

# NOTICE OF MEETING

## *CITY OF BRANSON*



### INDUSTRIAL DEVELOPMENT AUTHORITY BOARD OF DIRECTORS

*Meeting – Tuesday, August 22, 2017 – 5:30 p.m.*  
Municipal Courtroom – Branson City Hall – 110 W. Maddux

### AGENDA

- 1) Call to Order.
- 2) Roll Call.
- 3) Approval of minutes from the February 17, 2017 meeting.
- 4) A Resolution authorizing the Industrial Development Authority of the City of Branson, Missouri to issue its Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) and its subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project) for the purpose of, together with other available moneys, providing funds to refund two prior bond issues of the Authority, funding a Debt Service Reserve Fund for the Series 2017A Bonds and paying certain costs of issuance of the bonds; authorizing and approving certain documents in connection with the issuance of said bonds; and authorizing certain other actions in connection with the issuance of said bonds. [Exhibit 1 – Indenture]  
  
[Exhibit 2 – Financing Agreement] [Exhibit 3 – Bond Purchase Agreement]  
  
[Exhibit 4 – Preliminary Official Statement] [Exhibit 5 – Tax Compliance Agreement]  
  
[Exhibit 6 – Bond Purchase and Tender Agreement]
- 5) Adjourn.

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Posted: August 18, 2017

At: \_\_\_\_\_ By: \_\_\_\_\_

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Lisa Westfall, City Clerk, 417-337-8522

# MINUTES

## THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI

February 17, 2017

### INTRODUCTORY

The Board of Directors of the Industrial Development Authority of the City of Branson, Missouri, met in a regular session in the Municipal Courtroom of the Branson City Hall on February 17, 2017 at 9:00 a.m.

Mike Davis, Sherry DeVore, Dave Friggle present by telephone and Stephen Marshall present. Absent: Cy Murray.

Also present: City Clerk Lisa Westfall and Deputy City Clerk Hillary Briand.

### ELECTION OF OFFICERS

Sherry DeVore opened the floor for nominations for the office of President. Sherry DeVore was nominated by Mike Davis and seconded by Stephen Marshall. Voting aye: Davis, DeVore, Friggle and Marshall. Nays: none. Absent: Murray. Motion carried. Sherry DeVore was elected to the office of President.

Sherry DeVore opened the floor for nominations for the office of Vice President. Dave Friggle was nominated by Stephen Marshall and seconded by Mike Davis. Voting aye: Davis, DeVore, Friggle and Marshall. Nays: none. Absent: Murray. Motion carried. Dave Friggle was elected to the office of Vice President.

Sherry DeVore opened the floor for nominations for the office of Secretary. Mike Davis was nominated by Sherry DeVore and seconded by Stephen Marshall. Voting aye: Davis, DeVore, Friggle and Marshall. Nays: none. Absent: Murray. Motion carried. Mike Davis was elected to the office of Secretary.

### MINUTES

Sherry DeVore asked for a motion to approve the minutes of the March 30, 2016, Industrial Development Authority Board of Director's meetings. Mike Davis so moved, seconded by Stephen Marshall. Voting aye: Davis, DeVore, Friggle and Marshall. Nays: none. Absent: Murray. Motion carried.

# ADJOURN

Sherry DeVore entertained a motion to adjourn. Mike Davis so moved, seconded by Stephen Marshall. Voting aye: Davis, DeVore, Friggle and Marshall. Nays: none. Absent: Murray. Motion carried. Meeting was adjourned at 9:11 a.m.

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Mike Davis  
Secretary of the Authority

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

**and**

**BOKF, N.A.,  
as Trustee**

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**TRUST INDENTURE**

**Dated as of July 1, 2017**

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**Relating to:**

**\$28,025,000**  
**The Industrial Development Authority of the  
City of Branson, Missouri**  
**Tax Increment Refunding Revenue**  
**Bonds**  
**Series 2017A**  
**(Branson Shoppes Redevelopment Project)**

**\$8,668,665.22**  
**The Industrial Development Authority of the  
City of Branson, Missouri**  
**Subordinate Tax Increment Refunding Revenue**  
**Bonds**  
**Series 2017B**  
**(Branson Shoppes Redevelopment Project)**

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**TRUST INDENTURE**

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## **TRUST INDENTURE**

**THIS TRUST INDENTURE** (the “Indenture”), made and entered into as of July 1, 2017, by and between **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI**, a public corporation duly organized and validly existing under the Constitution and laws of the State of Missouri (the “Authority”), and **BOKF, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America, and having its principal corporate trust office located in Kansas City, Missouri, as trustee (the “Trustee”);

### **RECITALS:**

1. The Authority is authorized and empowered under the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended (the “Act”) to issue bonds and notes for the purpose of promoting commercial facility projects within the State of Missouri.

2. The City of Branson, Missouri (the “City”) is authorized and empowered under the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “TIF Act”), to implement certain redevelopment projects and to provide for the costs thereof.

3. On February 10, 1992, the Board of Aldermen passed Ordinance No. 92-14 creating the Tax Increment Financing Commission of the City of Branson, Missouri (the “Commission”).

