appendix B*. These financial statements have been audited by KPM, CPAs, P.C., Springfield, Missouri, independent certified public accountants, to the extent and for the periods indicated in their report which is also included in *Appendix B*.

Underwriting

Piper Sandler & Co., Leawood, Kansas (the “**Underwriter**”), has agreed to purchase the Bonds at a price of \$[] (which is equal to the aggregate original principal amount of the Bonds, plus a net original issue premium of \$[] and less an underwriting discount of \$[]). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter's business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

Certain Relationships

Bond Counsel has represented the Underwriter and the Paying Agent in transactions unrelated to the issuance of the Bonds, but is not representing either the Underwriter or the Paying Agent in connection with the issuance of the Bonds.

Certification and Other Matters Regarding Official Statement

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the City, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized. The descriptions contained in this Official Statement of the Bonds and the Bond Ordinance do not purport to be complete and are qualified in their entirety by reference thereto.

The form of this Official Statement, and its distribution and use by the Underwriter has been approved by the City. Neither the City nor any of its City Council members, officers or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the City or the City's ability to make payments required of it; and further, neither the City nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the City by the Bond Ordinance.

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CITY OF NEOSHO, MISSOURI

By: _____
Mayor

APPENDIX A

CITY OF NEOSHO, MISSOURI

GENERAL, ECONOMIC AND FINANCIAL INFORMATION

APPENDIX A

CITY OF NEOSHO, MISSOURI

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GENERAL AND DEMOGRAPHIC INFORMATION

General

The City of Neosho, Missouri (the “**City**”), is the county seat of Newton County, Missouri (the “**County**”), located in the southwest part of the State of Missouri, approximately 170 miles south of Kansas City, Missouri, and 20 miles southeast of Joplin, Missouri. As of July 1, 2019, the United States Census Bureau estimated the City’s population at 12,054 persons constituting approximately 21% of the population of Newton County.

Government and Organization

The City is a home rule city and political subdivision of the State of Missouri, organized and existing under the constitution and laws of the State. The City is governed by the Council/Manager form of government and exercises powers of municipal government specifically granted by the State of Missouri. The five members of the City Council are elected at large to serve alternating three-year terms, and the Mayor is elected each year by the Council. The City Manager has general charge of the business and affairs of the City. The Mayor presides over meetings of the City Council and is a voting member of the City Council. The City Manager establishes utility and tax rates and authorizes all municipal indebtedness. The City budget, prepared by the City Manager after consultation with each department, is reviewed and adopted by the City Council. Subject to voter approval, tax rates are established by the City Council to support the budget adopted. As required by state law, the aggregate City budget may not include any expenditures in excess of anticipated revenues. The City’s Fiscal Year ends on September 30 of each year.

The present Mayor and City Council and terms of office are as follows:

<u>Name</u>	<u>Title</u>	<u>Year First Elected</u>	<u>Year Current Term Began</u>	<u>Year Current Term Expires</u>
Carmin Allen	Mayor	2018 ⁽¹⁾	2018	2021
Angela Thomas	Councilwoman and Mayor Pro-Tempore	2019	2019	2022
William J.P. Doubek	Councilman	2016	2019	2022
Tom Workman	Councilman	2010	2018	2021
Tyler DeWitt	Councilman	2020	2020	2023

Mr. Allen was previously elected to the City Council in 1992.

Ms. Cheyenne Wright serves as the City Clerk.

City Management

City management personnel primarily involved with the City’s finances are as follows:

David Kennedy - City Manager. Mr. Kennedy was appointed as the permanent City Manager of the City of Neosho in November 2019 after previously serving as the interim City Manager beginning in July 2018 following the resignation of Leland Butcher, the City’s then previous City Manager. Prior to his appointment to interim City manager in July 2018, Mr. Kennedy had worked in law enforcement where he had spent 21 years with the City’s police department and had served as Chief of Police since 2013.

Daphne Pevahouse – Finance Director. Ms. Pevahouse has been employed by the City since March, 2009 and as Finance Director since April, 2013. She previously held the position of Assistant Finance Director. Prior to joining the City’s staff, she was a cost analyst for Schreiber Foods for approximately three and a half years. Ms.

Pevahouse holds a Bachelor of Science degree in Business Administration with a major in Accounting from Missouri Southern State University. She is a member of the Government Finance Officers Association and the Association of Governmental Accountants.

Services and Utilities

Utility services in the City are mixed between public and private companies. Water and sewerage utilities are operated by the combined waterworks and sewerage system of the City. This system has the responsibility of providing water and sewerage service to the City. Water and sewerage rates are established to meet the total revenue requirements of the combined waterworks and sewerage system. The City also provides law enforcement, fire protection, first responder services, community enrichment and development and various social services.

Transportation and Communication Facilities

The City is located at the intersection of U.S. Highway 60 and Interstate 49. Burlington-Northern Railroad and Kansas City Southern Railroad, as well as several major truck lines are available for freight transportation. Air travel is available at Hugh Robinson Municipal Airport located in the City and the nearby Joplin Regional Airport.

Educational Facilities

The Neosho R-V School District, with an approximate enrollment of 4,752 for the 2019-2020 school year, is classified as accredited by the Missouri Department of Elementary and Secondary Education. Area colleges include Crowder College and Ozark Bible Institute and College located in the City and Missouri Southern State University and Ozark Christian College located in Joplin, Missouri.

Recreational and Cultural Facilities

Recreational facilities around the City include a municipal golf course, five parks, an Olympic-size swimming pool and numerous ballparks and playing fields. Hickory Creek, running through Neosho's Morse Park, is a Missouri-managed trout stream and provides family-friendly recreation and trout fishing. The City is also within an hour drive of Grand Lake in northeast Oklahoma, Beaver Lake in northwest Arkansas and Table Rock Lake in southwest Missouri. Because of a program of beautification, the City is known as the Flower Box City and has been the subject of nationally published articles. The City is renowned for its many natural springs as showcased in beautiful Big Spring Park.

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ECONOMIC INFORMATION CONCERNING THE CITY

Much of the economic and financial information in this *Appendix A*, including information under the sections below captioned “**Commerce, Industry and Employment - Major Employers**” and “**-Employment Data**”, is historic in nature and generally predates the COVID-19 pandemic. It is not possible to predict whether any of the trends shown herein will continue in the future. See the caption “**RISK FACTORS – Potential Risks Relating to COVID-19**” in the Official Statement.

Commerce, Industry and Employment

Major Employers. Listed below are several major employers located within a 30-mile radius of the City and the approximate number employed by each:

<u>Major Employers</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Freeman Health System	Health care	11,330
Jack Henry & Assoc. Inc.	Computers-system designers & consultants	6,717
Freeman Skilled Nursing Facility	Health care	4,000
Tyson Foods Inc.	Food processing	2,500
EFCO Corp	Construction services	1,350
Simmons Foods Inc.	Poultry processing	1,200
Jack Henry Banking	Banking computer software	1,200
Mercy Hospital Joplin	Health care	958
George’s Inc.	Poultry processing	850
Butterball LLC	Turkey Farms	800

Source: Data Axel, Inc. (dataaxleusa.com).

Employment Data. The following table sets forth the annual average unemployment figures for the last five years for Newton County and the State of Missouri.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020⁽¹⁾</u>
Newton County					
Average Total Labor Force	28,643	27,380	27,232	27,392	27,384
Average Unemployed	1,240	996	821	894	1,656
Average Unemployment Rate	4.33%	3.64%	3.01%	3.26%	6.05%
State of Missouri					
Average Total Labor Force	3,080,850	3,061,441	3,052,386	3,083,245	3,067,094
Average Unemployed	140,536	115,101	97,578	101,557	197,336
Average Unemployment Rate	4.56%	3.76%	3.20%	3.29%	6.43%

Source: MERIC (Missouri Economic Research and Information Center).

⁽¹⁾ Average of January through September 2020.

The higher average unemployment rate for the current calendar year 2020, which reflects the average for the months of January 2020 through September 2020, is mainly attributable to the negative impact the COVID-19 public health crisis had on employment in Newton County, which began with the April 2020 unemployment rate (approximately 10.3% unemployment rate in Newton County). However, the unemployment rate in Newton County gradually began to improve in May 2020 (approximately 8.9% unemployment rate) and June 2020 (approximately 7.0% unemployment rate) as the State of Missouri and Newton County began phased reopening and continued into July 2020 (approximately 6.8% unemployment rate), August 2020 (approximately 6.5% unemployment rate) and September 2020 (approximately 3.8% unemployment rate). The unemployment rate for October 2020 through

December 2020 is not currently available, but it is expected that employment data will continue to gradually improve assuming COVID-19 infection rates do not increase to a point that would result in any further lockdowns in Newton County or surrounding areas.

Housing Structures

The following table sets forth statistics regarding housing structures by type in the City, Newton County and the State of Missouri:

<u>Housing Type</u>	<u>City of Neosho</u>		<u>Newton County</u>		<u>State of Missouri</u>	
	<u>Number of Units</u>	<u>Percentage of Units</u>	<u>Number of Units</u>	<u>Percentage of Units</u>	<u>Number of Units</u>	<u>Percentage of Units</u>
Single-Family	3,825	77.62%	19,161	77.62%	2,042,831	73.60%
Multi-Family	1,035	21.00	1,747	7.08	558,230	20.11
Mobile Homes	68	1.38	3,779	15.31	174,574	6.29
TOTAL	4,928	100.00%	24,687	100.00%	2,775,635	100.00%

Source: Missouri Census Data Center, American Community Survey, 5-year estimate (2014-2018).

The median value of owner-occupied housing units in the City and related areas is as follows:

City of Neosho	\$ 81,800
Newton County	122,900
State of Missouri	151,600

Source: Missouri Census Data Center, American Community Survey, 5-year estimate (2014-2018).

Population and Income

The following table sets forth the population data of the City, Newton County and the State of Missouri from the last three decennial censuses and the latest available estimate:

	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2019</u>
Neosho	9,254	10,505	11,835	12,054
Newton County	44,445	52,636	58,114	58,236
State of Missouri	5,117,073	5,595,211	5,988,927	6,137,428

Source: U.S. Census Bureau decennial censuses for 1990, 2000 and 2010; U.S. Census Bureau - QuickFacts population estimate for July 1, 2019.

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The following table shows the population by age categories for the City, Newton County and the State of Missouri:

<u>Age</u>	<u>Neosho</u>	<u>Newton County</u>	<u>State of Missouri</u>
under 5 years	974	3,641	372,932
5-19 years	2,882	11,901	1,171,037
20-24 years	1,237	3,539	421,255
25-44 years	2,831	13,506	1,542,544
45-64 years	2,254	15,432	1,600,602
65 and over	<u>1,831</u>	<u>10,183</u>	<u>981,692</u>
TOTAL	12,009	58,202	6,090,062
Median Age	31.9	39.7	38.5

Source: Missouri Census Data Center, American Community Survey, 5-year estimate (2014-2018).

The following table presents per capita personal income⁽¹⁾ for the County and the State for the years 2014 through 2018, the latest date for which such information is available:

<u>Year</u>	<u>County Per Capita Personal Income</u>	<u>State Per Capita Personal Income</u>
2018	\$39,334	\$47,746
2017	38,011	45,744
2016	36,544	44,336
2015	36,275	43,096
2014	35,345	41,775

Source: U.S. Department of Commerce - Bureau of Economic Analysis.

⁽¹⁾ Per Capita Personal Income is the annual total personal income of residents divided by resident population as of July 1. “**Personal Income**” is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. “**Net Earnings**” is earnings by place of work — the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income — less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Building Construction [TO BE UPDATED**]**

The following table indicates the number of building permits and total estimated valuation of these permits issued within the City over the last four years. These numbers reflect permits issued either for new construction or improvements.

<u>Year</u>	<u>Commercial/Industrial Construction</u>		<u>Residential Construction</u>	
	<u># of Permits</u>	<u>Value</u>	<u># of Permits</u>	<u>Value</u>
2020 ⁽¹⁾				
2019				
2018				
2017				
2016				

Source: City of Neosho.

⁽¹⁾ For the months of January – November.

DEBT STRUCTURE OF THE CITY

Financial Overview

The following table summarizes certain financial information concerning the City. This information should be reviewed in conjunction with the information contained in this Official Statement and the financial statements of the City in *Appendix B* hereto.

2020 Assessed Valuation ⁽¹⁾	\$163,483,418
2020 Estimated Actual Valuation ⁽²⁾	\$648,140,997
Population (Estimated July 1, 2019)	12,054
Outstanding General Obligation Bonds (“ Direct Debt ”) ⁽³⁾	\$0
Capital Leases and Special Obligations (“ Indirect Debt ”) ⁽⁴⁾	\$6,927,809*
Total Direct and Indirect Debt	\$6,927,809*
Per Capita Direct and Indirect Debt	\$574.73*
Ratio of Direct and Indirect Debt to Assessed Valuation	4.24%*
Ratio of Direct and Indirect Debt to Estimated Actual Valuation	1.07%*
Overlapping General Obligation Debt and Lease Obligations (“ Overlapping Debt ”) ⁽⁵⁾	\$28,679,852
Total Direct and Indirect Debt and Overlapping Debt	\$35,607,661*
Per Capita Direct and Indirect Debt and Overlapping Debt	\$2,954.01*
Ratio of Direct and Indirect Debt and Overlapping Debt to Assessed Valuation	21.78%*
Ratio of Direct and Indirect Debt and Overlapping Debt to Estimated Valuation	5.49%*

- (1) Includes real and personal property valuations for 2020, after Board of Equalization adjustments, as provided by the Newton County Clerk, but excludes assessed valuation in the amount of \$6,062,585 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the City. For further details, see the section captioned “**PROPERTY TAX INFORMATION – Property Valuations.**”
- (2) Estimated actual valuation is calculated by dividing different classes of property by the corresponding assessment ratio. For a detail of these different classes and ratios, see the section captioned “**PROPERTY TAX INFORMATION – Property Valuations.**”
- (3) The City does not currently have any outstanding general obligation indebtedness. See the section captioned “**DEBT STRUCTURE OF THE CITY - General Obligation Indebtedness**” below.
- (4) Includes the \$3,130,000* principal amount of the Bonds and \$1,337,809 outstanding principal amount of the City’s other lease obligations, but excludes the principal amount of the Refunded Bonds and the Refunded Certificates being refunded and redeemed with proceeds of the Bonds. See also the section herein captioned “**DEBT STRUCTURE OF THE CITY - Other Long-Term Obligations of the City – Other Capital Lease Obligations.**”
- (5) For further details see the section captioned “**DEBT STRUCTURE OF THE CITY - Overlapping Indebtedness**” below.

General Obligation Indebtedness

The City has no general obligation bonds outstanding at this time.

Legal Debt Capacity

Article VI, Sections 26(b) and (c) of the Constitution of the State of Missouri limit the net outstanding amount of authorized general obligation indebtedness for a city to 10 percent of the assessed valuation of the city by a two-thirds (four-sevenths at certain elections) vote of the qualified voters. Article VI, Section 26(d) of the Constitution of the State of Missouri provides that a city may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not to exceed an additional 10 percent for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues, and sanitary or storm sewer systems, provided the total general obligation indebtedness of a city does not exceed 20 percent of the assessed valuation. Article VI, Section 26(e) of the Constitution of the State of Missouri provides that a city may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not exceeding an additional 10 percent for the purpose of purchasing or constructing waterworks, electric or other light plants to be

* Preliminary, subject to change.

owned exclusively by the city, provided that the total general obligation indebtedness of a city does not exceed 20 percent of the assessed valuation.

Based on the City’s assessed valuation for 2020, after Board of Equalization adjustments, in the amount of \$169,546,003 (which includes the assessed valuation in the amount of \$6,062,585 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the City), the current legal debt limit of the City is \$33,909,201 (equal to 20% of the assessed valuation for 2020 of \$165,000,538) and the current legal debt margin is \$33,909,201 (the City’s current legal debt margin is equal to the City’s current legal debt limit because the City does not have any general obligation bonds outstanding).

Overlapping Indebtedness

The following table shows the estimated general obligation debt and lease obligations of political subdivisions with boundaries overlapping the City as of January 1, 2021, and the percentage which is applicable to taxpayers of the City (on the basis of assessed valuation for the 2019 calendar year) based on available information of the political subdivisions responsible for the general obligation debt or leases. The City has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of additional bonds or lease obligations, the amounts of which cannot be determined at this time.