4. A plan for redevelopment known as the “Branson Hills Tax Increment Financing Plan” (as amended as described below, the “Plan”) which was approved by the Board of Aldermen pursuant to Ordinance No. 2004-096 adopted on July 12, 2004, for an area designated therein as the Redevelopment Area (the “Redevelopment Area”), as legally described in the Plan, has been prepared and reviewed by the Commission and the City.

5. On March 2, 2005, the Board of Aldermen adopted Ordinance No. 2005-023 approving the amendments to the Plan.

6. On November 9, 2006, the Board of Aldermen adopted Ordinance No. 2006-163 approving Redevelopment Project II described in the Plan (the “Redevelopment Project II”) and adopting tax increment allocation financing within Redevelopment Project Area II legally described in the Plan (the “Redevelopment Project Area II”).

7. On November 9, 2006, the Board of Aldermen adopted Ordinance No. 2006-164 approving Redevelopment Project III described in the Plan (the “Redevelopment Project III,” together with Redevelopment Project II, the “Redevelopment Projects”) and adopting tax increment allocation financing within Redevelopment Project Area III legally described in the Plan (the “Redevelopment Project Area III,” together with Redevelopment Project Area II, the “Redevelopment Project Areas”).

8. On October 31, 2006, the Board of Aldermen adopted Ordinance No. 2006-161 approving a second amended and restated redevelopment agreement, (the “Agreement”) with Branson Shoppes Development Company (the “Developer”) and with Ozark Diversified Development Co. for implementation of Redevelopment Project II and Redevelopment Project III described in the Plan, as well as for the development by Ozark Diversified Development Co. of Redevelopment Project I as described

in the Plan (Ozark Diversified Development Company assigned its rights related to Redevelopment Project II and Redevelopment Project III to the Developer on January 31, 2006).

**9.** On November 20, 2006, the Board of Directors of the Authority adopted a resolution authorizing the issuance of its Tax Increment Revenue Bonds, Series 2006A (Branson Shoppes Redevelopment Project) in the principal amount of \$35,545,000 (the “Series 2006A Bonds”) and its Subordinate Tax Increment Revenue Bonds, Series 2006B (Branson Shoppes Redevelopment Project) in the aggregate principal amount of not to exceed \$9,385,045 (the “Series 2006B Bonds,” together with the Series 2006A Bonds, the “Refunded Bonds”) for the purpose of (a) funding Project Costs and CID Project Costs (both as defined therein), (b) funding capitalized interest for the Series 2006A Bonds, and (c) paying the costs of issuance of the Refunded Bonds.

**10.** On November 20, 2006, the Board of Aldermen of the City adopted Ordinance No. 2006-170 (the “Bond Ordinance”), approving the issuance of the Refunded Bonds by the Authority.

**11.** On August 22, 2017, the Board of Directors of the Authority adopted a resolution (the “Bond Resolution”) authorizing the issuance of its Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) in the principal amount of \$28,025,000 (the “Series 2017A Bonds”) and its Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project) in the principal amount of \$8,668,665.22 (the “Series 2017B Bonds,” together with the Series 2017A Bonds, the “Series 2017 Bonds”) for the purpose of, together with other available funds, (a) refunding the Refunded Bonds, (b) funding a debt service reserve fund for the Series 2017A Bonds, and (c) paying the costs of issuance of the Bonds.

**12.** On August 22, 2017, the Board of Aldermen of the City adopted Ordinance No. \_\_\_\_\_ (the “Bond Ordinance”), approving the issuance of the Series 2017 Bonds by the Authority pursuant to the Indenture and pledging and assigning the Net Revenues received by the City to the Trustee pursuant to the Financing Agreement (as defined herein).

**13.** Pursuant to the Bond Resolution, the Authority is authorized to execute and deliver this Indenture for the purpose of issuing and securing the Bonds as hereinafter provided.

**14.** All things necessary to make the Series 2017 Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, legal and binding obligations of the Authority, and to constitute this Indenture a valid, legal and binding pledge and assignment of the property, rights, interests and revenues herein made for the security of the payment of the principal of and interest on the Bonds as defined herein and issued hereunder, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Series 2017 Bonds, subject to the terms hereof, have in all respects been duly authorized.

**NOW THEREFORE, THIS INDENTURE WITNESSETH:**

**GRANTING CLAUSES**

That the Authority, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to secure the payment of the principal of and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Authority of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby transfer, pledge and assign, without recourse, to the

Trustee and its successors and assigns in trust forever, and does hereby grant a security interest unto the Trustee and its successors in trust and its assigns, in and to all and singular the property described in paragraphs (a) and (b) below (said property being herein referred to as the "Trust Estate"), to wit:

(a) All right, title and interest of the Authority in the Financing Agreement (including, but not limited to, the right to enforce any of the terms thereof but excluding the Unassigned Authority's Rights) and in the Net Revenues pledged to the Authority by the City (excluding the Authority's rights to payment of its fees and expenses and to be indemnified in certain events); and

(b) All moneys and securities from time to time held by the Trustee under the terms of this Indenture (except payments required to be made to meet the requirements of Section 148(f) of the Code, whether or not held in the Rebate Fund) and any and all other property (real, personal or mixed) of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the Authority or by anyone in its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

**TO HAVE AND TO HOLD**, all and singular, the Trust Estate with all rights and privileges hereby transferred, pledged, assigned and/or granted or agreed or intended so to be, to the Trustee and its successors and assigns in trust forever;

**PROVIDED, HOWEVER**, the Trust Estate may be pledged to secure the Parity Lien Bonds in the manner and to the extent described herein, and such pledge shall be superior to the pledge securing Junior Lien Bonds;

**IN TRUST NEVERTHELESS**, upon the terms and conditions herein set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the Bonds Outstanding, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one Bond over or from the others, except as herein otherwise expressly provided;

**PROVIDED, NEVERTHELESS**, and these presents are upon the express condition, that if the Authority or its successors or assigns pays or causes to be paid the principal of such Bonds with interest, according to the provisions set forth in the Bonds, or provides for the payment or redemption of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities required for payment or redemption thereof when and as authorized by the provisions of **Article IX** hereof, and also pays or causes to be paid all other sums payable hereunder by the Authority, then these presents and the estate and rights hereby granted shall cease, terminate and become void; otherwise this Indenture shall be and remain in full force;

**THIS INDENTURE FURTHER WITNESSETH**, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority does hereby agree and covenant with the Trustee and with the respective Owners from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; RULES OF CONSTRUCTION

**Section 101. Definitions of Words and Terms.** In addition to words and terms elsewhere defined herein, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

**“Act”** means the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended.

**“Additional Bonds”** means any Parity Lien Bonds, other than the Series 2017A Bonds, issued by the Authority pursuant to **Section 209** of this Indenture that stand on a parity and equality under this Indenture with the Series 2017A Bonds.

**“Agreement”** means the second amended and restated redevelopment agreement between the City and the Developer described in the recitals hereto.

**“Authority”** means The Industrial Development Authority of the City of Branson, Missouri, and its successors and assigns.

**“Authorized Authority Representative”** means any person from time to time designated to act on behalf of the Authority as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Authority by its President or Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Authority Representative.

**“Authorized CID Representative”** means the Chair of the Board of Directors or such other person from time to time designated to act on behalf of the CID as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the CID by the Chair of its Board of Directors. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized CID Representative.

**“Authorized City Representative”** means the Mayor, the City Administrator, the Finance Director or such other person from time to time designated to act on behalf of the City as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the City by its Mayor, City Administrator or Finance Director. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized City Representative.

**“Authorized Denominations”** means, with respect to the Parity Lien Bonds, \$5,000 and integrals thereof, and with respect to any Junior Lien Bonds, \$100,000 and multiples of \$.01 in excess thereof unless the par amount of Junior Lien Bonds held by any Owner may be redeemed by the Issuer to a par amount which is less than \$100,000, in which case the Authorized Denominations of Junior Lien Bonds will be \$5,000 and integral multiples thereof.

**“Bond”** or **“Bonds”** means the Series 2017A Bonds, the Series 2017B Bonds and any Additional Bonds or additional Junior Lien Bonds.

**“Bond Counsel”** means Gilmore & Bell, P.C. or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing and experienced in matters

relating to the tax exemption of interest payable on obligations of states and their instrumentalities and political subdivisions, and which is selected by the Authority and acceptable to the Trustee.

**“Bond Ordinance”** means Ordinance No. \_\_\_\_\_ of the City adopted on August 22, 2017, approving the issuance of Series 2017A Bonds and the Series 2017B Bonds pursuant to this Indenture and authorizing, among other things, the execution and delivery of the Financing Agreement.

**“Bond Resolution”** means the resolution adopted by the Board of Directors of the Authority on August 22, 2017, authorizing the issuance of the Series 2017 Bonds pursuant to this Indenture and authorizing the execution and delivery of this Indenture and the Financing Agreement.

**“Business Day”** means any day other than a Saturday, Sunday or any other day on which banking institutions in the city in which the principal corporate trust office of the Trustee is located are required or authorized by law to close.

**“CID”** means the Branson Hills Community Improvement District, a political subdivision of the State.

**“CID Agreement”** means the First Amended and Restated Intergovernmental Cooperation Agreement dated as of November 1, 2006, as amended from time to time, between the City and the CID relating to the use of the CID Portion of CID Revenues for repayment of the Bonds.

**“CID Portion of CID Revenues”** means all moneys (including investment earnings thereon) received by the City from the CID from proceeds of the CID sales tax, less (i) the TIF Portion of CID Revenues, (ii) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (iii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum, and (iv) the amount set forth in the CID Agreement which is retained by the CID for paying its administrative costs, not exceed \$30,000 annually without the approval of the City and the Trustee.

**“CID Project”** means certain land acquisition, site work, utility improvements, bike path and traffic signal improvements described in the CID Agreement and as certified as described herein.