<u>Jurisdiction</u>	<u>Approx. Outstanding General Obligation Debt</u>	<u>Approx. Outstanding Lease Obligations</u>	<u>Total Approx. Outstanding General Obligation Debt and Leases</u>	<u>Approx. Percentage Applicable to City</u>	<u>Total Approx. General Obligation Debt and Lease Obligations Applicable to City</u>
Neosho R-V School District	\$29,380,000	\$25,075,000	\$54,455,000	50.68%	\$27,597,794
Neosho/Newton County Library District	--	1,760,000	1,760,000	19.98	\$351,648
Community College Dist. of Newton and McDonald Counties	--	7,530,000	7,530,000	9.70	\$730,410
TOTAL					<u>\$28,679,852</u>

Source: Missouri State Auditor, Bond Registration Reports; financial information and operating data from each jurisdiction that is available on the Municipal Securities Rulemaking Board’s EMMA website.

Series 2021 Special Obligation Bonds

Annual Principal and Interest Payments. The following schedule shows the annual principal and interest payments of the Bonds, that are payable by the City during each Fiscal Year, subject to annual appropriation by the City Council of the City:

<u>Fiscal Year Ended September 30</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Payment</u>
2021	\$205,000.00		
2022	220,000.00		
2023	190,000.00		
2024	190,000.00		
2025	190,000.00		
2026	185,000.00		
2027	200,000.00		
TOTAL	<u>\$3,130,000.00*</u>		

* Preliminary, subject to change.

Allocation of Intended Sources of Revenue to Annual Principal and Interest Payment on Bonds. The City intends to apply revenues from its 0.25% capital improvements sales tax for the City’s municipal auditorium and the senior citizens center to satisfy its obligations to pay the principal and interest on the Bonds allocable to municipal auditorium and senior citizens center improvements, which were originally financed with the City’s Certificates of Participation, Series 2007A (the “**Series 2007A Certificates**”), and refinanced with proceeds of the Series 2014A Certificates (which Series 2014A Certificates are now being refunded with a portion of the proceeds of the Bonds). The City intends to apply revenues from its 0.125% streets/bridges sales tax to satisfy its obligations to pay the principal and interest on the Bonds allocable to street-related improvements, which were originally financed with the City’s Certificates of Participation, Series 2007B, and refinanced with proceeds of the Series 2013 Bonds (which Series 2013 Bonds are now being refunded with a portion of the proceeds of the Bonds). The City’s obligation to pay principal and interest on the Bonds is not, however, limited to such sources of revenue, and such revenues are not, and cannot be, pledged to the payment of principal and interest on the Bonds.

The table below shows the intended allocation of the above-described sources of funds to pay the annual principal and interest payments on the Bonds:

Fiscal Year Ended September 30	Total Annual Payment	Allocation By Purpose	
		Municipal Auditorium & Senior Citizens Center Improvements ⁽¹⁾	Street Improvements ⁽²⁾
2021			
2022			
2023			
2024			
2025			
2026			
2027			
TOTAL			

⁽¹⁾ Intended to be paid from the City’s 0.25% capital improvements sales tax for the City’s municipal auditorium and the senior citizens center.
⁽²⁾ Intended to be paid from the City’s 0.125% street/bridge sales tax.

Other Long-Term Obligations of the City

Revenue Bonds. As of January 15, 2021, the City had the following outstanding revenue bonds payable from the revenues of the City’s Combined Waterworks and Sewerage System:

<u>Name of Bonds</u>	<u>Date of Bonds</u>	<u>Amount Outstanding</u>
Sewerage System Refunding and Improvement Revenue Bonds (State of Missouri – Direct Loan Program-ARRA) Series 2009B	November 10, 2009	\$2,930,700
Waterworks Refunding and Improvement Revenue Bonds (State of Missouri – Direct Loan Program) Series 2011	December 15, 2011	<u>6,176,000</u>
TOTAL		<u>\$9,106,700</u>

Series 2016 Certificates. On February 5, 2016, the City approved the delivery of Refunding Certificates of Participation, Series 2016 (the “**Series 2016 Certificates**”), in the original principal amount of \$4,040,000. The Series 2016 Certificates refunded the City’s then-outstanding Tax-Exempt Refundig Certificates of Participation, Series 2006A and Taxable Refunding Certificates of Participation, Series 2006B. The Series 2016 Certificates and are payable from basic rent payment paid by the City, subject to annual appropriation by the City Council, pursuant to an annually-renewable Lease Purchase Agreement dated as of February 1, 2016 (the “**2016 Lease**”) between the City, as lessee, and UMB Bank, N.A., as lessor and trustee. The remaining basic rent payments payable by the City under the 2016 Lease, subject to annual appropriation by the City Council, and distributable to the owners of the Series 2016 Certificates are as follows:

Fiscal Year Ended September 30	Series 2016 Basic Rent Payments		
	Principal Portion	Interest Portion	Total Rental Payments
2021	\$205,000.00	\$69,950.00 ⁽¹⁾	\$274,950.00
2022	220,000.00	63,800.00	283,800.00
2023	190,000.00	57,200.00	247,200.00
2024	190,000.00	51,500.00	241,500.00
2025	190,000.00	46,987.50	236,987.50
2026	185,000.00	42,475.00	227,475.00
2027	200,000.00	37,387.50	237,387.50
2028	205,000.00	31,887.50	236,887.50
2029	215,000.00	26,250.00	241,250.00
2030	225,000.00	19,800.00	244,800.00
2031	435,000.00	13,050.00	448,050.00
TOTAL	\$2,460,000.00	\$460,287.50	\$2,920,287.50

⁽¹⁾ Includes interest portion of basic rent equal to \$34,975.00 previously paid by the City on November 1, 2020, during the current Fiscal Year ending September 30, 2021.

The City has historically paid and intends to continue to pay allocable portions of the basic rent payments distributable to the owners of the Series 2016 Certificates from (1) revenues generated by its 0.375% parks, recreation and drainage sales tax, (2) revenues from its 0.375% transportation sales tax, and (3) revenues from its 0.125% economic development sales tax. However, the City’s obligation to pay basic rent payments under the 2016 Lease distributable to owners of the Series 2016 Certificates is not, however, limited to such sources of revenue, and such revenues are not, and cannot be, pledged to the payment of said basic rent payments.

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Series 2012A Certificates. On June 5, 2012, the City approved the delivery of its (i) Tax-Exempt Refunding Certificates of Participation, Series 2012A (the “**Series 2012A Certificates**”), in the original principal amount of \$320,000 and (ii) Taxable Refunding Certificates of Participation, Series 2012B (the “**Series 2012B Certificates**”), in the original principal amount of \$410,000. The Series 2012A Certificates advance refunded a portion of the City’s outstanding Certificates of Participation (Refunding and Improvement), Series 2003 (the “**Series 2003 Certificates**”), issued by the City in the original principal amount of \$1,510,000. The Series 2012B Certificates advance refunded the remaining portion of the Series 2003 Certificates that were not refunded with proceeds of the Series 2012A Certificates. The Series 2012B Certificates have matured and are no longer outstanding. The Series 2012A Certificates are payable from basic rent payment paid by the City, subject to annual appropriation by the City Council, pursuant to an annually-renewable Lease Purchase Agreement dated as of February 1, 2016 (the “**2016 Lease**”) between the City, as lessee, and UMB Bank, N.A., as lessor and trustee. The remaining basic rent payments payable by the City under the 2016 Lease, subject to annual appropriation by the City Council, and distributable to the owners of the Series 2016 Certificates are as follows:

Fiscal Year Ended September 30	Series 2012 Basic Rent Payments		
	Principal Portion	Interest Portion	Total Rental Payments
2021	\$50,000.00	\$4,225.00 ⁽¹⁾	\$54,225.00
2022	50,000.00	2,600.00	52,600.00
2023	30,000.00	975.00	30,975.00
TOTAL	<u>\$130,000.00</u>	<u>\$7,800.00</u>	<u>\$137,800.00</u>

⁽¹⁾ Includes interest portion of basic rent equal to \$2,112.50 previously paid by the City on November 1, 2020, during the current Fiscal Year ending September 30, 2021.

2019 Mower Equipment Lease. In April 2019, the City entered into an annually-renewable equipment lease purchase agreement (the “**2019 Mower Equipment Lease**”) in the principal amount of \$126,055 for the purpose of financing the cost of acquiring mower equipment for the City-owned golf course. The Mower Equipment Lease requires total monthly rental payments of \$2,351 through April 2024, subject to annual appropriation by the City Council, and bears interest at a rate of 4.50%.

The annual rental payments scheduled to become due under the 2019 Mower Equipment Lease, subject to annual appropriation by the City Council, are as follows:

Fiscal Year Ended September 30	Principal Portion	Interest Portion	Total Rental Payments
2021	\$24,522.00	\$3,687.00	\$28,209.00
2022	25,645.00	2,564.00	28,209.00
2023	26,823.00	1,386.00	28,209.00
2024	16,212.00	244.00	16,456.00
TOTAL	<u>93,202.00</u>	<u>\$7,881.00</u>	<u>\$101,083.00</u>

2019 Fire Truck Lease. In May 2019, the City entered into an annually-renewable equipment lease purchase agreement (the “**2019 Fire Truck Lease**”) in the principal amount of \$859,595 for the purpose of financing the cost of acquiring a fire truck for the City fire department. The 2019 Fire Truck Lease requires annual rental payments of \$100,205 through December 2028, subject to annual appropriation by the City Council, and bears interest at a rate of 3.14%.

The annual rental payments scheduled to become due under the 2019 Fire Truck Lease, subject to annual appropriation by the City Council, are as follows:

Fiscal Year Ended September 30	Principal Portion	Interest Portion	Total Rental Payments
2021	\$75,865.00	\$24,340.00	\$100,205.00
2022	78,248.00	21,957.00	100,205.00
2023	80,704.00	19,501.00	100,205.00
2024	83,239.00	16,966.00	100,205.00
2025	85,852.00	14,353.00	100,205.00
2026	88,548.00	11,657.00	100,205.00
2027	91,329.00	8,876.00	100,205.00
2028	94,196.00	6,009.00	100,205.00
2029	97,154.00	3,051.00	100,205.00
TOTAL	\$775,135.00	\$126,710.00	\$901,845.00

2018 Public Safety Equipment Lease. In July 2018, the City entered into an annually-renewable equipment lease purchase agreement (the “**2018 Public Safety Equipment Lease**”) in the principal amount of \$559,674 for the purpose of financing the cost of acquiring certain public safety equipment. The 2018 Public Safety Equipment Lease requires annual rental payments of \$120,588 through July 2023, subject to annual appropriation by the City Council, and bears interest at a rate of 3.14%.

The annual rental payments scheduled to become due under the 2018 Public Safety Equipment Lease, subject to annual appropriation by the City Council, are as follows:

Fiscal Year Ended September 30	Principal Portion	Interest Portion	Total Rental Payments
2021	\$109,544.00	\$11,044.00	\$120,588.00
2022	113,129.00	7,459.00	120,588.00
2023	116,799.00	3,789.00	120,588.00
TOTAL	\$339,472.00	\$22,292.00	\$361,764.00

FINANCIAL INFORMATION CONCERNING THE CITY**Accounting, Budgeting and Auditing Procedures**

The City's Fiscal Year is from October 1 to September 30 of each year. The City produces government-wide financial statements in accordance with the accrual basis of accounting and produces governmental fund financial statements in accordance with the modified accrual basis of accounting, which are both accounting principal generally accepted in the United States as applicable to governments, as more fully described in the notes to the City's audited financial statements for Fiscal Year ended September 30, 2019, attached as *Appendix B* to this Official Statement.

The City, like other Missouri state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Separate fund financial statements report information on the City's governmental and proprietary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds in their respective categories.

The City reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Street Sales Tax Fund: The Street Sales Tax Fund accounts for sales tax revenues that are restricted, committed, or assigned for the purpose of funding street maintenance, improvements, and indebtedness.

Fire Sales Tax Fund: The Fire Sales Tax Fund accounts for sales tax revenues that are restricted, committed, or assigned for the purpose of funding fire department operations.

Tax Increment Financing Fund: The Tax Increment Financing Fund accounts for activities associated with infrastructure improvements within the identified redevelopment area.

The City reports the following major proprietary funds:

Water and Sewer Fund: The Water and Sewer Fund is an enterprise fund and accounts for the activities and capital improvements of the City's water and sewer system which provides services to the residents of the City.

Internal Service Fund: The Internal Service Fund is used to account for the accumulation of resources used to fund claims under the City's health insurance plan.

The City is required by law to prepare an annual budget of estimated receipts and disbursements for the coming Fiscal Year under the direction of the Finance Director and City Manager after consultation with each department. One public hearing is conducted by the City Council in late August or early September to obtain taxpayers' comments on the proposed budget and property tax levy. Prior to October 1, ordinances are passed by the City Council which provide for legally adopted budgets for all funds of the City.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted governmental auditing standards. In recent years, including the annual audit for the Fiscal Year ended September 30, 2019, attached as *Appendix B* to this Official Statement, has been performed by KPM CPAs, P.C., Springfield, Missouri. Copies of the audit reports for the prior years are on file in the office of the Finance Director and are available for review.

Pension and Employee Retirement Plans

The City participates in the Missouri Local Government Employees' Retirement System ("LAGERS"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS was created and is governed by state statute, and is a defined-benefit pension plan that provides retirement, disability and death benefits. The plan is qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, and is tax-exempt. LAGERS is governed by a seven-member Board of Trustees ("LAGERS' Board") consisting of three trustees elected by participating employees, three trustees elected by participating employers and one trustee appointed by the Missouri Governor.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. The LAGERS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019 (the "2019 LAGERS CAFR") is available at <http://www.molagers.org/financial.html>. The link to the 2019 LAGERS CAFR is provided for general background information only, and the information in the 2019 LAGERS CAFR is not incorporated by reference into this Official Statement. The 2019 LAGERS CAFR provides detailed information about LAGERS, including its financial position, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plan.

All full-time general, police and fire employees of the City are eligible to participate in LAGERS. As permitted by LAGERS, the City has elected the non-contributory plan, meaning its participating employees do not contribute to the pension plan. The City is required by statute to contribute at an actuarially determined rate for each category of participating employees, subject to certain limitations. An employer that participates in LAGERS has its actuarially determined contribution rate calculated as follows: using the financial assumptions adopted by the LAGERS' Board, an actuary computes the contribution rate that, if paid annually by each employer during the total service of its participating employees, will be sufficient to provide the pension reserves required at the time of said employees' retirements to cover the pensions that such employees may be entitled to receive. However, this actuarially-determined contribution rate cannot result in an employer contributing an amount in any fiscal year equal to more than 101% of its total contributions for the immediately preceding fiscal year.

For the City's Fiscal Years ended September 30, 2019 and September 30, 2020, the City contributed \$234,819 and \$221,369, respectively, to LAGERS on behalf of participating employees. The City's actuarially determined contribution rate for the Fiscal Year ended September 30, 2019, was 3.8% of annual covered payroll for general employees, 4.7% of annual covered payroll for police employees and 10.1% of annual covered payroll for fire employees. The City's actuarially determined contribution rate for the Fiscal Year ended September 30, 2020 was 3.2% of annual covered payroll for general employees, 5.7% of annual covered payroll for police employees and 9.5% of annual covered payroll for fire employees. In the Fiscal Year ended September 30, 2019, the City's contribution to LAGERS on behalf of its employees represented approximately 1.4% of the City's total expenditures during the Fiscal Year. The City's uncapped actuarially determined contribution rate for the current Fiscal Year ending September 30, 2021, is 5.6% of annual covered payroll for general employees, 8.1% of annual covered payroll for police employees and 10.8% of annual covered payroll for fire employees, but because of the statutory increase limit of 1% mentioned above, the City's capped actuarially determined contribution rate for the current Fiscal Year ending September 30, 2021, is 4.2% of covered payroll for general employees, 6.7 % of covered payroll for police employees and 10.5% of covered payroll for fire employees.

The following provides a historical comparison of the City's actual contributions to LAGERS relative to the actuarially determined contributions for the last five Fiscal Years of the City:

Schedule of City Contributions

<u>Fiscal Year Ended September 30</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/(Deficiency)</u>
2020	\$221,368	\$221,368	-
2019	244,224	234,819	\$(9,405)
2018	270,089	265,974	(4,115)
2017	259,473	259,473	-
2016	294,052	294,052	-

Source: The City; LAGERS – Schedule of Contributions.

The City has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, as amended by GASB Statement No. 71, *An Amendment of GASB Statement No. 68*. This Statement requires the City to record net pension liability and pension expense on its financial statements, among other things. The net pension liability is the difference between the City's total pension liability and the City's fiduciary net position under its plan. The pension expense recognized each fiscal year is equal to the change in the City's net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability and investment experience.

As of February 29, 2020, the City had 253 participants (active members, retirees, beneficiaries and inactive, nonretired members) in LAGERS, consisting of 148 general participants, 58 police participants, and 51 fire participants. The City has exclusive financial responsibility for the liabilities relating to active City employees; once an employee retires, however, a lump sum payment is transferred from the City's employer fund to the Benefit Reserve Fund equal to the present value of the employee's pension, and the liability for that employee becomes solely an obligation of the LAGERS system.