**“CID Revenues”** means the revenues derived by the CID from the imposition of a sales tax within the CID less (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) such amount as is retained by the State of Missouri for collecting the CID Sales Tax, and (iii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum.

**“City”** means the City of Branson, Missouri, a municipal corporation and political subdivision of the State.

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations, temporary regulations and proposed regulations thereunder.

**“Debt Service Fund”** means the fund by that name created in **Section 401** hereof.

**“Debt Service Requirements”** means (i) with respect to any Series 2017A Bonds for any period of time for which calculated, the aggregate of the scheduled payments to be made during such period in respect of principal (whether at maturity or otherwise) and interest on such Series 2017A Bonds; provided that such payments are excluded from Debt Service Requirements to the extent that cash or non-callable

Government Securities are on deposit in an irrevocable escrow or trust account in accordance with **Section 902** hereof and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay principal or interest and are sufficient to pay such principal or interest when due; and (ii) with respect to any Additional Bonds for any period of time for which calculated, the aggregate of the principal (whether at maturity or otherwise) and interest on such Additional Bonds; provided that such payments are excluded from Debt Service Requirements to the extent that cash or non-callable Government Securities are on deposit in an irrevocable escrow or trust account in accordance with **Section 902** hereof and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay such principal or interest and are sufficient to pay such principal or interest; and provided, further, that the Debt Service Requirements for any Additional Bonds which are subject to special mandatory redemption shall be the amounts, as set forth in a certificate of the underwriter of such Additional Bonds delivered to the Trustee, the Authority and the City for all remaining periods ending each year on May 1 (commencing on the first May 1 occurring at least 6 months after the proposed date of issuance of Additional Bonds) through and including the maturity date thereof.

**“Debt Service Reserve Fund”** means the fund by that name created in **Section 401** hereof.

**“Debt Service Reserve Fund Requirement”** means the sum of \$2,802,500.00 with respect to the Series 2017A Bonds, plus with respect to any series of Additional Bonds, the amount specified in the Supplemental Indenture authorizing such Additional Bonds.

**“Developer”** means Branson Shoppes Development Company, a Missouri corporation.

**“Economic Activity Tax Revenues”** means 50% of the total additional revenues from taxes which are imposed by the City or any other taxing district (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Redevelopment Project Areas over (i) the amount of such taxes generated by economic activities within the Redevelopment Project Areas in the calendar year ending December 31, 2005, and (ii) economic activity taxes generated by any Relocated Retail Establishment in the calendar year prior to its relocation to the Redevelopment Project Areas, (subject to annual appropriation by the City as provided in the TIF Act), but excluding therefrom any taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments, other than payments in lieu of taxes, and personal property taxes and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, and amounts reimbursed to any district providing emergency services within the Redevelopment Area, to the extent required by Section 99.847 or 99.848 of the TIF Act or, in lieu thereof, such amount as may be set forth in a cooperative agreement between the City and any such district, to the extent that such sum is not paid from the PILOTS Account.

**“Escrow Agent”** means the Trustee, acting as Escrow Agent under the Escrow Agreement.

**“Escrow Agreement”** means the Letter of Instructions dated the date of delivery of the Series 2017A Bonds and the Series 2017B Bonds between the Authority, the City and the Escrow Agent, related to the refunding of the Refunded Bonds.

**“Escrow Fund”** means the fund by that name created under the Escrow Agreement.

**“Event of Default”** means any event or occurrence as defined in **Section 701** hereof.

**“Financing Agreement”** means the Financing Agreement dated as of July 1, 2017, by and among the Authority, the City and the Developer, as amended from time to time in accordance with the terms hereof.

**“Fiscal Year”** means the fiscal year adopted by the City for accounting purposes, which as of the execution of this Indenture commences on January 1 and ends on December 31.

**“Government Securities”** means direct obligations of, or obligations the timely payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America (the “United States”) and backed by the full faith and credit thereof.

**“Historical Pro Forma Debt Service Coverage Ratio”** means the ratio determined by dividing (a) a numerator equal to the Net Revenues for that historical period of time, by (b) a denominator equal to the Debt Service Requirements of the Series 2017A Bonds for the same time period, plus the maximum annual Debt Service Requirements for any Additional Parity Lien Bonds then Outstanding and the Additional Parity Lien Bonds proposed to be issued.

**“Immediate Notice”** means notice given no later than the close of business on the date required by the provisions of this Indenture by electronic mail, telecopier or other telecommunication device to such phone numbers or addresses as are specified in **Section 1102** hereof or such other phone number or address as the addressee shall have directed in writing, the receipt of which is confirmed by telephone, promptly followed by written notice by first-class mail postage prepaid to such addressees.

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

**“Investment Securities”** means any of the following securities purchased in accordance with **Section 502** hereof, if and to the extent the same are at the time legal for investment of the funds being invested:

- (a) Government Securities or obligations of United States government agencies and instrumentalities secured by the full faith and credit of the United States;
- (b) bonds, notes or other obligations of the State, or any political subdivision of the State, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;
- (c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and have a market value, exclusive of accrued interest, at all times at least equal to 102% of the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the Authority;
- (d) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;

(e) 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, including, without limitation, the Trustee or any of its affiliates, 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 such securities as are described above in clause (a) or (b), which shall have a market value, exclusive of accrued interest, at all times at least equal to 102% of the principal amount of such certificates of deposit or time deposits;

(f) money market mutual funds that are invested in Government Securities or agreements to repurchase Government Securities; and

(g) 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.