[Remainder of this page intentionally left blank.]

According to information provided by LAGERS, the City’s recognized total pension expense (consisting of both the City’s expense for active members and a proportionate share of LAGERS’ expense for retired members from the City) for the year ended June 30, 2020 was \$416,423 and the net pension liability (asset) (consisting of both the City’s liability (asset) for active members and a proportionate share of LAGERS’ liability (asset) for retired members from the City) attributable to the City’s participation in LAGERS as of June 30, 2020, and the prior years shown, was as follows:

Period Ended June 30	Plan Fiduciary Net Position (FNP)	Total Pension Liability (TPL)	Net Pension Liability/(Asset) (NPL)	FNP as % of TPL	Covered Payroll	NPL as % of Covered Payroll
General						
2020	\$9,235,144	\$7,929,925	\$(1,305,219)	116.46%	\$1,699,550	(76.80)%
2019	9,523,554	7,548,914	(1,974,640)	126.16%	1,423,337	(138.73)%
2018	9,238,933	7,245,334	(1,993,599)	127.52%	1,566,383	(127.27)%
Police						
2020	\$4,122,691	\$3,630,438	\$(492,253)	113.56%	\$1,124,731	(43.77)%
2019	4,161,356	3,329,581	(831,775)	124.98%	1,168,755	(71.17)%
2018	3,940,438	2,972,954	(967,484)	132.54%	969,773	(99.76)%
Fire						
2020	\$6,081,328	\$5,523,894	\$(557,434)	110.09%	\$1,066,912	(52.25)%
2019	6,239,537	5,213,073	(1,026,464)	119.69%	1,041,882	(98.52)%
2018	6,032,713	5,185,999	(846,714)	116.33%	1,083,837	(78.12)%

The City’s net pension liability is based on a 7.25% discount rate, and 7.25% is also the current assumed investment rate of return of LAGERS. LAGERS advised the City that the City’s net pension liability using a 1% higher or lower discount rate at June 30, 2020 would be as follows:

Net Pension Liability/(Asset) Sensitivity

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
General			
City’s Net Pension Liability/(Asset)	\$(142,713)	\$(1,305,219)	\$(2,248,604)
Police			
City’s Net Pension Liability/(Asset)	\$126,703	\$(492,253)	\$(989,634)
Fire			
City’s Net Pension Liability/(Asset)	\$276,925	\$(557,434)	\$(1,237,702)

For additional information regarding the City's participation in LAGERS relating to the Fiscal Year ended September 30, 2019, see *Note 9* in the notes to the City's audited financial statements for Fiscal Year Ended September 30, 2019, attached to this Official Statement as *Appendix B*, and for additional information regarding LAGERS, see the 2019 LAGERS CAFR.

Sources of Revenue

The City finances its general operations through the following taxes and other miscellaneous sources as indicated below. The City's sources of revenue for its general operations, which are accounted for in the City's General Fund, for the City's Fiscal Years ended September 30, 2017 through September 30, 2019, were as follows:

Source	Fiscal Years Ended September 30		
	2017	2018	2019
Taxes	\$3,703,360	\$3,986,270	\$3,886,879
Licenses and Permits	120,137	122,624	122,351
Intergovernmental Revenues	122,499	208,699	105,020
Charges for Services	361,125	389,878	412,854
Fines and forfeitures	302,668	345,906	284,401
Other	125,965	126,411	123,975
TOTALS	\$4,735,754	\$5,179,788	\$4,935,480

Source: City's audited financial statements for Fiscal Years ended September 30, 2017 through 2019.

Summary of Receipts, Expenditures and Fund Balances

The following table sets forth the City's total revenues and expenditures and ending balance in the General Fund for the Fiscal Years ended September 30, 2017 through 2019:

	Fiscal Year Ended September 30		
	2017	2018	2019
General Fund Revenues	\$4,735,754	\$5,179,788	\$4,935,480
General Fund Expenditures	<u>3,504,789</u>	<u>4,134,370</u>	<u>3,668,751</u>
Revenues Collected Over (Under) Expenditures Made	\$1,230,965	\$1,045,418	\$1,266,729
Other Financing Sources (Uses):			
Transfers in (out)	\$(1,264,970)	\$(1,177,858)	\$(1,197,928)
Insurance Proceeds	-	17,929	9,642
Lease Proceeds	-	251,631	-
Sale of assets	-	-	-
Total other financing sources (uses)	<u>\$(1,264,970)</u>	<u>\$(908,298)</u>	<u>\$(1,188,286)</u>
Net Change in Fund Balance	\$(34,005)	\$137,120	\$78,443
Beginning General Fund Balance	<u>\$1,498,147</u>	<u>\$1,464,142</u>	<u>\$1,601,262</u>
Ending General Fund Balance	\$1,464,142	\$1,601,262	\$1,679,705

Source: City's audited financial statements for Fiscal Years ended September 30, 2017 through 2019.

PROPERTY TAX AND SALES TAX INFORMATION

Property Valuations

Assessment Procedure. All taxable real and personal property within the City is assessed annually by the County Assessor of Newton County. Missouri law requires that, except as noted below, personal property be assessed at 33-1/3% of true value and that real property be assessed at the following percentages of true value:

Residential real property	19%
Agricultural and horticultural real property.....	12%
Utility, industrial, commercial, railroad and all other real property.....	32%

Although the assessment ratio for personal property is generally 33-1/3% of true value, subclasses of tangible personal property are assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 0.5%, livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%.

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the state legislature adopted a maintenance law in 1986. On January 1 in every odd-numbered year, each County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

Current Assessed Valuation. The following table shows the total assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the City (excluding \$6,062,585 attributable to the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the City), according to the assessment for calendar year 2020 for property owned as of January 1, 2020, after Board of Equalization adjustments:

	Assessed Valuation	Assessment Rate	Estimated Total Valuation	% of Actual Valuation
Real Estate:				
Residential	\$63,338,400	19.00%	\$333,360,000	51.43%
Agricultural	1,310,390	12.00%	10,919,917	1.68
Commercial ⁽¹⁾	<u>58,761,387</u>	32.00%	<u>183,629,334</u>	<u>28.33</u>
Sub-Total	\$123,410,177		\$527,909,251	81.45
Personal Property ⁽¹⁾	<u>40,073,241</u>	33.33% ⁽²⁾	<u>120,231,746</u>	<u>18.55</u>
TOTAL	<u>\$163,483,418</u>		<u>\$648,140,997</u>	<u>100.00%</u>

Source: County Clerk.

⁽¹⁾ Includes state assessed railroad and utility property.

⁽²⁾ Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See “*Assessment Procedure*” discussed above.

History of Property Valuations. The total assessed valuation of all taxable tangible property situated in the City (including assessed valuation amounts attributable to state assessed railroad and utility property located within the City but excluding the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas located within the City) according to the assessments of January 1, after Board of Equalization adjustments, in each of the following years has been as follows:

<u>Calendar Year</u>	<u>Assessed Valuation</u>	<u>% Change</u>
2020	\$163,483,418	4.22%
2019	156,860,208	4.78
2018	149,708,898	4.97
2017	142,619,219	-1.59
2016	144,926,358	6.18

Source: Newton County Clerk.

Property Tax Levies and Collections

Tax Collection Procedure. Real property taxes are levied and collected by the City (the City does not collect taxes on personal property). The City is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the City’s debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the County Clerk. The City must fix its ad valorem property tax rates and certify them to the County Clerk not later than September first for entry in the tax books.

The County Clerk receives the county tax books from the County Assessor, which set forth the assessments of real and personal property. The County Clerk enters the tax rates certified to him by the local taxing bodies in the tax books and assesses such rates against all taxable property in the City as shown in such books. The County Clerk forwards the tax books by October 31 to the County Collector, who is charged with levying and collecting taxes as shown in the tax books. The County Collector extends the taxes on the tax rolls and issues the tax statements in early December. Taxes are due by December 31 and become delinquent if not paid to the County Collector by that time. All tracts of land and city lots on which delinquent taxes are due are charged with a penalty of eighteen percent of each year’s delinquency. All lands and lots on which taxes are delinquent and unpaid are subject to sale at public auction in August of each year.

The County Collector is required to make disbursements of collected taxes to the City each month. Because of the tax collection procedure described above, the City receives the bulk of its moneys from local property taxes in the months of January, February and March.

Tax Rates

On August 3, 2010, a majority of the qualified voters in the City approved a proposition to impose an ad valorem tax in the amount of up to \$1.00 per \$100 of assessed valuation of all real property located in the City. The real property tax became effective on October 2010. The City does not currently levy an ad valorem tax on personal property.

The following table shows the City's property tax levies (per \$100 of assessed valuation) for the current Fiscal Year ending September 30, 2021, and each of the last five Fiscal Years:

Fiscal Year Ended September 30	General Fund
2021	\$0.3639
2020	0.3529
2019	0.3603
2018	0.3603
2017	0.3639
2016	0.3639

Source: For Fiscal Years ended September 30, 2016 through 2020, State Auditor's Property Tax Rates Report; for the current Fiscal Year ending September 30, 2021, Tax Rate Certification Letter from Missouri State Auditor for the 2020 property tax rates.

Operating Levy. The City's general fund operating levy for the current Fiscal Year ending September 30, 2021 (calendar year December 31, 2020), is \$0.3639 per \$100 of assessed valuation, which is \$0.065 less than the City's tax rate ceiling of \$0.4290 a. The operating levy cannot exceed the "**tax rate ceiling**" for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy which, when charged against the newly assessed valuation of the City for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by 5% or the Consumer Price Index, whichever is lower. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1984 or the most recent voter-approved tax rate. Under Article X, Section 11(c) of the Missouri Constitution, any increase in the City's operating levy above \$1.00 must be approved by two-thirds of the voters voting on the proposition.

In 2008, through the enactment of Senate Bill 711 ("**SB 711**"), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a local governmental unit. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of a city's actual operating tax levy if its current tax levy was less than its current tax levy ceiling, due to the city's voluntary rollback from the maximum authorized tax levy. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a city's actual operating tax levy, regardless of whether that levy is at the city's tax levy ceiling. This further reduction is sometimes referred to as an "**SB 711 rollback**." In non-reassessment years (even-numbered years), the operating levy may be increased to the city's tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

Tax Abatement and Tax Increment Financing

Under state law, tax abatement is available for redevelopers of areas determined by the governing body of a city to be "blighted." The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, RSMo. In lieu of ten-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, RSMo, may seek real property tax abatement for a total period of 25 years. In addition, Chapter 100, RSMo and Article VI Section 27(b) of the Missouri Constitution authorize real and personal property tax abatement for corporations for certain projects.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a city or county to be a “blighted area,” “conservation area” or “economic development area,” each as defined in such statute.

Currently, certain portions of the City are located in tax increment financing redevelopment areas (“**TIF Redevelopment Areas**”). Tax increment financing does not diminish the amount of property tax revenues collected by the City in an affected area compared to prior to the establishment of a TIF Redevelopment Area but instead acts to freeze such revenues at current levels (the “**Base**”) and deprives the City and other taxing districts of all or part of future increases in ad valorem real property tax revenues that otherwise would have resulted from increases in assessed valuation above the Base (the “**TIF Increment**”). The TIF Increment is captured by the TIF Redevelopment Areas until the tax increment financing obligations issued are repaid or the tax increment financing period terminates.

According to the County Assessor’s office, the assessed valuation of the property within the TIF Redevelopment Areas within the City was approximately \$6,062,585 for the 2020 tax year. See the sections captioned “**PROPERTY TAX INFORMATION CONCERNING THE CITY – Property Valuations – Current Assessed Valuation**” and “– *History of Property Valuations*” in this *Appendix A*.

Tax Collection Record

The following table sets forth real property tax collection information for the City for the Fiscal Years ended September 30, 2016 through September 30, 2019:

Fiscal Year Ended September 30	Total Levy	Total Taxes Levied ⁽¹⁾	Total Taxes Collected	
			Amount	% of Taxes Levied
2019	\$0.3603	\$413,450	\$416,935	100.8%
2018	0.3603	410,959	465,565	113.3
2017	0.3639	403,651	384,150	95.2
2016	0.3639	399,794	383,617	96.0

Source: City’s audited financial statements for Fiscal Years ended September 30, 2016 through 2019.

⁽¹⁾ Total Taxes Levied are based on assessed valuation as of December 31 of each year (prior to the Fiscal Year shown) and are calculated by dividing assessed valuation by 100 and multiplying by the Total Levy. The assessed valuation of the City as adjusted through December 31 of the calendar year prior to the Fiscal Year shown excludes the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas located within the City.

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Major Real Property Taxpayers

The following table sets forth a list of the largest real property taxpayers in the City based on the 2020 assessed valuation for the valuation of property owned as of January 1, 2020, after Board of Equalization adjustments. The City has not independently verified the accuracy or completeness of such information.

Real Property Taxpayer	Type of Use	2020 Assessed Valuation	% of City's Total 2020 Assessed Valuation
Sunbeam Products, Inc.	Small appliances	\$7,120,000	5.77%
Laclede Gas Company	Natural Gas Utility	2,559,300	2.07
Wal-Mart	Retail/Grocery	2,551,040	2.07
Haas Warehousing, Inc.	Cold Storage Warehousing	2,047,300	1.66
La-Z-Boy Chair Company	Furniture Manufacturing	1,759,810	1.43
Lowe's Home Centers, Inc.	Retail/Home Improvement	1,714,720	1.39
Omega Twin River Holdings, LLC	Modular housing	1,409,570	1.14
Talbot Industries, Inc.	Steel Fabrication	1,163,180	0.94
Love's Travel Stop & Country Stores, Inc.	Gas Station/Convenience Store	1,133,890	0.92
Southwest Lime Company	Underground Commercial Warehouse	<u>1,012,360</u>	<u>0.82</u>
TOTAL		<u>\$22,471,170</u>	<u>18.21%</u>

Source: Office of the Newton County Assessor.

Sales Tax Collections

The City levies a 1.000% general sales tax, a 0.375% transportation sales tax, a 0.125% economic development sales tax, a 0.375% sales tax for parks, recreation and drainage, a 0.250% sales tax for fire, a 0.250% capital improvement sales tax for the municipal auditorium and senior citizens center and a 0.125% sales tax for streets and bridges.

The City's revenue for the Fiscal Years ended September 30, 2017 through 2019 from the sales tax levies are as follows:

	Fiscal Year Ended September 30		
	2017	2018	2019
General Sales Tax (1.000%)	\$2,489,303	\$2,693,459	\$2,662,511
Transportation Sales Tax (0.375%)	898,842	963,566	959,277
Economic Development Sales Tax (0.125%)	299,614	321,189	319,759
Parks, Recreation & Drainage Sales Tax (0.375%)	898,841	963,565	959,277
Fire Sales Tax (0.250%)	599,227	642,376	639,518
Capital Improvements Sales Tax (0.250%) ⁽¹⁾	599,227	642,401	639,518
Streets/Bridge Sales Tax (0.125%)	299,614	321,186	319,759

Source: City's audited financial statements for Fiscal Years ended September 30, 2017 through 2019.

⁽¹⁾ Revenues from the Capital Improvements Sales Tax are available only for improvements to the municipal auditorium and the senior citizens center.

APPENDIX B

CITY OF NEOSHO, MISSOURI

**AUDITED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

APPENDIX C

SUMMARY OF THE BOND ORDINANCE

The following is a summary of certain provisions contained in the Bond Ordinance. The following is not a comprehensive description, however, and is qualified in its entirety by reference to the Bond Ordinance for a complete recital of the terms thereof.

Definitions

In addition to words and terms defined elsewhere in this Official Statement, the following are definitions of certain words and terms used in the Bond Ordinance and this Official Statement unless the context clearly otherwise requires. Reference is hereby made to the Bond Ordinance for complete definitions of all terms.

“Bond Counsel” means Gilmore & Bell, P.C., Kansas City, Missouri, or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the City.

“Bond Fund” means the fund by that name referred to in the Bond Ordinance.

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable.

“Bond Purchase Agreement” means the Bond Purchase Agreement, between the City and the Purchaser.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

“Bondowner,” “Owner” or “Registered Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

“Bonds” means the Special Obligation Refunding Bonds, Series 2021, of the City, in the Original Principal Amount authorized in the Bond Ordinance and specified in the Certificate of Final Terms, authorized and issued by the City pursuant to the Bond Ordinance.

“Business Day” means a day, other than a Saturday, Sunday or holiday, on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

“Certificate of Final Terms” means the Certificate of Final Terms executed and delivered pursuant to the Bond Ordinance hereof and attached to the Bond Ordinance as of the date of issuance of the Bonds.

“City” means City of Neosho, Missouri, and any successors or assigns.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

“Continuing Disclosure Undertaking” means the Continuing Disclosure Undertaking dated the date set forth therein.

“Dated Date” means the date of initial delivery and payment for the Bonds specified in the Certificate of Final Terms.

“Defaulted Interest” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“Defeasance Obligations” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody’s or Standard & Poor’s that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Escrow Agents” means, collectively, UMB Bank, N.A., Kansas City, Missouri, as escrow agent under both the Refunded Bonds Escrow Trust Agreement and the Refunded Certificates Escrow Trust Agreement and any successors or assigns.

“Escrow Agreements” means, collectively, the Refunded Bonds Escrow Trust Agreement and the Refunded Certificates Escrow Trust Agreement, each between the City and UMB Bank, N.A., as escrow agent.

“Escrow Funds” means, collectively, the Refunded Bonds Escrow Fund and the Refunded Certificates Escrow Fund referred to in the Bond Ordinance and established pursuant to the respective Refunded Bonds Escrow Agreement and the Refunded Certificates Escrow Agreement.

“Escrowed Securities” means the direct, noncallable obligations of the United States of America, as described in the Escrow Agreements.

“Federal Tax Agreement” means the City’s Federal Tax Agreement relating to the Bonds.

“Fiscal Year” means the fiscal year of the City, currently October 1 to September 30.

“Interest Payment Date” means the Stated Maturity of an installment of interest on any Bond.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as provided therein and in the Bond Ordinance, whether at the Stated Maturity thereof [or by call for mandatory redemption] or otherwise.

“Original Principal Amount” means the Original Principal Amount of the Bonds authorized in the Bond Ordinance and specified in the Certificate of Final Terms.

“Outstanding” means, when used with reference to Bonds, as of any particular date of determination, all Bonds theretofore authenticated and delivered hereunder, except the following Bonds:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of the Bond Ordinance; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Paying Agent” means UMB Bank, N.A., Kansa City, Missouri, and any successors and assigns.

“Permitted Investments” means any of the following securities, if and to the extent the same are at the time legal for investment of the City’s funds:

(a) United States Government Obligations;

(b) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by United States Government Obligations which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits; and

(c) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri.

“Person” means any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Purchase Price” means the purchase price of the Bonds authorized pursuant to the Bond Ordinance and specified in the Certificate of Final Terms.

“Purchaser” means the purchaser of the Bonds specified in the Certificate of Final Terms.

“Record Date” for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Refunded Bonds” means all of the City’s outstanding Series 2013 Bonds scheduled to mature on April 1, 2021, and thereafter, in the aggregate principal amount of \$1,830,000.

“Refunded Bonds Escrow Agent” means UMB Bank, N.A., Kansas City, Missouri, and any successors or assigns.

“Refunded Bonds Escrow Agreement” means the Escrow Trust Agreement for the Refunded Bonds between the City and Refunded Bonds Escrow Agent.

“Refunded Bonds Escrow Fund” means the fund by that name referenced in the Bond Ordinance and established pursuant to the Refunded Bonds Escrow Agreement.

“Refunded Bonds Ordinance” means Ordinance No. 15-2013 passed by the City Council of the City on March 27, 2013, which authorized the Series 2013 Bonds.

“Refunded Certificates” means all of the City’s outstanding Series 2014A Certificates scheduled to mature on April 1, 2021, and thereafter, outstanding in the aggregate principal amount of \$1,840,000.

“Refunded Certificates Escrow Agent” means UMB Bank, N.A., Kansas City, Missouri, and any successors or assigns.

“Refunded Certificates Escrow Agreement” means the Escrow Trust Agreement for the Refunded Certificates between the City and the Refunded Certificates Escrow Agent.

“Refunded Certificates Escrow Fund” means the fund by that name referenced in the Bond Ordinance and established pursuant to the Refunded Certificates Escrow Agreement.

“Refunded Certificates Trustee” means UMB Bank, N.A. (as trustee successor to Commerce Bank), its successors and assigns, as trustee under the Refunded Declaration of Trust.

“Refunded Declaration of Trust” means the Declaration of Trust dated as of August 1, 2014, executed and delivered by the Refunded Certificates Trustee, pursuant to which the Refunded Certificates were delivered.

“Refunded Lease” means the Lease Purchase Agreement dated as of August 1, 2014, between the Refunded Certificates Trustee, as lessor, and the City, as lessee.

“Series 2013 Bonds” means the City’s Special Obligation Refunding Bonds, Series 2013, dated April 2, 2013, originally issued in the aggregate principal amount of \$3,145,000.

“Series 2014A Certificates” means the Tax-Exempt Refunding Certificates of Participation, Series 2014A, originally issued in the aggregate principal amount of \$3,035,000 evidencing a proportionate interest in basic rent payments to be made by the City, pursuant to the Refunded Lease, executed and delivered pursuant to the Refunded Declaration of Trust.

“Special Record Date” means the date fixed by the Paying Agent pursuant to the Bond Ordinance for the payment of Defaulted Interest.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and the Bond Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America,

including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation) or securities which represent an undivided interest in such obligations, which obligations are rated in the same rating category or higher as the United States of America by a nationally recognized rating service and such obligations are held in a custodial account for the City's benefit.

Security for the Bonds

The Bonds shall be special obligations of the City payable as to both principal and interest solely from annual appropriations of legally available funds by the City Council for such purpose to be deposited in the Bond Fund. The obligation of the City to make payments into the Bond Fund and for any other obligations of the City under the Bond Ordinance do not constitute a general obligation or indebtedness of the City for which the City is obligated to levy or pledge any form of taxation, or for which the City has levied or pledged any form of taxation and shall not be construed to be a debt of the City in contravention of any applicable constitutional, statutory or Charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor (1) out of the legally available income and revenues of the City provided for such Fiscal Year, plus (2) any unencumbered balances for previous Fiscal Years. Subject to the preceding sentence, the obligations of the City to make payments hereunder and to perform and observe any other covenant and agreement contained in the Bond Ordinance shall be absolute and unconditional.

The covenants and agreements of the City contained in the Bond Ordinance and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds to the payment of the principal of and the interest on the Bonds, or otherwise, except as to the rate of interest and Stated Maturity as provided in the Bond Ordinance.

Covenant to Request Appropriations

Under the Bond Ordinance, the City Council directs that from and after delivery of the Bonds and so long as any of the Bonds remain Outstanding, subject to certain limitations in the Bond Ordinance, the City Manager, the Director of Finance or any other officer of the City at any time charged with the responsibility of formulating budget proposals, shall (1) include in each annual budget an appropriation of the amount necessary (after taking into account any moneys legally available for such purpose, including moneys then on deposit in the Bond Fund) to pay debt service on the Bonds, and (2) take such further action (or cause the same to be taken) as may be necessary or desirable to assure the availability of moneys appropriated to pay debt service on the Bonds. The City is not required or obligated to make any such annual appropriation, and the decision whether or not to appropriate such funds will be solely within the discretion of the then current City Council.

Establishment of Funds and Accounts

There shall be established in the treasury of the City and shall be held and administered by the Director of Finance of the City the following separate funds and accounts:

- (1) Series 2021 Bond Fund (the **"Bond Fund"**); and
- (2) Series 2021 Costs of Issuance Fund (the **"Costs of Issuance Fund"**)
- (3) Series 2021 Rebate Fund (the **"Rebate Fund"**)

In addition to the funds and accounts described in above, the Refunded Bonds Escrow Agreement establishes the Refunded Bonds Escrow Fund and the Refunded Certificates Escrow Agreement establishes the Refunded Certificates Escrow Fund to be held and administered by the respective Escrow Agents in accordance with the applicable Escrow Agreements. The investment and use of moneys in the respective Escrow Funds shall be governed by the applicable Escrow Agreements.

Application of Moneys in the Bond Fund.

All amounts paid and credited to the Bond Fund shall be expended and used by the City for the purpose of paying the Bonds as and when the same become due and the usual and customary fees and expenses of the Paying Agent. The Director of Finance is authorized and directed to withdraw from the Bond Fund sums sufficient to pay the Bonds and the fees and expenses of the Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Registered Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the City. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Bond Ordinance and shall be held in trust by the Paying Agent for the benefit of the Registered Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Bond Fund after the redemption and payment of all the Bonds shall be transferred and paid into the appropriate fund(s) of the City as required by law.

Application of Moneys in the Rebate Fund.

There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Agreement. All money in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Agreement), for payment to the United States of America, and neither the City nor the Registered Owner of any Bond shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by the Bond Ordinance and the Federal Tax Agreement.

The City shall periodically determine the rebatable arbitrage under Section 148(f) of the Code in accordance with the Federal Tax Agreement, and the City shall make payments to the United States Government at the times and in the amounts determined under the Federal Tax Agreement. Any funds remaining in the Rebate Fund after redemption and payment of all of the Bonds and the interest thereon and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be released to the City.

Notwithstanding any other provision of the Bond Ordinance, the City's obligation to pay rebatable arbitrage to the United States and to comply with all other requirements of the Federal Tax Agreement will survive the defeasance or payment in full of the Bonds.

Application of the Moneys in the Escrow Funds

Under the Refunded Bonds Escrow Agreement, the Refunded Bonds Escrow Agent will apply moneys in the Refunded Bonds Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Refunded Bonds Escrow Agreement. Except as otherwise provided in the Refunded Bonds Escrow Agreement, the cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely to (1) the payment on April 1, 2021, of the principal and interest on the Refunded Bonds scheduled to mature on April 1, 2021, and (2) the redemption on April 1, 2021, of the remaining outstanding Refunded Bonds scheduled to mature on April 1, 2022, and thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to April 1, 2021, as set forth in the Refunded Bonds Escrow Agreement. All money deposited with the Refunded Bonds Escrow Agent in the Refunded Bonds Escrow Fund shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Bonds Ordinance and the Refunded Bonds Escrow Agreement.

Under the Refunded Certificates Escrow Agreement, the Refunded Certificates Escrow Agent will apply moneys in the Refunded Certificates Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Refunded Certificates Escrow Agreement. Except as otherwise

provided in the Refunded Certificates Escrow Agreement, the cash and Escrowed Securities held in the Refunded Certificates Escrow Fund will be applied by the Refunded Certificates Escrow Agent solely to (1) the payment on April 1, 2021, of the principal portion and interest portion of basic rent scheduled to become due under the Refunded Lease on April 1, 2021, represented by the Refunded Certificates scheduled to mature on April 1, 2021, and (b) the prepayment on April 1, 2021, of the remaining principal portions of basic rent payments scheduled to become due under the Refunded Lease on April 1, 2022, and thereafter, represented by the Refunded Certificates scheduled to mature on April 1, 2022, and thereafter, at a prepayment price equal to 100% of the outstanding principal portions of basic rent represented by said Refunded Certificates, plus the interest portion of basic rent accrued thereon to April 1, 2021, as set forth in the Refunded Certificates Escrow Agreement. All money deposited with the Refunded Certificates Escrow Agent in the Refunded Certificates Escrow Fund shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Lease, the Refunded Declaration of Trust and the Refunded Certificates Escrow Agreement.

Payments Due on Saturdays, Sundays and Holidays

In any case where a Bond Payment Date is not a Business Day, then payment of principal or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Nonpresentment of Bonds

If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Bond Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the City the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Deposit and Investment of Moneys

Moneys in each of the funds and accounts created by and referred to in the Bond Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the banks or financial institutions holding such deposits as provided by the laws of the State of Missouri.

Moneys held in any fund or account held in the custody of the City referred to in the Bond Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund or account was created. All earnings on any investments held in any fund or account shall accrue to and become a part of such fund or account. In determining the amount held in any fund or account under any of the provisions of the Bond Ordinance, obligations shall be valued at the lower of the cost or the market value thereof.

Annual Audit

Annually, promptly after the end of the Fiscal Year, the City will cause an audit to be made of its funds and accounts for the preceding Fiscal Year by an independent public accountant or firm of independent public accountants.

Within 30 days after the completion of each such audit and approval thereof by the City Council, a copy thereof shall be filed in the office of the City Clerk. Such audits filed in the office of the City Clerk shall at all times during the usual business hours of the City be open to the examination and inspection by any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such Registered Owner.

As soon as possible after the completion of the annual audit, the City Council shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of the Ordinance, the City shall, subject to the terms of the Bond Ordinance, promptly cure such deficiency.

Tax Covenants

The City covenants and agrees that (1) it will comply with all applicable provisions of the Code necessary to maintain the exclusion from federal gross income of the interest on the Bonds and (2) comply with all provisions and requirements of the Federal Tax Agreement. The City will also pass such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

The covenants contained in the Bond Ordinance and in the Federal Tax Agreement will remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to the Bond Ordinance or any other provision of the Bond Ordinance until the final Maturity of all Bonds Outstanding.

Remedies

The provisions of the Bond Ordinance, including the covenants and agreements contained therein, shall constitute a contract between the City and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

- (a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Ordinance, excluding the requirements relating to the Continuing Disclosure Undertaking, or by the Constitution and laws of the State of Missouri;
- (b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and
- (c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

Limitation on Rights of Bondowners

The covenants and agreements of the City contained in the Bond Ordinance and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds. All of the Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds pledged and appropriated to the payment of the principal of and the interest on the Bonds, or

otherwise, except as to rate of interest, or date of Maturity or right of prior redemption as provided in the Bond Ordinance. No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for in the Bond Ordinance, or to enforce any right hereunder, except in the manner provided in the Bond Ordinance, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Remedies Cumulative

No remedy conferred in the Bond Ordinance upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred in the Bond Ordinance. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence in the Bond Ordinance. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by the Bond Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Bondowner, then, and in every such case, the City and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

No Acceleration

Notwithstanding anything in the Bond Ordinance to the contrary, the Bonds are not subject to acceleration upon the occurrence of an event of default hereunder.

No Obligation to Levy Taxes

Nothing contained in the Bond Ordinance shall be construed as imposing on the City any duty or obligation to levy any taxes either to meet any obligation incurred in the Bond Ordinance or to pay the principal of or interest on the Bonds.

Defeasance

When any or all of the Bonds or the interest payments thereon shall have been paid and discharged, then the requirements contained in the Bond Ordinance and all other rights granted hereby shall terminate with respect to the Bonds or interest payments so paid and discharged. Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Ordinance if there has been deposited with the Paying Agent or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned thereon, will be sufficient for the payment of the principal of said Bonds, and/or interest to accrue on such Bonds to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments

Amendments

The Continuing Disclosure Undertaking is exempt from the provisions of this section in the Bond Ordinance and is subject to amendment and modification only as provided therein. The rights and duties of the City and the Bondowners, and the terms and provisions of the Bonds or of the Bond Ordinance, may be amended or modified at any time in any respect by ordinance of the City with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the City is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Bond Ordinance.

Any provision of the Bonds or of the Bond Ordinance may, however, be amended or modified by ordinance duly adopted by the City Council at any time in any legal respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Bondowners, the City may amend or supplement the Bond Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein, or in connection with any other change therein which is not materially adverse to the security of the Bondowners.

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of January 19, 2021 (this “**Continuing Disclosure Agreement**”), is executed and delivered by **CITY OF NEOSHO, MISSOURI** (the “**Issuer**”) and **UMB BANK, N.A.**, as dissemination agent (the “**Dissemination Agent**”).

RECITALS

1. This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by the Issuer of **[\$[Principal Amount] Special Obligation Refunding Bonds, Series 2021 (the “Bonds”)]**, pursuant to an ordinance passed by the City Council of the Issuer, and a Certificate of Final Terms executed by the Mayor of the Issue (collectively, the “**Ordinance**”).

2. The Issuer and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the Issuer and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the Trustee or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means UMB Bank, N.A., Kansas City, Missouri, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include

municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Fiscal Year**” means the 12-month period beginning on **October 1** and ending on **September 30** or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

- (a) The Issuer shall, or shall cause the Dissemination Agent to, not later than **March 31st** immediately following the end of the Issuer’s Fiscal Year, commencing with the year ended September 30, 2020, file with the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):
- (1) The audited financial statements of the Issuer for the prior Fiscal Year, prepared in accordance with accounting principles described in the notes to the financial statements contained in *Appendix B* to the final Official Statement related to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.
 - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an “**obligated person**” (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for

the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**, and the Annual Report deadline provided above shall automatically become the last day of the sixth month after the end of the Issuer's new fiscal year.

- (b) Not later than the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall either (1) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (a), or (2) provide written notice to the Dissemination Agent that the Issuer has provided the Annual Report to the MSRB (or will do so prior to the deadline specified in subsection (a)).
- (c) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the Issuer that it has provided an Annual Report to the MSRB by the date required in subsection (a), the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as **Exhibit B**.
- (d) The Dissemination Agent shall, unless the Issuer has provided the Annual Report to the MSRB, promptly following receipt of the Annual Report and instructions required in subsection (b) above, provide the Annual Report to the MSRB and provide a report to the Issuer certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided to the MSRB.
- (e) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events.