**“Junior Lien Bonds”** means the Series 2017B Bonds and any other notes or other obligations issued which are junior in lien under this Indenture to Parity Lien Bonds.

**“Majority of Owners”** means Owners owning more than 50% of the aggregate principal amount of Parity Lien Bonds Outstanding.

**“Net Revenues”** means (a) all moneys on deposit in the Pilots Account of the Special Allocation Fund, (b) all Economic Activity Tax Revenues on deposit in the Economic Activity Tax Account of the Special Allocation Fund that have been appropriated to the repayment of the Bonds and (c) all of the CID Portion of CID Revenues received by the City, reduced by an amount not to exceed 2% of the amounts described in (a) plus (b) plus (c) above which may be retained by the City for its collection of Payments in Lieu of Taxes, Economic Activity Tax Revenues or the CID Portion of CID Revenues pursuant to **Section 4.4** of the Financing Agreement. Net Revenues do not include (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum, or (iii) reimbursement to any district providing emergency services within the Redevelopment Area, to the extent required by Section 99.847 of the TIF Act or, in lieu thereof, such amount as may be set forth in a cooperative agreement between the City and any such district.

**“Official Statement”** means the Official Statement dated \_\_\_\_\_, 2017 relating the Series 2017A Bonds and, with respect to any Additional Bonds, the Official Statement or other similar documents relating to such Additional Bonds.

**“Opinion of Counsel”** means a written opinion of an attorney or firm of attorneys addressed to the Trustee, for the benefit of the Trustee and the Owners of the Bonds, who may be (except as otherwise expressly provided in this Indenture) counsel to the Authority, the City, the Owners of the Bonds or the Trustee, and who is acceptable to the Trustee.

**“Outstanding”** means when used with reference to Bonds, as of a particular date, all Bonds theretofore authenticated and delivered under this Indenture except:

(a) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds which are deemed to have been paid in accordance with **Section 902** hereof;

(c) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in **Section 206** hereof; and

(d) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

“**Owner**” means the Person in whose name any Bond is registered on the Register.

“**Parity Lien Bonds**” means the Series 2017A Bonds and Additional Bonds issued as provided in **Section 209** hereof.

“**Paying Agent**” means the Trustee and any other bank or trust institution organized under the laws of any state of the United States or any national banking association designated by this Indenture as paying agent for the Bonds at which the principal of and interest on such Bonds shall be payable.

“**Payments in Lieu of Taxes**” means those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the TIF Act), if any, attributable to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Project Areas over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project Areas, as provided for by Section 99.845 of the Act.

“**Person**” means any natural person, firm, partnership, association, corporation, limited liability company or public body.

“**Plan**” means the “Branson Hills Tax Increment Financing Plan” as amended to date, as described in the recitals to this Indenture.

“**Pledged Revenues**” means all Net Revenues and all moneys held in the Revenue Fund, the Debt Service Fund and the Debt Service Reserve Fund, together with investment earnings thereon, but excluding payments required to be made to meet the requirements of Section 148(f) of the Code (whether or not held in the Rebate Fund).

“**Projected Debt Service Coverage Ratio**” means the ratio determined by dividing (a) a numerator equal to the projected Net Revenues for that projected period of time, by (b) a denominator equal to the Debt Service Requirements of Series 2017A Bonds, any Additional Bonds then Outstanding and the Additional Bonds proposed to be issued for the same time period. The projected revenues shall be determined by the delivery to the Authority, the City and the Trustee of a certificate of a planning consultant acceptable to the City and the Underwriter.

“**Rebate Fund**” means the fund by that name created in **Section 401** hereof.

“**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.

“**Redevelopment Area**” means the area legally described as such in the Plan.

“**Redevelopment Project I**” means the project described as such in the Plan.

“**Redevelopment Project II**” means the project described as such in the Plan.

**“Redevelopment Project III”** means the project described as such in the Plan.

**“Redevelopment Project Area I”** means Redevelopment Project Area I legally described in the Plan.

**“Redevelopment Project Area II”** means Redevelopment Project Area II legally described in the Plan.

**“Redevelopment Project Area III”** means Redevelopment Project Area III legally described in the Plan.

**“Redevelopment Project Areas”** means Redevelopment Project Area II and Redevelopment Project Area III.

**“Redevelopment Projects”** means Redevelopment Project II and Redevelopment Project III.

**“Refunded Bonds”** means, collectively, the Authority’s Tax Increment Revenue Bonds, Series 2006A (Branson Shoppes Redevelopment Project) originally issued in the principal amount of \$35,545,000 and Subordinate Tax Increment Revenue Bonds, Series 2006B (Branson Shoppes Redevelopment Project) issued in the original principal amount of not to exceed \$9,385,045.