- (a) Not later than **10 Business Days** after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):
 - (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (7) modifications to rights of bondholders, if material;
 - (8) bond calls, if material, and tender offers;
 - (9) defeasances;
 - (10) release, substitution or sale of property securing repayment of the Bonds, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar event of the obligated person;

- (13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (14) appointment of a successor or additional paying agent or the change of name of the paying agent, if material;
 - (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
 - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.
- (b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the Director of Finance of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the Issuer determines that the event does not constitute a Material Event, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).
- (c) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).
- (d) If the Dissemination Agent receives written instructions from the Issuer to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the Issuer.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is UMB Bank, N.A..

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer and the Dissemination Agent with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer or the Dissemination Agent fails to comply with any provision of this Continuing Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 9. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement, and, to the extent permitted by law, the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Issuer shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement.

Section 10. Notices. Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by facsimile or by e-mail, receipt confirmed by telephone, or delivered in person or by overnight courier, and will

IN WITNESS WHEREOF, the Issuer and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

CITY OF NEOSHO, MISSOURI

By: _____
Title: Mayor

UMB BANK, N.A.,
as Dissemination Agent

By: _____
Title: Authorized Officer

**EXHIBIT A
TO CONTINUING DISCLOSURE AGREEMENT**

**FINANCIAL INFORMATION AND OPERATING DATA TO BE
INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in the tables under the following described sections in *Appendix A* of the final Official Statement relating to the Bonds:

- **FINANCIAL INFORMATION CONCERNING THE CITY**
 - **Sources of Revenue (table)**
 - **Summary of Receipts, Expenditures and Fund Balances (table)**

- **PROPERTY AND SALES TAX INFORMATION**
 - **Property Valuations**
 - *Current Assessed Valuation (table)*
 - *History of Property Valuations (table)*
 - **Tax Rates (table)**
 - **Tax Collection Record (table)**
 - **Sales Tax Collections (table)**

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Neosho, Missouri

Name of Bond Issue: \$[Principal Amount] Special Obligation Refunding Bonds, Series 2021 (the “**Bonds**”)

Name of Obligated Person: City of Neosho, Missouri (the “**Issuer**”)

Date of Issuance: February 11, 2021

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of January 19, 2021, between the Issuer and UMB Bank, N.A., as Dissemination Agent. [The Issuer has informed the Dissemination Agent that the Issuer anticipates that the Annual Report will be provided by _____.]

Dated: _____, _____

UMB Bank, N.A., as Dissemination Agent
on behalf of **City of Neosho, Missouri**

cc: City of Neosho, Missouri

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The following information concerning DTC and DTC's Book-Entry Only System has been obtained from sources that the City believes to be reliable, but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation by the City, the Paying Agent or the Underwriter. The City, the Paying Agent and the Underwriter make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners will act in accordance with the procedures described above or in a timely manner.

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the "**Book-Entry System**") maintained by The Depository Trust Company ("**DTC**"), New York, New York.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. The following discussion will not apply to any Bonds issued in certificate form due to the discontinuance of the DTC Book Entry Only System, as described below.

DTC and its Participants. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchase of Ownership Interests. Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of

Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond Ordinance. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Price and Interest. Payment of principal or redemption price of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, its nominee, the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or redemption price of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuation of Book-Entry System. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered as described in the Bond Ordinance.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed, registered in the name of DTC's partnership nominee, Cede & Co. (or such other name as may be requested by an authorized representative of DTC), and delivered to DTC (or a successor securities depository), to be held by it as

securities depository for Direct Participants. If, however, the system of book-entry-only transfers has been discontinued and a Direct Participant has elected to withdraw its Bonds from DTC (or such successor securities depository), Bond certificates may be delivered to Beneficial Owners in the manner described in the Bond Ordinance.

RESPONSIBILITY OR OBLIGATIONS TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE PARTICIPANTS, THE INDIRECT PARTICIPANTS, OR THE BENEFICIAL OWNERS.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CITY AND THE UNDERWRITER BELIEVE TO BE RELIABLE, BUT THE CITY AND THE UNDERWRITER TAKE NO RESPONSIBILITY FOR THE ACCURACY THEREOF, AND NEITHER THE PARTICIPANTS NOR THE BENEFICIAL OWNERS SHOULD RELY ON THE FOREGOING INFORMATION WITH RESPECT TO SUCH MATTERS BUT SHOULD INSTEAD CONFIRM THE SAME WITH DTC OR THE PARTICIPANTS, AS THE CASE MAY BE.

APPENDIX F

FORM OF BOND COUNSEL OPINION

February [___], 2021

City of Neosho, Missouri

Piper Sandler & Co.
Leawood, KansasRe: \$3,130,000* Special Obligation Refunding Bonds, Series 2021 of the City of Neosho,
Missouri

Ladies and Gentlemen:

We have acted as bond counsel to the City of Neosho, Missouri (the “City”) in connection with the issuance by the City of \$3,130,000* principal amount of Special Obligation Refunding Bonds, Series 2021 (the “Bonds”), pursuant to an Ordinance passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms executed by the Mayor of the City on January [___], 2021 (collectively, the “Bond Ordinance”). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Bond Ordinance.

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the City and are valid and legally binding special obligations of the City, payable solely from annual appropriations of funds by the City for such purpose as provided in the Bond Ordinance. The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional or statutory limitation or provision, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds.

2. The Bond Ordinance has been duly passed by the City and constitutes a valid and legally binding obligation of the City enforceable against the City.

3. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from income taxation by the State of Missouri, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the City complies with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of

* Preliminary, subject to change.

the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent applicable and their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Very truly yours,

EXHIBIT E
TO ORDINANCE

FORM OF CONTINUING DISCLOSURE AGREEMENT

[See Attached]

Gilmore & Bell, P.C.
Draft v1 – December 30, 2020

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of January 19, 2021 (this “**Continuing Disclosure Agreement**”), is executed and delivered by **CITY OF NEOSHO, MISSOURI** (the “**Issuer**”) and **UMB BANK, N.A.**, as dissemination agent (the “**Dissemination Agent**”).

RECITALS

1. This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by the Issuer of \$[Principal Amount] **Special Obligation Refunding Bonds, Series 2021** (the “**Bonds**”), pursuant to an ordinance passed by the City Council of the Issuer, and a Certificate of Final Terms executed by the Mayor of the Issue (collectively, the “**Ordinance**”).

2. The Issuer and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the Issuer and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the Trustee or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means UMB Bank, N.A., Kansas City, Missouri, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Fiscal Year**” means the **12-month** period beginning on **October 1** and ending on **September 30** or any other **12-month** period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

- (a) The Issuer shall, or shall cause the Dissemination Agent to, not later than **March 31st** immediately following the end of the Issuer’s Fiscal Year, commencing with the year ended September 30, 2020, file with the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):
- (1) The audited financial statements of the Issuer for the prior Fiscal Year, prepared in accordance with accounting principles described in the notes to the financial statements contained in *Appendix B* to the final Official Statement related to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.
 - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an “**obligated person**” (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**, and the Annual Report deadline provided above shall automatically become the last day of the sixth month after the end of the Issuer's new fiscal year.

- (b) Not later than the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall either (1) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (a), or (2) provide written notice to the Dissemination Agent that the Issuer has provided the Annual Report to the MSRB (or will do so prior to the deadline specified in subsection (a)).
- (c) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the Issuer that it has provided an Annual Report to the MSRB by the date required in subsection (a), the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as **Exhibit B**.
- (d) The Dissemination Agent shall, unless the Issuer has provided the Annual Report to the MSRB, promptly following receipt of the Annual Report and instructions required in subsection (b) above, provide the Annual Report to the MSRB and provide a report to the Issuer certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided to the MSRB.
- (e) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events.

- (a) Not later than **10** Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):
 - (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (7) modifications to rights of bondholders, if material;

- (8) bond calls, if material, and tender offers;
 - (9) defeasances;
 - (10) release, substitution or sale of property securing repayment of the Bonds, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
 - (13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (14) appointment of a successor or additional paying agent or the change of name of the paying agent, if material;
 - (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
 - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.
- (b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the Director of Finance of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the Issuer determines that the event does not constitute a Material Event, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).
- (c) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).
- (d) If the Dissemination Agent receives written instructions from the Issuer to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the Issuer.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final

maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is UMB Bank, N.A..

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer and the Dissemination Agent with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer or the Dissemination Agent fails to comply with any provision of this Continuing Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 14. Electronic Transactions. The arrangement 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 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.

Section 15. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the Issuer and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

CITY OF NEOSHO, MISSOURI

By: _____
Title: Mayor

UMB BANK, N.A.,
as Dissemination Agent

By: _____
Title: Authorized Officer

**EXHIBIT A
TO CONTINUING DISCLOSURE AGREEMENT**

**FINANCIAL INFORMATION AND OPERATING DATA TO BE
INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in the tables under the following described sections in *Appendix A* of the final Official Statement relating to the Bonds:

- **FINANCIAL INFORMATION CONCERNING THE CITY**
 - **Sources of Revenue (table)**
 - **Summary of Receipts, Expenditures and Fund Balances (table)**

- **PROPERTY AND SALES TAX INFORMATION**
 - **Property Valuations**
 - *Current Assessed Valuation (table)*
 - *History of Property Valuations (table)*
 - **Tax Rates (table)**
 - **Tax Collection Record (table)**
 - **Sales Tax Collections (table)**

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Neosho, Missouri

Name of Bond Issue: \$[Principal Amount] Special Obligation Refunding Bonds, Series 2021
(the “**Bonds**”)

Name of Obligated Person: City of Neosho, Missouri (the “**Issuer**”)

Date of Issuance: February 11, 2021

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of January 19, 2021, between the Issuer and UMB Bank, N.A., as Dissemination Agent. [The Issuer has informed the Dissemination Agent that the Issuer anticipates that the Annual Report will be provided by _____.]

Dated: _____, _____, _____

UMB Bank, N.A., as Dissemination Agent
on behalf of **City of Neosho, Missouri**

cc: City of Neosho, Missouri

EXHIBIT F
TO ORDINANCE

FORM OF FEDERAL TAX AGREEMENT

[See Attached]

Gilmore & Bell, P.C.
Draft v1 – December 30, 2020

FEDERAL TAX AGREEMENT

Dated as of [February 11], 2021

OF

CITY OF NEOSHO, MISSOURI

[\$[Principal Amount]
SPECIAL OBLIGATION REFUNDING BONDS
SERIES 2021

FEDERAL TAX AGREEMENT

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- Exhibit A** – Debt Service Schedule and Proof of Bond Yield
- Exhibit B** – IRS Form 8038-G
- Exhibit C** – Description of Property Comprising the Project and Financed Facility;
Final Written Allocation of the Original Obligations
- Exhibit D** – Sample Annual Compliance Checklist
- Exhibit E** – Allocation of Sources and Uses
- Exhibit F** – Certificate of Area Agency on Aging Region X, with IRS 501(c)(3)
Determination Letter
- Exhibit G** – Public Approval; Notice of Public Hearing

* * *

FEDERAL TAX AGREEMENT

THIS FEDERAL TAX AGREEMENT (the “**Tax Agreement**”), is executed as of [February 11], 2021, by **CITY OF NEOSHO, MISSOURI**, a constitutional charter City and political subdivision organized and existing under the laws of the State of Missouri (the “**City**”) for the benefit of Piper Sandler & Co., as underwriter of the hereinafter defined Bonds (defined below), and any firm of attorneys rendering an opinion on the exclusion from gross income for federal income tax purposes of the interest to be paid on the hereinafter defined Bonds.

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the issuance by the City of \$[Principal Amount] principal amount of Special Obligation Refunding Bonds, Series 2021 (the “**Bonds**”), under an Ordinance passed by the City Council of the City on January 19, 2021, and a Certificate of Final Terms executed by the Mayor on [January 21, 2021] (collectively, the “**Ordinance**”), for the purposes described in this Tax Agreement and in the Ordinance.

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 the 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 City is executing 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, and to provide guidance for complying with the arbitrage rebate and yield reduction amounts provisions of Code § 148(f).

4. The City adopted a Tax and Securities Law Compliance Procedure on June 5, 2012 (the “**Tax Compliance Procedure**”) for the purpose of setting out general procedures for the City to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Agreement is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Bonds.

NOW, THEREFORE, the City represents, covenants and agrees 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 Ordinance, 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:

[**“**501(c)(3) Financed Facility**” means any of the property financed or refinanced with the proceeds of the 501(c)(3) Portion, as described on **Exhibit C** attached hereto.**]

[**“**501(c)(3) Portion**” means the portion of the Bonds allocable to financing or refinancing the 501(c)(3) Financed Facility, as identified in **Section 2.1(b)(2)** hereof and on **Exhibit E** attached hereto.**]

“**Annual Compliance Checklist**” means a checklist for the Bonds designed to measure compliance with the requirements of this Tax Agreement and the Tax Compliance Procedure after the Issue Date, as further described in **Section 4.2** hereof and substantially in the form attached hereto as **Exhibit C**.

“**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 described in the recitals, authenticated and delivered under the Ordinance.

“**Bond Compliance Officer**” means the City’s Finance Director or other person named in the Tax Compliance Procedure.

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

“**Bond Year**” means each 1-year period (or shorter period for the first Bond Year) ending April 1, or another 1-year period selected by the City.

“**City**” means City of Neosho, 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.

“**Escrow Agents**” means, collectively, UMB Bank, N.A., Kansas City, Missouri, as escrow agent under both the Escrow Trust Agreement for the Refunded Bonds and the Escrow Trust Agreement for the Refunded Certificates and any successors or assigns.

“**Escrow Agreements**” means, collectively, the Escrow Trust Agreement for the Refunded Bonds and the Escrow Trust Agreement for the Refunded Certificates, each dated as of the date of this Tax Agreement and each between the City and UMB Bank, N.A., as escrow agent.

“**Escrow Funds**” means, collectively, the Escrow Fund for the Refunded Bonds and the Escrow Fund for the Refunded Certificates referred to in the Ordinance and established pursuant to the respective Escrow Agreements.

“**Escrowed Securities**” means the direct, noncallable obligations of the United States of America, as described in the respective Escrow Agreements.

“**Final Written Allocation**” means the written allocation of expenditures of proceeds of the Original Obligations as set forth on **Exhibit C**.

“**Financed Facility**” means the portion of the Project financed with the proceeds of the Original Obligations and refinanced with proceeds of the Bonds, and specifically the 501(c)(3) Financed Facility and the Governmental Financed Facility, as further described on **Exhibit C**.

[**“**Governmental Portion**” means the portion of the Bonds allocable to financing or refinancing the Governmental Financed Facility, as identified in **Section 2.1(b)(2)** hereof and on **Exhibit E** attached hereto.**]

[**“**Governmental Financed Facility**” means any of the property financed or refinanced with the proceeds of the Governmental Portion, as described on **Exhibit C** attached hereto.**]

“**Gross Proceeds**” means (a) sale proceeds (any amounts actually or constructively received by the City 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, other Investment proceeds or transferred 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, (e) any other replacement proceeds and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

- Bond Fund
- Costs of Issuance Fund
- Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Bonds).
- Escrow Funds (Escrow Fund for the Refunded Bonds and Escrow Fund for the Refunded Certificates established under the respective Escrow Agreements)

“**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 2 or more future dates (*e.g.*, a forward supply contract).

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

“**IRS**” means the United States Internal Revenue Service.

“**Issue Date**” means [February 11], 2021.

“**Management or Service Agreement**” means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed Facility or a portion of the Financed Facility. Contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing or similar services); however, are not treated as Management or Service Agreements.

“Measurement Period” means, with respect to each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, the period beginning on the later of (a) the issue date of the Original Obligations or (b) the date the property was or will be placed in service, and ending on the earlier of (1) the final maturity date of the Bonds or (2) the end of the expected economic useful life of the property.

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

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

“Non-Qualified Use” means, with respect to the Governmental Portion, use of Bond proceeds or the Governmental Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Bond proceeds or the Governmental Financed Facility are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Governmental Financed Facility, will constitute use under Regulations § 1.141-3. With respect to the 501(c)(3) Portion, Non-Qualified Use means use of Bond proceeds or the 501(c)(3) Financed Facility (1) in a trade or business carried on by any Non-Qualified User, (2) in any activity of a Tax-Exempt Organization which constitutes an “unrelated trade or business,” determined by applying Code § 513(a), or (3) to pay Costs of Issuance. The rules set out in Regulations § 1.141-3 as modified by § 1.145-2 determines whether Bond proceeds or the 501(c)(3) Financed Facility is “used” in a trade or business.

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

“Opinion of Bond Counsel” means the written opinion of Bond Counsel to the effect that the proposed action or the failure to act will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

“Ordinance” means, collectively, the Ordinance authorizing the issuance of the Bonds passed by the City Council of the City on January 19, 2021, and the Certificate of Final Terms executed by the Mayor and attested by the City Clerk on January 21, 2021, as amended and supplemented in accordance with the provisions therein.

“Original Obligations” means the Series 2007A Certificates and the Series 2007B Certificates, which were the first issues of tax-exempt governmental obligations that financed or refinanced a portion of the Financed Facility.

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

“Project” means all of the property acquired, developed, constructed, renovated, and equipped by the City using Original Obligation proceeds and Qualified Equity, all as described on **Exhibit C**.

“Qualified 501(c)(3) Use” means, with respect to the 501(c)(3) Portion and the 501(c)(3) Financed Facility, (1) use by a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, or (2) use by a Tax-Exempt Organization in an activity that does not constitute an “unrelated trade or business” (determined by applying Code §513) of such organization.

“Qualified Equity” means funds that are not derived from proceeds of a tax-exempt financing that are spent on the Project at any time during the period beginning not earlier than the later of (a) 60 days prior to the official intent date for the Original Obligations or (b) three years prior to the Issue Date, and ending not later than the date the Project is capable of and actually used at substantially its designed level. Qualified Equity excludes an ownership interest in real property or tangible personal property.

“Qualified Use Agreement” means any of the following agreements or arrangements (so long as, with respect to the 501(c)(3) Portion, not otherwise constituting an unrelated trade or business of the Tax-Exempt Organization, determined by applying Code § 513):

(a) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the City’s governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement whereby (1) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (2) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(c) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (1) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (2) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (3) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(d) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm’s-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

“Qualified User” means (1) a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, or (2) with respect to the 501(c)(3) Portion and the 501(c)(3) Financed Facility, a Tax-Exempt Organization; but it does not include the United States or any agency or instrumentality of the United States.

“Refunded Obligations” means, collectively, (1) the Refunded Bonds and (2) the Refunded Certificates.

“Refunded Bonds” means all of the City’s Series 2013 Bonds scheduled to mature on April 1, 2021 and thereafter outstanding in the aggregate principal amount of \$1,830,000.

“Refunded Certificates” all of the Series 2014A Certificates scheduled to mature on April 1, 2021, outstanding in the aggregate principal amount of \$1,840,000.

“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.

“Series 2007A Certificates” means the Certificates of Participation, Series 2007A, dated April 24, 2007, originally issued in the original principal amount of \$3,625,000 and evidencing proportionate interests in rental payments made by the City, as lessee, pursuant to a Lease Purchase Agreement dated as of April 1, 2007, with The Bank of New York Mellon Trust Company, N.A., as lessor and trustee, the proceeds of which financed new money capital expenditures.

“Series 2007B Certificates” means the City’s Certificates of Participation, Series 2007B, dated September 28, 2007, originally issued in the aggregate principal amount of \$3,910,000 evidencing proportionate interests in rental payments made by the City, as lessee, pursuant to a Lease Purchase Agreement dated as of September 1, 2007, with The Bank of New York Mellon Trust Company, N.A., as lessor and trustee, the proceeds of which financed new money capital expenditures.

“Series 2013 Bonds” means the City’s Special Obligation Refunding Bonds, Series 2013, dated April 2, 2013, originally issued in the aggregate principal amount of \$3,145,000, the proceeds of which were used to refund the Series 2007B Certificates.

“Series 2014A Certificates” means the Tax-Exempt Refunding Certificates of Participation, Series 2014A, dated August 15, 2014, originally issued in the aggregate principal amount of \$3,035,000 evidencing a proportionate interest in basic rent payments to be made by the City, as lessee, pursuant to a Lease Purchase Agreement dated as of August 1, 2014, with UMB Bank, N.A., as lessor and trustee, the proceeds of which were used to refund the Series 2007A Certificates.

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

“Tax Compliance Procedure” means the City’s Tax-Exempt Financing Compliance Procedure adopted on June 5, 2012, as it may from time to time be amended.

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

“Tax-Exempt Organization” means a nonprofit organization, organized under the laws of the United States of America or any state, that is described in Code § 501(c)(3) and is exempt from federal income taxes under Code § 501(a).

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

“Underwriter” means Piper Sandler & Co., the underwriter 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 City. The City represents and covenants as follows:

(a) *Organization and Authority.* The City (1) is a constitutional charter city and political subdivision organized and existing under the laws of the State of Missouri, and (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Ordinance, to enter into, execute and deliver the Ordinance, 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 Ordinance, the Bonds, and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bonds—General Covenant and Allocation of Proceeds to Project.*

(1) In General. The City (to the extent within its power or direction) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other source, in a manner that would cause the Bonds to be “arbitrage bonds,” within the meaning of Code § 148, and will not (to the extent within its power or direction) otherwise use or permit the use of any Bond proceeds or any other funds of the City, directly or indirectly, in any manner, or take or permit to be taken any other action or actions, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

[**2) Election to Treat Portion of Certificates as Qualified 501(c)(3) Bonds. For purposes of, and to the extent permitted or required by, Code § 141(b)(9) and Regulations § 1.150-1(c)(3), the City elects to treat a portion of the Bonds as a separate issue of qualified 501(c)(3) bonds (the “**501(c)(3) Portion**”). The 501(c)(3) Portion is equal to the amount of Bond proceeds allocable to refunding the portion of the Series 2014A Certificates allocable to the Original Obligations (specifically, the Series 2007A Certificates) that original financed the City’s senior citizens center, plus a pro rata amount of “common costs” (e.g. Costs of Issuance) paid from the Bonds, with the remaining portion of the Bonds representing a separate issue of governmental obligations (the “**Governmental Portion**”). As shown on **Exhibit E**, the 501(c)(3) Portion constitutes \$[] principal amount and \$[] sale proceeds of the Bonds, and the Governmental Portion constitutes \$[] principal amount and \$[] sale proceeds of the Bonds.**]

(c) *Tax-Exempt Obligations—Use of Proceeds and Financed Facility.*

(1) General. Throughout the Measurement Period: (i) all of the Financed Facility has been and is expected to be owned by the City or another Qualified User; (ii) no portion of the Financed Facility has been or is expected to be used in a Non-Qualified Use; and (iii) the City will not permit any Non-Qualified Use of the Financed Facility (whether the Governmental Financed Facility or the 501(c)(3) Financed Facility) without first consulting with Bond Counsel.

(2) Qualified 501(c)(3) Bonds. With respect to the 501(c)(3) Portion, except for Costs of Issuance financed with proceeds of the 501(c)(3) Portion (which amount does not exceed 2% of the proceeds thereof), no portion of the Certificate proceeds or the Financed Facility has been or is expected to be used in a Non-Qualified Use during the Measurement Period.

(d) *Governmental Obligations–Private Security or Payment.* As of the Issue Date, the City expects that none of the principal of and interest on the Bonds will be and the payment of principal of and interest on the Refunded Obligations has not been (under the terms of the Bonds or any underlying arrangement) directly or indirectly:

(1) secured by (i) any interest in property used or to be used for a Non-Qualified Use, or (ii) any interest in payments in respect of such property; or

(2) derived from payments (whether or not such payments are made to the City) in respect of property, or borrowed money, used or to be used for a Non-Qualified Use.

For purposes of the forgoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The City will not permit any private security or payment with respect to the Bonds without first consulting with 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.

(f) *Management or Service Agreements.* As of the Issue Date the City has no Management Agreements with respect to the Financed Facility, except for the Contract for Services, dated as of March 5, 2019, by and between Area Agency on Aging Region X and the City, relating to the City’s senior citizens center (the “**Senior Citizens Center Contract**”). Bond Counsel believes that the Senior Citizens Center Contract does not result in “use” of the Financed Facility, within the meaning of Regulations § 1.141-3; notwithstanding, the Area Agency on Aging Region X is a Tax-Exempt Organization (*i.e.*, a Qualified User of the 501(c)(3) Financed Facility), and therefore the Senior Citizens Contract does not give rise to Non-Qualified Use of the 501(c)(3) Financed Facility. During the Measurement Period, the City will not enter into or renew any other Management Agreement without first obtaining advice from Bond Counsel.

(g) *Leases.* As of the Issue Date, the City has not entered into any leases of any portion of the Financed Facility other than Qualified Use Agreements. Bond Counsel believes that the Senior Citizens Center Contract does not constitute a “true lease” of the senior citizens center; notwithstanding, the Area Agency on Aging Region X is a Tax-Exempt Organization (*i.e.*, a Qualified User of the 501(c)(3) Financed Facility), and therefore this agreement does not result in Non-Qualified Use of the 501(c)(3) Financed Facility. During the Measurement Period, the City has not and will not enter into or renew any lease or similar agreement or arrangement of any portion of the Financed Facility other than a Qualified Use Agreement without first consulting with Bond Counsel.

(h) *Qualified 501(c)(3) Bonds; 501(c)(3) Portion.*

[**(1) Representations of Tax-Exempt Organization. The Area Agency on Aging Region X has made certain covenants, representations, and expectations regarding its status as a Tax-Exempt Organization and any asserted use of the 501(c)(3) Financed Facility. These covenants, representations, and expectations are contained in the Certificate attached hereto as **Exhibit F**; also attached hereto as part of **Exhibit F** is the determination letter from the IRS concluding that the Area Agency on Aging Region X is a Tax-Exempt Organization.**]

(2) \$150 Million Limit on Non-Hospital Bonds. At least 95% of the Net Proceeds of the 501(c)(3) Portion will be used to finance or refinance capital expenditures incurred after August 5, 1997. Therefore, the \$150 million limit on “non-hospital bonds” (as defined in Code § 145(b)) does not apply to the Bonds, in whole or in part.

(3) Limit on Costs of Issuance. The sale proceeds of the Bonds allocated to pay Costs of Issuance of the 501(c)(3) Portion (\$[]) does not exceed 2% of the issue price/sale proceeds of the 501(c)(3) Portion (\$[]).

(4) Prohibited Facilities. No proceeds of the 501(c)(3) Portion will be used to provide any airplane, skybox, or other private luxury box, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises, as such terms are used in Code § 147(e).

(5) Public Hearing and Approval. In connection with the issuance of the 501(c)(3) Portion, the City held a public hearing as required under Code §147(f) regarding the 501(c)(3) Portion of the Bonds, at [**7:00 P.M. on January 19, 2021, at City Hall – Council Chambers, 203 E. Main Street, Neosho, Missouri 64850**], after published notice of the hearing advised the public that a public hearing would be held on such date to discuss the 501(c)(3) portion and that interested parties would have an opportunity to express their views at that hearing. The hearing was open to the public, and those present were invited to express their views relating to the 501(c)(3) Portion and the proposed issuance of the 501(c)(3) Portion. After the public hearing, the Mayor approved the issuance of the 501(c)(3) Portion as required by Code §147(f). The Mayor’s Certificate of Approval is attached to this Tax Agreement as **Exhibit G**, together with an affidavit of publication of the notice of the hearing.

(i) Limit on Maturity of Bonds. A list of the assets included in the Project and a computation of the “average reasonably expected economic life” is attached to this Tax Agreement as **Exhibit C**. Based on this computation, the “average maturity” of the Bonds as computed by Bond Counsel and shown on **Exhibit A**, does not exceed the average reasonably expected economic life of either the Governmental Financed Facility or the 501(c)(3) Financed Facility, as such terms are used in Code § 147(b). The “average reasonably expected economic life” of the Project was determined as follows: the average economic life of the Financed Facility as of the issue date of the Original Obligations was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Issue Date.

(j) Expenditure of Bond Proceeds.

(1) Allocation of Funds. The City evidenced each allocation of the proceeds of the Original Obligations and Qualified Equity for the Project to an expenditure in writing. No allocation was made more than 18 months following the later of (i) the date of the expenditure or (ii) the date the Financed Facility was placed in service.

(2) Reimbursement of Expenditures. Prior to the issuance of the Original Obligations, the City Council of the City adopted a resolution or ordinance declaring the intent of the City to finance the Financed Facility with proceeds of the Original Obligations and to reimburse the City for expenditures made for the Financed Facility prior to the issuance of those Original Obligations. No portion of the Net Proceeds of the Original Obligations was used to reimburse an expenditure paid by the City more than 60 days prior to the date the resolution or ordinance for the Original Obligations as adopted, except as described in the Federal Tax Agreement for the Original Obligations or as otherwise permitted under Regulations § 1.150-2.

(k) Registered Bonds. The Resolution requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(l) *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).

(m) *IRS Form 8038-G.* Bond Counsel will prepare Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the City contained in this Tax Agreement or otherwise provided by the City. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the City for execution and for the City’s records. The City 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 “as-filed” copy along with proof of filing will be included as **Exhibit B**.

(n) *Hedge Bonds.* At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for 4 years or more.

(o) *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.

(p) *Single Issue; No Other Issues.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c). No other debt obligations of the City (1) are being 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).

- 501(c)(3) Portion; Election under Code § 141(b)(9) and Regulations § 1.150-1(c)(3). As described in **Section 2.1(b)(2)** above and shown on **Exhibit E** attached hereto, the City has elected to treat the 501(c)(3) Portion and the Governmental Portion as separate “issues” for purposes of, and to the extent permitted or required by, Code §141(b)(9) and Regulations § 1.150-1(c)(3).

(q) *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 or the Refunded Obligations. The City will not enter into any such arrangement in the future without first consulting with Bond Counsel.

(r) *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 4.4(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.

(s) *Bank Qualified Tax-Exempt Obligation.* The City designates the Bonds as “qualified tax-exempt obligations” under Code § 265(b)(3), and with respect to this designation certifies as follows:

(1) the City reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the City (and all subordinate entities of the City) during the calendar year that the Bonds are issued, including the Bonds, will not exceed \$10,000,000; and

(2) the City (including all subordinate entities of the City) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Bonds are issued, including the Bonds, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining advice of Bond Counsel that the designation of the Bonds as “qualified tax-exempt obligations” will not be adversely affected.

Section 2.2. Survival of Representations and Covenants. All representations, covenants and certifications contained in this Tax Agreement or in any certificate or other instrument delivered by the City 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 III** is to certify, under Regulations § 1.148-2(b), the City’s expectations as to the sources, uses and investment of Bond proceeds and other money, in order to support the City’s conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Agreement on behalf of the City is an officer of the City responsible for issuing the Bonds.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this **Article III** are based upon and in reliance upon the City’s understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the City’s knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the City set forth in this Tax Agreement are reasonable. The City 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. Purposes of the Financing. The Bonds are being issued for the purpose of providing funds to (a) refund the Refunded Obligations, and (b) pay certain costs of issuing the Bonds. The purpose of refunding the Refunded Obligations is to (1) achieve interest cost savings through early redemption of the Refunded Obligations, and (2) provide an orderly plan of financing.

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

- Costs of Issuance Fund
- Bond Fund
- Rebate Fund

In addition, the respective Escrow Funds for the Refunded Bonds and Refunded Certificates is established in the custody of the Escrow Agents under the respective Escrow Agreements for the Refunded Bonds and the Refunded Certificates.

Section 3.5. Amount and Use of Bond Proceeds and Other Money.

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

Principal Amount	\$[Principal Amount].00
[Net] Original Issue Premium	[_____.]
Less Underwriting Discount	—([_____.)]
Total Proceeds Received by City	\$[_____.]

(b) *Use of Bond Proceeds and Other Moneys.* The Bond proceeds in the amount of \$[_____], together with \$[_____] on deposit in the bond reserve fund for the Series 2013 Bonds and \$[_____] on deposit in the reserve fund for the Series 2014A Certificates, are expected to be allocated to expenditures as shown on **Exhibit E**.

Section 3.6. Multipurpose Issue. [Reserved].

Section 3.7. Current Refunding.

(a) *Proceeds Used for Current Refunding of the Refunded Bonds.* Proceeds of the Bonds in the amount of \$[_____], together with moneys on deposit in the bond reserve fund for the Refunded Bonds (\$[_____]), will be deposited in the Escrow Fund for the Refunded Bonds and will be used to purchase Escrowed Securities. The maturing principal of the Escrowed Securities, together with interest earnings thereon, will be used to pay the principal of and accrued interest on the Refunded Bonds on April 1, 2021. All such proceeds of the Bonds will be spent not later than 90 days after the issue date of the Bonds. On April 1, 2021, after the principal of the Escrowed Securities, together with interest earnings thereon, has been applied to the payment of the principal of and accrued interest on the Refunded Bonds, any interest earnings on the Escrowed Securities in excess of that needed to redeem the Refunded Bonds will be transferred to the City and deposited into the Bond Fund and used to pay debt service on the Bonds on the next available interest payment date.