**“Register”** means the registration books of the Authority kept by the Trustee to evidence the registration, transfer and exchange of Bonds.

**“Registrar”** means the Trustee when acting as such under this Indenture.

**“Relocated Retail Establishment”** means any retail establishment which relocates within one year from one facility within Taney County, Missouri to another facility within the Redevelopment Project Areas, which relocation has been found by the City to be a direct beneficiary of tax increment financing.

**“Revenue Fund”** means the fund by that name created in **Section 401** hereof.

**“Revenue Limitations”** means that, notwithstanding anything in this Indenture to the contrary, and subject to revision as provided herein, in no event shall moneys in the CID Revenues Account of the Revenue Fund be applied to the payment of more than the percentage of the principal of and interest on Bonds as shall be specified in a certificate of the Authorized City Representative, approved by the Authorized CID Representative, which shall be delivered to the Trustee from time to time as deemed necessary by the City and the CID to insure that the expenditure of such revenues complies with applicable law regarding the use of such revenues, but provided that the City and the CID will calculate the limitations described herein in a way that maximizes its ability to pay Bonds from funds that are legally available, and the Trustee shall retain in the CID Revenues Account any moneys in excess of the limitations calculated herein.

**“Series 2017 Bonds”** means, collectively, the Series 2017A Bonds and the Series 2017B Bonds.

**“Series 2017A Bonds”** means the Authority’s Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) in the original principal amount of \$8,668,665.22.

**“Series 2017B Bonds”** means the Authority’s Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project) in the original principal amount of \$8,668,665.22.

**“Special Allocation Fund”** means the Branson Shoppes Special Allocation Fund created within the treasury of the City in accordance with Section 99.845 of the Act and the TIF Ordinance, and within the Special Allocation Fund a Pilots Account and an Economic Activity Tax Account.

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

**“Supplemental Financing Agreement”** means any financing agreement supplemental or amendatory to the Financing Agreement entered into by the Authority and the City pursuant to **Article X** hereof.

**“Supplemental Indenture”** means any indenture supplemental or amendatory to this Indenture entered into by the Authority and the Trustee pursuant to **Article X** hereof.

**“Tax Compliance Agreement”** means the Tax Compliance Agreement dated as of July 1, 2017, among the Trustee, the Authority and the City, as the same may be amended or supplemented in accordance with the provisions thereof.

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

**“TIF Ordinance”** means, collectively, Ordinance Nos. 2006-163 and 2006-164 of the City adopted on November 9, 2006, as amended by the ordinance authorizing the issuance of the Refunded Bonds, adopting tax increment financing related to the Redevelopment Projects.

**“TIF Portion of CID Revenues”** means the portion of CID Revenues constituting Economic Activity Tax Revenues and which are required by the TIF Act and the Redevelopment Plan to be deposited in the Special Allocation Fund maintained by the City less (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer and (ii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum.

**“Trust Estate”** means the Trust Estate described in the granting clauses of this Indenture.

**“Trustee”** means BOKF, N.A., Kansas City, Missouri, and its successor or successors and any other association or corporation which at any time may be substituted in its place pursuant to and at the time serving as trustee under this Indenture.

**“Unassigned Authority’s Rights”** means the Authority’s rights to receive notices, reports and other statements and its rights to consent to certain matters, including, but not limited to, any Supplemental Financing Agreements.

**“Underwriter”** means Piper Jaffray & Co., St. Louis, Missouri, the original purchaser of the Series 2017A Bonds.

**Section 102. Rules of Construction.**

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.
- (b) Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.
- (c) The table of contents hereto and the headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.
- (d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.
- (e) Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

**ARTICLE II**

**THE BONDS**

**Section 201. Authorization, Issuance and Terms of Bonds.**

- (a) *Authorized Amount of Bonds.* No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The principal amount of the Bonds issuable hereunder shall not be limited.
- (b) *Title of Bonds.* The Series 2017A Bonds authorized to be issued under this Indenture shall be designated “Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project).” The Series 2017B Bonds authorized to be issued under this Indenture shall be designated “Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project).” All other Bonds authorized to be issued under this Indenture shall be designated “Tax Increment Revenue Bonds, Series \_\_\_\_ (Branson Shoppes Redevelopment Project),” with such other identifiers as shall be deemed appropriate by the Authority and the City.
- (c) *Form of Bonds.* The Series 2017A Bonds and all Additional Bonds shall be substantially in the form set forth in **Exhibit A-1** attached hereto and the Series 2017B Bonds and all Junior Lien Bonds shall be substantially in the form set forth in **Exhibit A-2** attached hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. Additional Bonds or Junior Lien Bonds shall be substantially in the form set forth in the form attached to the Supplemental Indenture related to such Bonds.

(d) *Denominations.* The Bonds shall be issuable as fully registered Bonds in Authorized Denominations.

(e) *Numbering.* Unless the Authority directs otherwise, the Bonds of each series shall be numbered from R-1 upward.

(f) *Dating.* The Series 2017A Bonds shall be dated as of the date of their initial issuance and delivery. The Series 2017B Bonds shall be dated as of their date of initial issuance and delivery. Additional Bonds or additional Junior Lien Bonds shall be dated the date specified in the Supplemental Indenture related to such Additional Bonds or other Junior Lien Bonds.

(g) *Method and Place of Payment.* The principal of and interest on the Bonds shall be payable in any coin or currency of the United States which, at the respective dates of payment thereof, is legal tender for the payment of debts due the United States. Payment of the principal of or interest on any Bond shall be made (i) by check or draft of the Trustee mailed to the Person in whose name such Bond is registered on the Register as of the commencement of business of the Trustee on the Record Date for such Interest Payment Date, or (ii) in the case of a principal or interest payment to (1) the Owner of all Bonds or (2) any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice delivered to the Trustee not less than 15 days prior to the Record Date from and signed by such Owner containing electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account number to which such Owner wishes to have such transfer directed.

#### **Section 202. Nature of Obligations.**

(a) The Bonds and the interest thereon shall be special, limited obligations of the Authority payable solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee as provided herein, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in this Indenture.

(b) The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State or of any political subdivision thereof, but shall be payable solely from the funds provided for in the Financing Agreement and in this Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. No breach by the Authority of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the City, the CID or the State or any charge upon their general credit or against their taxing power. The Authority has no taxing power.

#### **Section 203. Execution, Authentication and Delivery of Bonds.**

(a) The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the President or Vice President and attested by the manual or facsimile signature of the Secretary or any Assistant Secretary of the Board of Directors of the Authority, and shall have the corporate seal of the Authority affixed thereto or imprinted thereon. If any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such Person had remained in office until delivery. Any Bond may be signed by such Persons as at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such Persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in **Exhibit A-1** and **A-2** hereto, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication has been duly executed by the Trustee. Such executed Certificate of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee, but it shall not be necessary that the same authorized signatory sign the Certificate of Authentication on all of the Bonds that may be issued hereunder at any one time.

#### **Section 204. Registration, Transfer and Exchange of Bonds.**

(a) The Trustee is hereby appointed Registrar and as such shall keep the Register for the registration and for the transfer of Bonds as provided in this Indenture. Each Bond when issued shall be registered in the name of the Owner thereof on the Register.

(b) Subject to the limitations contained in **Section 204(h)** hereof, any Bond may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Authority shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new fully registered Bond or Bonds, registered in the name of the transferee, of the same series and of any denomination or denominations authorized by this Indenture.

(c) Any Bond, upon surrender thereof at the payment office of the Trustee, together with an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for Bonds of the same series and maturity, of any Authorized Denomination, bearing interest at the same rate, and registered in the name of the Owner.

(d) In all cases in which Bonds are exchanged or transferred hereunder, the Authority shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee.

(e) The Authority or the Trustee may make a charge against each Owner requesting a transfer or exchange of Bonds for every such transfer or exchange of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, the cost of printing, if any, each new Bond issued upon any transfer or exchange and the reasonable expenses of the Authority and the Trustee in connection therewith, and such charge shall be paid before any such new Bond shall be delivered. The Authority or the Trustee may levy a charge against an Owner sufficient to reimburse it for any governmental charge required to be paid in the event the Owner fails to provide a correct taxpayer identification number to the Trustee. Such charge may be deducted from amounts otherwise due to such Owner hereunder or under the Bonds.

(f) At reasonable times and under reasonable regulations established by the Trustee, the Register may be inspected and copied by the Authority or the Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(g) The Person in whose name any Bond is registered on the Register shall be deemed and regarded as the absolute owner of such Bond for all purposes, and payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

(h) The Trustee shall not permit the transfer of any Junior Lien Bond unless the transferee signs and delivers to the Trustee and the Authority (1) an investor letter in substantially the form of **Exhibit C** attached hereto.

**Section 205. Description of Bonds.**

(a) There shall be initially issued and secured by this Indenture the Series 2017A Bonds in the original principal amount of \$28,025,000, and the Series 2017B Bonds in the original principal amount of \$8,668,665.22.

(b) (i) The Series 2017A Bonds shall become due as set forth below (subject to prior redemption as hereinafter provided in **Article III**). The Series 2017A Bonds shall bear interest at the rates set forth below (computed on the basis of a 360-day year of twelve 30-day months) from their date or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on May 1 and November 1 in each year, beginning on November 1, 2017.

**SERIAL BONDS**

<u>Due</u> <u>November 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>
2018	\$1,925,000	3.000%
2019	1,985,000	3.000
2020	2,045,000	3.000
2021	2,105,000	3.000
2022	2,165,000	4.000
2023	2,255,000	4.000
2024	2,345,000	4.000
2025	2,440,000	4.000
2026	2,535,000	4.000
2027	2,635,000	4.000

**TERM BONDS**

\$5,590,000 Term Bonds due November 1, 2029, Interest Rate: 3.900%

(ii) The Series 2017B Bonds shall be issued as a single Bond, shall become due on November 1, 2029 (subject to prior redemption as hereinafter provided in **Article III**), shall bear at the rate of 5.0% per annum interest (computed on the basis of a 360-day year of twelve 30-day months) from their date or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on May 1 and November 1 in each year, beginning on November 1, 2017, subject to **Section 208**.