(b) *Proceeds Used for Current Refunding of the Refunded Certificates.* Proceeds of the Bonds in the amount of \$[_____], together with moneys on deposit in the reserve fund for the Refunded Certificates (\$[_____]), will be deposited in the Escrow Fund for the Refunded Certificates and will be used to purchase Escrowed Securities. The maturing principal of the Escrowed Securities, together with interest earnings thereon, will be used to pay the principal of and accrued interest on the Refunded Certificates on April 1, 2021. All such proceeds of the Bonds will be spent not later than 90 days after the issue date of the Bonds. On April 1, 2021, after the principal of the Escrowed Securities, together with interest earnings thereon, has been applied to the payment of the principal of and accrued interest on the Refunded Certificates, any interest earnings on the Escrowed Securities in excess of that needed to redeem the Refunded Certificates will be transferred to the City and deposited into the Bond Fund and used to pay debt service on the Bonds on the next available interest payment date.

(c) *Transferred Proceeds.* As of the Issue Date, approximately \$[_____] of proceeds of the Refunded Bonds remains unspent in the bond reserve fund for the Refunded Bonds and \$[_____] of proceeds of the Refunded Certificates remains unspent in the reserve fund for the Series 2014A Certificates (the “**Unspent DSRF Proceeds**”). On the Issue Date, the Unspent DSRF Proceeds are expected to be transferred to the respective Escrow Funds for the Refunded Bonds and Refunded Certificates to be used together with proceeds of the Bonds to purchase Escrowed Securities, which will be used to pay the principal of and accrued interest on the respective Refunded Bonds and

Refunded Certificates on April 1, 2021. Therefore, as of the Issue Date, no transferred proceeds of the Bonds are expected.

[**(d) *Market Prices.* All of the Escrowed Securities are United States Treasury Securities State and Local Government Series purchased directly from the United States Treasury.**]

Section 3.8. Project Completion. The Project was previously completed.

Section 3.9. Sinking Funds. The City is required to make periodic payments in amounts sufficient to pay the principal of and interest on the Bonds. Such payments will be deposited into the Bond Fund. Except for the Bond Fund, no sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds has been established or is expected to be established. The Bond 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 City expects that the Bond Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.10. Reserve, Replacement and Pledged Funds.

(a) *No Debt Service Reserve Fund.* No reserve or replacement fund has been established for the Bonds.

(b) *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 or refund the Refunded Obligations, and that instead has been or will be used to acquire higher yielding Investments. Except for the Bond 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 City encounters financial difficulty.

Section 3.11. Purpose Investment Yield. 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.* Based on the Underwriter's certifications in the Underwriter's Receipt for Bonds and Closing Certificate, the City hereby elects 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 \$[_____].

(b) *Bond Yield.* Based on the issue price, the Yield on the Bonds is [_____]%, as computed by Bond Counsel and shown on **Exhibit A**. The City has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

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 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 City, do not exceed the cost of the governmental purpose of the Bonds as described above.

Section 3.14. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, 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 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 City recognizes that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The City further acknowledges that written evidence substantiating the 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 of the City.* The City intends for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be its 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 City 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) *Bond Compliance Officer.* The City when necessary to fulfill its Post-Issuance Tax Requirements will, through its Bond Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction amounts, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12. In each case, all costs and expenses incurred by the City shall be treated as a reasonable cost of administering the Bonds and the City shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Ordinance or State law.

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 advice or a written Opinion of Bond Counsel or to the extent otherwise provided in this Tax Agreement, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (1) the Bonds or (2) 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 (i) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (ii) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (iii) exhibit a high degree of legibility and readability both electronically and in hardcopy, (iv) provide support for other books and records of the City and (v) 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.* Proceeds of the Bonds will be used as described in **Sections 3.5** and **3.7**. 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 Bond Compliance Officer has prepared written records substantiating the allocation of proceeds the Original Obligations to the Project. This allocation is summarized on **Exhibit C** and is intended to constitute the Final Written Allocation for the Original Obligations.

(c) *Annual Compliance Checklist.* Attached as **Exhibit D** is a sample Annual Compliance Checklist for the Bonds. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Project at least annually in accordance with the Tax Compliance Procedure. If the Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Bond Compliance Officer will take the actions identified in advice of Bond Counsel or as described in the Tax Compliance Procedure to correct any deficiency.

(d) *Advice and Opinions of Bond Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the City any advice or Opinion of Bond Counsel required by this Tax Agreement or the Annual Compliance Checklist.

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

(a) *Costs of Issuance Fund.* Bond proceeds on deposit in the Costs of Issuance Fund used to pay costs of issuance of the Bonds by the City may be invested without Yield restriction for 13 months following the Issue Date.

(b) *Proceeds Allocable to Current Refunding.* Bond proceeds deposited in the respective Escrow Funds or otherwise allocable to a current refunding of the Refunded Obligations (see **Section 3.7**) may be invested at an unrestricted rate for up to 90 days following the Issue Date.

(c) *Bond Fund.* To the extent that the Bond 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 1 year after the date of receipt of such earnings.

(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.

(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 Regulations § 1.148-5.

(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 1 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 Regulations § 1.148-5.

(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 issuer to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts.* The City is applying Regulations § 1.148-5(d)(6)(iii)(A) to the Bonds. 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 City makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(i) The bid specifications are in writing and are timely forwarded to potential providers, or are made available on an internet website or other similar electronic media that is regularly used to post bid specifications to potential bidders. A writing includes a hard copy, a fax, or an electronic e-mail copy.

(ii) 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.

(iii) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (A) that the potential provider did not consult with any other potential provider about its bid, (B) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or any other person (whether or not in connection with the bond issue), and (C) that the bid is not being submitted solely as a courtesy to the City or any other person, for purposes of satisfying the requirements of the Regulations.

(iv) 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.

(v) The terms of the solicitation take into account the City's reasonably expected deposit and draw-down schedule for the amounts to be invested.

(vi) All potential providers have an equal opportunity to bid. If the bidding process affords any opportunity for a potential provider to review other bids before providing a bid, then providers have an equal opportunity to bid only if all potential providers have an equal opportunity to review other bids. Thus, no potential provider may be given an opportunity to review other bids that is not equally given to all potential providers (that is no exclusive "last look").

(vii) At least 3 "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:

(i) At least 3 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, (A) 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, (B) 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 (C) 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.

(ii) At least 1 of the 3 bids received is from a reasonably competitive provider, as defined above.

(iii) 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 City retains the following records with the Bond documents until 3 years after the last outstanding Bond is redeemed:

(i) A copy of the Guaranteed Investment Contract.

(ii) 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 City, and the certification as to fees paid, described in paragraph (d)(4) above.

(iii) 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.

(iv) 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 3 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. Rebate Instructions. All of the sale proceeds of the Bonds and Investment earnings thereon will be either (1) deposited in the respective Escrow Funds and used to pay the principal of and interest the Refunded Obligations on April 1, 2021 (within 90 days of the Issue Date), or (b) used to pay costs of issuing the Bonds within 6 months of the Issue Date. The City expects for the Bond Fund to qualify as a Bona Fide Debt Service Fund in each Bond Year and does not expect to establish any reserve or replacement fund. Based on these certifications, Bond Counsel has advised the City that no rebate or Yield restriction computations are required with respect to the Bonds, if: (1) the sale proceeds and Investment earnings are invested and spent as described in this **Section 4.5**; (2) the Bond Fund qualifies as a Bona Fide Debt Service Fund in each Bond Year; and (3) no reserve or replacement fund is created. If the sale proceeds and Investment earnings are not invested and spent as described in this **Section 4.5**, the Bond Fund does not qualify as a Bona Fide Debt Service Fund in any Bond Year, or if a reserve or replacement fund is established, then the City is obligated to engage Bond Counsel, an independent certified public accountant or a rebate analyst to compute arbitrage rebate and Yield reduction amounts on the Bonds and to pay arbitrage rebate or Yield reduction payments to the United States at least once every five years, and within 60 days after the discharge of the last Bond, in accordance with Code § 148(f). The City will hold all records showing investment of Bond proceeds in its Tax-Exempt Bond File.

Section 4.6. Survival after Defeasance. Notwithstanding anything in the Ordinance to the contrary, the obligation to pay arbitrage rebate and Yield reduction amounts 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 **Article IV** of this Tax Agreement regarding payment of arbitrage rebate and Yield reduction amounts and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions of **Section 4.2** relating to record keeping shall continue 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 Bondowners, 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 City receives this Opinion of Bond Counsel.

Section 5.3. Opinion of Bond Counsel. The City may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Bond Counsel 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 City 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 City is making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. The City is not aware of any facts or circumstances which 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. The City 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 City its 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 or in the Ordinance or the Bonds, express or implied, gives to any person, other than the parties to this Tax Agreement, 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 Bondowners pursuant to the terms of the Ordinance or any other document which references this Tax Agreement 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.

Section 5.10. Electronic Transactions. The transaction described in this Tax Agreement may be conducted, and related documents may be sent, stored, and received by electronic means.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned Mayor and Director of Finance of the City, by their execution of this Tax Agreement hereby make the foregoing certifications, representations, and agreements contained in this Tax Agreement on behalf of the City, as of the Issue Date of the Bonds.

CITY OF NEOSHO, MISSOURI

By: _____
Title: Mayor

Bond Compliance Officer

By: _____
Title: Director of Finance

EXHIBIT A

DEBT SERVICE SCHEDULE AND PROOF OF BOND YIELD

EXHIBIT B

IRS FORM 8038-G

(See Attached)

EXHIBIT C

**DESCRIPTION OF PROPERTY COMPRISING THE PROJECT AND FINANCED FACILITY;
FINAL WRITTEN ALLOCATION OF THE ORIGINAL OBLIGATIONS**

(See Attached)

EXHIBIT D

SAMPLE ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt bonds (“Bonds”) financing the Project:	[\$[Principal Amount] Special Refunding Bonds, Series 2021]	Obligation
Issue Date of Bonds:	[February 11], 2021	
Placed in service date of Project:	_____	
Name of Bond Compliance Officer:	_____	
Period covered by request (“Annual Period”):	_____	

Item	Question	Response
1 Ownership	Was the entire Project owned by the City during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was advice of Bond Counsel obtained prior to the transfer? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
2 Leases & Other Rights to Possession	During the Annual Period, was any part of the Project leased at any time pursuant to a lease or similar agreement for more than 50 days (other than the arrangement with the Area Agency on Aging with respect to the Senior Citizens Center)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the lease or other arrangement? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
3 Management or Service Agreements	During the Annual Period, has the management of all or any part of the operations of the Project (e.g., cafeteria, concession stands, etc.) been assumed by or transferred to another entity (other than the arrangement with the Area Agency on Aging with respect to the Senior Citizens Center)?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
	<p>If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the Management or Service Agreement?</p> <p style="text-align: center;">If Yes, include a description of the advice in the Tax-Exempt Bond File.</p> <p style="text-align: center;">If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
<p>4 Other Use</p>	<p>Was any other agreement entered into with an individual or entity that grants special legal rights to the Project?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the agreement?</p> <p style="text-align: center;">If Yes, include a description of the advice in the Tax-Exempt Bond File.</p> <p style="text-align: center;">If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
<p>5 Arbitrage & Yield Restriction</p>	<p>1. Were all sale proceeds of the Bonds spent as described in Sections 3.5 and 4.5 of the Federal Tax Agreement?</p> <p>2. Has the City set aside money in any fund or account in excess of an amount needed to pay debt service on the Bonds within the next 12 months (i.e. is more than one year of debt service pre-funded)?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
	<p style="text-align: center;">If “No” to question 1 or “Yes” to question 2, contact the Rebate Analyst or Bond Counsel and incorporate report or include description of resolution in the Tax-Exempt Bond File.</p>	

Bond Compliance Officer: _____

Date Completed: _____

EXHIBIT E

ALLOCATION OF SOURCES AND USES

EXHIBIT F

**CERTIFICATE OF AREA AGENCY ON AGING REGION X, WITH IRS 501(C)(3)
DETERMINATION LETTER**

EXHIBIT G

PUBLIC APPROVAL; NOTICE OF PUBLIC HEARING

**EXHIBIT G
TO ORDINANCE**

FORM OF PAYING AGENT AGREEMENT

[See Attached]

REGISTRAR / PAYING AGENT AGREEMENT

THIS AGREEMENT is made and entered into this by and between the City of Neosho, Missouri hereinafter called "ISSUER", and UMB Bank, N.A., a national banking association with its principal payment office in Kansas City, Missouri, in its capacity as paying agent and registrar, hereinafter called the "AGENT".

WHEREAS, the ISSUER has issued, or is currently in the process of issuing, pursuant to an ordinance, resolution, order, final terms certificate, notice of sale or other authorizing instrument of the governing body of the ISSUER, hereinafter collectively called the "Bond Document" certain bonds, certificates, notes and/or other debt instruments, more particularly described as \$3,130,000 City of Neosho, Missouri Special Obligation Refunding Bonds, Series 2021 hereinafter called the "Bonds"; and

WHEREAS, pursuant to the Bond Document, the ISSUER has designated and appointed the AGENT as agent for the purpose of performing registrar and paying agent services, to wit: establishing and maintaining a record of the owners of the Bonds, effecting the transfer of ownership of the Bonds in an orderly and efficient manner, making payments of principal and interest when due pursuant to the terms and conditions of the Bonds, and for other related purposes; and

WHEREAS, the AGENT has represented that it possesses the necessary qualifications and maintains the necessary facilities to properly perform the required services as such registrar and paying agent and is willing to serve in such capacities for the ISSUER;

NOW THEREFORE, in consideration of mutual promises and covenants herein contained the parties agree as follows:

1. The ISSUER has designated and appointed the AGENT as registrar and paying agent of the Bonds pursuant to the Bond Document, and the AGENT has accepted such appointment and agrees to provide the services set forth therein and herein.

2. The ISSUER agrees to deliver or cause to be delivered to the AGENT a transcript of the proceedings related to the Bonds to contain the following documents:

(a) A copy of the Bond Document, and the consent or approval of any other governmental or regulatory authority, required by law to approve or authorize the issuance of the Bonds;

(b) A written opinion by an attorney or by a firm of attorneys with a nationally recognized standing in the field of municipal bond financing, and any supporting or supplemental opinions, to the effect that the Bonds and the Bond Document have been duly authorized and issued by, are legally binding upon and are enforceable against the ISSUER;

(c) A closing certificate of the ISSUER, a closing certificate and/or receipt of the purchaser(s) of the Bonds, and such other documents related to the issuance of the Bonds as the Agent reasonably deems necessary or appropriate; and

(d) Unless Paragraph 20 hereof is applicable, in addition to the transcript of proceedings a reasonable supply of blank Bond certificates bearing the manual or facsimile signatures of officials of the ISSUER authorized to sign certificates and, if required by the Bond Document, impressed with the ISSUER's seal or facsimile thereof, to enable the AGENT to provide Bond Certificates to the holders of the Bonds upon original issuance or the transfer thereof.

The foregoing documents may be subject to the review and approval of legal counsel for the AGENT. Furthermore, the ISSUER shall provide to the AGENT prompt written notification of any future amendment or change in respect of any of the foregoing, together with such documentation as the AGENT reasonably deems necessary or appropriate.

3. Unless Paragraph 20 hereof is applicable, Bond certificates provided by the ISSUER shall be printed in a manner to minimize the possibility of counterfeiting. This requirement shall be deemed satisfied by use of a certificate format meeting the standard developed by the American National Standards Committee or in such other format as the AGENT may accept by its authentication thereof. The AGENT shall have no responsibility for the form or contents of any such certificates. The ISSUER shall, while any of the Bonds are outstanding, provide a reasonable supply of additional blank certificates at any time upon request of the AGENT. All such certificates shall satisfy the requirements set forth in Paragraphs 2(d) and 3.

4. The AGENT shall initially register and authenticate, pursuant to instructions from the ISSUER and/or the initial purchaser(s) of the Bonds, one or more Bonds and shall enter into a Bond registry record the certificate number of the Bond and the name and address of the owner. The AGENT shall maintain such registry of owners of the Bonds until all of the Bonds have been fully paid and surrendered. The initial owner of each Bond as reflected in the registry of owners shall not be changed except upon transfers of ownership and in accordance with procedures set forth in the Bond Document or this Agreement.

5. Transfers of ownership of the Bonds shall be made by the AGENT as set forth in the Bond Document. Absent specific guidelines in the Bond Document, transfers of ownership of the Bonds shall be made by the AGENT only upon delivery to the AGENT of a properly endorsed Bond or of a Bond accompanied by a properly endorsed transfer instrument, accompanied by such documents as the AGENT may deem necessary to evidence the authority of the person making the transfer, and satisfactory evidence of compliance with all applicable laws relating to the collection of taxes. The AGENT reserves the right to refuse to transfer any Bond until it is satisfied that each necessary endorsement is genuine and effective, and for that purpose it may require guarantees of signatures in accordance with applicable rules of the Securities and Exchange Commission and the standards and procedures of the AGENT, together with such other assurances as the AGENT shall deem necessary or appropriate. The AGENT shall incur no liability for delays in registering transfers as a result of inquiries into adverse claims or for the refusal in good faith to make transfers which it, in its judgment, deems improper or unauthorized. In all cases, the AGENT need impose no greater requirements regarding documentation and evidence, nor make greater inquiry, than would be required by prevailing rules of the Securities Transfer Association, Inc. Upon presentation and surrender of any duly registered Bond and satisfaction of the transferability requirements, the AGENT shall (a) cancel the surrendered Bond; (b) register a new Bond(s) as directed in the same aggregate principal amount and maturity; (c) authenticate the new Bond(s); and (d) enter the transferee's name and address, together with the certificate number of the new Bond(s), in its registry of owners.

6. The AGENT may deliver Bonds by first class, certified, or registered mail, or by courier, and all such deliveries will be insured under such coverage, if any, deemed appropriate by the AGENT.

7. Ownership of, payment of the principal amount of, redemption premium, if any, and interest due on the Bonds and delivery of notices shall be subject to the provisions of the Bond Document, and for all other purposes. The AGENT shall have no responsibility to determine the beneficial owners of any Bonds and shall owe no duties to any such beneficial owners. Upon written request and reasonable notice from the ISSUER, the AGENT will mail, at the ISSUER's expense, notices or other communications from the ISSUER to the holders of the Bonds as recorded in the registry maintained by the AGENT.

8. Unless the Bond Document provides otherwise, the ISSUER shall, without notice from or demand of the AGENT, provide to the AGENT funds that are immediately available at least one business day prior to the relevant interest and/or principal payment date, sufficient to pay on each interest payment date and each principal payment date, all interest and principal then payable under the terms and provisions of the Bond Document and the Bonds. The AGENT shall have no responsibility to make any such payments to the extent ISSUER has not provided sufficient immediately available funds to AGENT on the relevant payment date. In the event that an interest and/or principal payment date shall be a date that is not a business day, payment may be made on the next succeeding business day and no interest shall accrue. The term "business day" shall include all days except Saturdays, Sundays and legal holidays recognized by the Federal Reserve Bank of Kansas City, Missouri.

9. Unless otherwise provided in the Bond Document and subject to the provisions of Paragraph 12 hereof, to the extent that the ISSUER has made sufficient funds available to it, the AGENT will pay to the record owners of the Bonds as of any record date (as specified in the Bond certificate or Bond Document) the interest due thereon as of the related interest payment date or any redemption date and, will pay upon presentation and surrender of such Bond at maturity or earlier date of redemption to the owner of any Bond, the principal or redemption amount of such Bond.

10. The AGENT may make a charge against any Bond owner sufficient for the reimbursement of any governmental tax or other charge required to be paid for any reason, including, but not limited to, failure of such owner to provide a correct taxpayer identification number to the AGENT. Such charge may be deducted from an interest or principal payment due to such owner.

11. Unless payment of interest, principal, and redemption premium, if any, is made by electronic transfer all payments will be made by check or draft and mailed to the last address of the owner as reflected on the registry of owners, or to such other address as directed by the owner. In the event of payment of interest, the principal amount of and redemption premium, if any, by electronic transfer, the AGENT shall make payment by such means, at the expense of the ISSUER, pursuant to instructions from the owner.

12. Subject to the provisions of the Bond Document, the AGENT may pay at maturity or redemption or issue new certificates to replace certificates represented to the AGENT to have been lost, destroyed, stolen or otherwise wrongfully taken, but may first may require the Bond owner to pay a replacement fee, to furnish an affidavit of loss, and/or furnish either an indemnity bond or other indemnification satisfactory to the AGENT indemnifying the ISSUER and the AGENT.

13. The AGENT shall comply with the provisions, if any, of the Bond Document and the rules of the Securities and Exchange Commission pertaining to the cancellation and retention of Bond certificates and the periodic certification to the Issuer of the cancellation of such Bond certificates. In the event that the ISSUER requests in writing that the AGENT forward to the ISSUER the cancelled Bond certificates, the ISSUER agrees to comply with the foregoing described rules. The AGENT shall have no duty to retain any documents or records pertaining to this Agreement, the Bond Document or the Bonds any longer than six years after final payment on the Bonds, unless otherwise required by the rules of the Securities and Exchange Commission or other applicable law.

14. In case of any request or demand for inspection of the registry of owners or other related records maintained by the AGENT, the AGENT may be entitled to receive appropriate instructions from the ISSUER before permitting or refusing such inspection. The AGENT reserves the right, however, to only permit such inspection at a location and at such reasonable time or times designated by the Agent.

15. The AGENT is authorized to act on the order, directions or instructions of such officials as the governing body of ISSUER as the ISSUER by resolution or other proper action shall designate. The AGENT shall be protected in acting upon any paper or document believed by it to be genuine and to have been signed by the proper official(s), and the ISSUER shall promptly notify AGENT in writing of any change in the identity or authority of officials authorized to sign Bond certificates, written instructions or requests. If not so provided in the Bond Document, if any official whose manual or facsimile signature appears on blank Bond certificates shall die, resign or be removed from office or authority before the authentication of such certificates by the Agent, the AGENT may nevertheless issue such certificates until specifically directed to the contrary in writing by the ISSUER.

16. The AGENT shall provide notice(s) to the owners of the Bonds and such depositories, banks, brokers, rating agencies, information services, repositories, or publications as required by the terms of the Bond Document and to any other entities that request such notice(s) and, if so directed in such other manner and to such other parties as the Issuer shall so direct in writing and at the expense of the ISSUER, and in any event in accordance with current industry regulations, guidelines or practice.

17. The ISSUER shall compensate the AGENT for the AGENT's ordinary services as paying agent and registrar and shall reimburse the AGENT for all ordinary out-of-pocket expenses, charges, advances, counsel fees and other costs incurred in connection with the Bonds, the Bond Document and this Agreement as set forth in the Exhibit A or as otherwise agreed to by the Issuer and Agent. In addition, should it becomes necessary for the AGENT to perform extraordinary services, the AGENT shall be entitled to extra compensation therefor and reimbursement for any out-of-pocket extraordinary costs and expenses, including, but not limited to, attorneys' fees.

18. The AGENT may resign, or be removed by the ISSUER, as provided in the Bond Document, or, if not so provided in the Bond Document, upon thirty days written notice to the other. Upon the effective date of resignation or removal, all obligations of the AGENT hereunder shall cease and terminate. In the event of resignation or removal, the AGENT shall deliver the registry of owners and all related books and records in accordance with the written instructions of the ISSUER or any successor agent designated in writing by the Issuer within a reasonable period following the effective date of its removal or resignation.

19. Whenever in the performance of its duties as Agent hereunder, the Bond Document or under the Bonds the AGENT shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, under the Bond Document or under the Bonds, the AGENT may consult with legal counsel, including, but not limited to, legal counsel for the ISSUER, with respect to any matter in connection with this Agreement and it shall not be liable for any action taken or omitted by it in good faith in reliance upon the advice or opinion of such counsel.

20. In the event that the Bond Document provides that the initial registered owner of all of the Bond certificates is or may be the Depository Trust Company, or any other securities depository or registered clearing agency qualified under the Securities and Exchange Act of 1934, as amended (a "Securities Depository"), none of the beneficial owners will receive certificates representing their respective interest in the Bonds. In those cases where the provisions of the Bond Document are silent, the following provisions shall apply:

(a) The registry of owners maintained by the AGENT will reflect as owner of the Bonds only the Securities Depository or its nominee, until and unless the ISSUER authorizes the delivery of Bond certificates to the beneficial owners as described in subsection (d) below.

(b) It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its participants and receive and transmit payments of principal and interest on the Bonds to the participants, unless and until the ISSUER authorizes the delivery of Bonds to the beneficial owners as described in subsection (d) below.

(c) The ISSUER may at any time, in accordance with the Bond Document, select and appoint a successor Securities Depository and shall notify the Agent of such selection and appointment in writing.

(d) If the ISSUER determines that the holding of the Bonds by the Securities Depository is no longer in the best interests of the beneficial owners of the Bonds, then the AGENT, at the written instruction and expense of the ISSUER, shall notify the beneficial owners of the Bonds by first class mail of such determination and of the availability of certificates to owners requesting the same. The AGENT shall register in the names of and authenticate and deliver certificates representing their respective interests in the Bonds to the beneficial owners or their nominees, in principal amounts and maturities representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Bond is registered in the name of the Securities Depository or its nominee. For the purposes of this paragraph, the AGENT may conclusively rely on information provided by the Securities Depository and its participants as to principal amounts held by and the names and mailing addresses of the beneficial owners of the Bonds and shall not be responsible for any investigation to determine the beneficial owners. The cost of printing certificates for the Bonds and expenses of the AGENT shall be paid by the ISSUER.

21. The AGENT shall incur no liability whatsoever in taking or failing to take any action in accordance with the Bond Document and shall not be liable for any error in judgment made in good faith by an officer or employee of the AGENT unless it shall be proved the AGENT was grossly negligent in ascertaining the pertinent facts or acted intentionally in bad faith. The AGENT shall not be under any obligation to prosecute or defend any action or suit in connection with its duties under the Bond Document or this Agreement or in respect of the Bonds, which, in its opinion, may involve it in expense or liability, unless satisfactory security and indemnity is furnished to the Agent (except as may result from the AGENT's own gross negligence or willful misconduct). To the extent permitted by law, the ISSUER agrees to indemnify the AGENT for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. To the extent that the ISSUER may now or hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, the ISSUER irrevocably agrees not to claim, and it hereby waives, such immunity in connection with any suit or other action brought by the AGENT to enforce the terms of the Bond Document or this Agreement. The Agent shall only be responsible for performing such duties as are required by the Bond Document or as otherwise agreed to by the Agent.

22. It is mutually understood and agreed that, unless otherwise provided in the Bonds or Bond Document, this Agreement shall be governed by the laws of the State of Missouri, both as to interpretation and performance.

23. It is understood and agreed by the parties that if any part, term, or provision of this Agreement is held by the courts to be illegal or in conflict with any applicable law, regulation or rule, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

24. The name "UMB Bank, N.A." shall include its successor or successors, any surviving corporation into which it may be merged, any new corporation resulting from its consolidation with any other corporation or corporations, the successor or successors of any such surviving or new corporation, and any corporation to which the fiduciary business of said Bank may at any time be transferred.

25. All notices, demands, and request required or permitted to be given to the ISSUER or AGENT under the provisions hereof must be in writing and shall be deemed to have been sufficiently give, upon receipt if (i) personally delivered, (ii) sent by telecopy and confirmed by phone or (iii) mailed by registered or certified mail, with return receipt requested, delivered as follows:

If to AGENT: UMB Bank, n.a.
Attn: Corporate Trust & Escrow Services
928 Grand Blvd.
Kansas City, Missouri 64106

If to ISSUER: City of Neosho, Missouri
Attn: Mayor

26. The parties hereto agree that the transactions 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.

27. In order to comply with provisions of the USA PATRIOT Act of 2001, as amended from time to time, the AGENT may request certain information and/or documentation to verify confirm and record identification of persons or entities who are parties to this Agreement.

28. If the Bonds are eligible for receipt of any U.S. Treasury Interest Subsidy and if so directed by the Bond Document or, as agreed to between the Issuer and the Paying Agent, the Paying Agent shall comply with the provisions, if any, relating to it as described in the Bond Document or as otherwise agreed upon between the Issuer and the Paying Agent. The Paying Agent shall not be responsible for completion of or the actual filing of Form 8038-CP (or any successor form) with the IRS or any payment from the United States Treasury in accordance with §§ 54AA and 6431 of the Code.

IN WITNESS WHEREOF, the parties hereto have, by their duly authorized signatories, set their respective hands and seals this 02/11/2021.

ISSUER

Authorized Signatory

UMB BANK, N.A., as PAYING AGENT/REGISTRAR

K Scott Mathews

By: _____
Authorized Signatory



EXHIBIT A

Paying Agent/Registrar’s Fee

Commitment Fee

<u>Paying Agent/Registrar</u>	\$300.00
<u>Escrow Agent (if applicable)</u>	\$0.00

Administrative Fee

<u>Annual Administration Fee</u>	\$300.00
<u>Escrow Agent Annual Administration Fee (if applicable)</u>	\$0.00

Other Services (if required)

Dissemination Agent (Annual Filings)	\$300.00
Failure to File Notice	\$300.00
Additional Disclosures	\$300.00
Redemption Fee	\$150.00

Administration fees, other fees and expenses will be billed annually in arrears as of each , beginning .

Miscellaneous administrative expenses such as postage, shipping, courier, long distance telephone, supplies, etc., will be represented by a miscellaneous expense charge of 6% of the invoice’s total fee amount. The fees, charges and expenses specified herein are for the typical and customary services as Paying Agent and Registrar. Fees for additional or extraordinary services not now part of the customary services provided, such as special services during defaults, additional government reporting requirements, or document amendments will be charged at the then current rates for such services. Extraordinary expenses, such as legal fees and travel expenses, shall be invoiced to the client based upon the actual out of pocket cost to the Paying Agent/Registrar.

Prior to any changes taking place with the current fee schedule, UMB will discuss potential change with the District and obtain the District’s consent. If UMB and the District fail to reach an agreement on any such proposed fee adjustment, UMB may resign as Paying Agent pursuant to the terms of the Resolution.



RE: \$3,130,000 City of Neosho, Missouri
Special Obligation Refunding Bonds, Series 2021

UMB is pleased to have the opportunity to make a proposal to serve as Paying Agent, Escrow Agent and Registrar in connection with the above-referenced issue.

The UMB Corporate Trust & Escrow Services department has many differentiating characteristics that directly benefit our clients. A few important distinctions are:

- **EXPERIENCE:** UMB has provided corporate trust services for over 60 years and our administrators have experience in trust administration, law and the financial services industry. UMB administers over \$55 billion in debt and services over 6,300 debt and escrow accounts. UMB continues to be ranked as one of the largest combined debt trustee/paying agents in the United States by Thompson Financial Services.
- **SERVICE:** Employees with a genuine interest in helping all parties to the transaction are directly responsible for the administration and maintenance of the account. Quality services are provided in an efficient manner. UMB's exceptional service has been nationally recognized by an independent consulting service which rated UMB as a top security transfer agent in the United States, based upon overall customer satisfaction.
- **STRENGTH:** UMB's strength has consistently gained recognition from national research and analysis groups, and business and industry publications. Year after year, the bank is among the industry's leaders in terms of liquidity, capital strength and asset quality. The significant value of UMB's financial strength is important when considering the length of a corporate trust relationship.

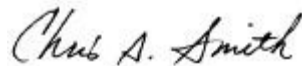
- **STABILITY:** UMB has been a Midwest based banking institution for over 100 years whose footprint extends from the Midwest to Denver, Colorado and Phoenix, Arizona. UMB employees, officers and board members control approximately 40% of the stock of the holding company. The stability and concentration of UMB's ownership provides comfort that UMB will continue as an independent, Midwest based institution capable of providing you with quality service.

The experience and expertise of our staff, our nationally recognized quality service and financial strength, and the stability of our ownership structure are all reasons to select UMB as your corporate trust provider. In sum, our strengths enable our customer to issue and maintain debt in the most efficient and cost-effective manner.

Attached please find Exhibit 1 that identifies UMB's proposed fees and expenses for the Bonds.

This proposal is made subject to the review and approval of the documents for the Issue. Please call me at (816) 860-3011, if you have any questions regarding our proposal.

Sincerely,



Chris A. Smith, CCTS
Corporate Trust & Escrow Services

**EXHIBIT 1
FEES AND EXPENSES**

Fees for services are as follows:

Commitment Fee	
Review documents, establish accounts, Authenticate bonds	\$300.00*
Administrative Fee	
Administration/Paying Agent and Registrar	\$300.00

UMB will also charge for typical out-of pocket expenses and other expenses connected with paying agent and registrar services for bond issues of similar size and type are for: postage, supplies, bond redemptions, courier, wire transfer and long distance telephone. Expenses and the administrative fee will be billed annually in arrears.

This proposal and the fees specified herein are for the typical and customary services as paying agent, escrow agent and registrar. Fees for additional or extraordinary services not now a part of the customary services provided, such as special services during default or additional government reporting requirements, will be charged at the then current rates for such services.

*Paid at closing