(c) The Trustee is hereby designated as the Paying Agent for the payment of the principal of and interest on the Bonds.

(d) The Series 2017A Bonds and any Additional Parity Lien Bonds shall be executed substantially in the form and manner set forth in **Exhibit A-1** attached hereto and delivered to the Trustee for authentication. The Series 2017B Bonds shall be executed substantially in the form and manner set forth in **Exhibit A-2** attached hereto and delivered to the Trustee for authentication. Prior to or simultaneously with the authentication and delivery of the Series 2017 Bonds by the Trustee, there shall be filed with the Trustee the following:

(1) A copy of the Bond Resolution, certified by the Secretary or Assistant Secretary of the Board of Directors of the Authority, approving the issuance of the Series 2017A Bonds and the Series 2017B Bonds and authorizing the execution of this Indenture.

(2) A copy of the Bond Ordinance, certified by the City Clerk.

(3) An original executed counterpart of this Indenture.

(4) An original executed counterpart of the Financing Agreement.

(5) An original executed counterpart of the CID Agreement.

(6) An Opinion of Bond Counsel to the effect that the Series 2017 Bonds constitute valid and legally binding obligations of the Authority and that the interest on the Series 2017 Bonds is excludable from gross income of the Owners thereof for federal income tax purposes.

(7) A copy of the Plan, certified by the City Clerk.

(8) An Opinion of Bond Counsel to the effect that the Series 2017 Bonds are exempt from registration under the Securities Act of 1933, as amended, and this Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(9) A request and authorization to the Trustee on behalf of the Authority, executed by an Authorized Authority Representative, to authenticate the Series 2017 Bonds and deliver said Series 2017 Bonds to or upon the order of the respective purchasers thereof upon payment, for the account of the Authority, of the purchase price therefor. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name of the purchasers and the amount of such purchase price.

(10) Such other certificates, statements, receipts, opinions and documents required by any of the foregoing documents or as the Trustee shall reasonably require for the delivery of the Series 2017 Bonds.

(e) When the documents mentioned in paragraph (d) of this Section have been filed with the Trustee, and when the Series 2017 Bonds have been executed and authenticated as required by this Indenture, the Trustee shall deliver the Series 2017 Bonds to or upon the order of the purchasers thereof, but only upon payment of the purchase price thereof.

(f) **The Series 2017B Bonds shall be junior and subordinate to the Parity Lien Bonds with respect to payment of principal and interest from the Pledged Revenues and the Trust Estate.** In the case of an Event of Default, the Pledged Revenues will be applied solely to the payment of the

principal of and interest on the Outstanding Parity Lien Bonds until the default is cured, as further described in **Section 208**.

**Section 206. Mutilated, Lost, Stolen or Destroyed Bonds.** If any Bond becomes mutilated or is lost, stolen or destroyed, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of like date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee. In the case of any lost, stolen or destroyed Bond, there first shall be furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity to the Authority and the Trustee satisfactory to the Trustee. If any such Bond has matured, is about to mature or has been called for redemption, instead of delivering a substitute Bond, the Trustee may pay the same without surrender thereof. Upon the issuance of any substitute Bond, the Authority and the Trustee may require the payment of an amount by the Owner sufficient to reimburse the Authority and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

**Section 207. Cancellation and Destruction of Bonds Upon Payment.** All Bonds which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity, shall be immediately canceled upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee and periodically destroyed by the Trustee in accordance with applicable record retention requirements. The Trustee shall execute a certificate in duplicate describing the Bonds so canceled, and shall file an executed counterpart of such certificate with the Authority.

**Section 208. Subordination of Liens.**

(a) Notwithstanding any other provision of this Indenture or the Financing Agreement to the contrary, the owners of Junior Lien Bonds covenant and agree that, upon the issuance of Junior Lien Bonds (including without limitation the Series 2017B Bonds), the lien and security for the payment of principal of and interest on Parity Lien Bonds shall for all purposes of this Indenture be superior to and constitute a priority with respect to all other payments on Junior Lien Bonds with respect to the use of Pledged Revenues and the Trust Estate. No payment of principal or interest, or any payment related to redemption under **Section 302**, will be made on Bonds other than Parity Lien Bonds from the Pledged Revenues upon the occurrence and continuance of (1) any Event of Default hereunder, or (2) the Trustee being unable to make the deposits required by **Section 402(b)** of this Indenture into the Debt Service Fund related to the Parity Lien Bonds. Such limitation shall continue until such payment default is cured or the Trustee has made all required deposits under **Section 402(b)** of this Indenture, as the case may be.

(b) Notwithstanding any other provision hereof, notwithstanding the existence of any default (including payment defaults) on Junior Lien Bonds, prior to the acceleration of Parity Lien Bonds as provided herein, the owners of Junior Lien Bonds shall not take or threaten the taking of any of the following actions while the Parity Lien Bonds are Outstanding:

- (i) The commencement of foreclosure proceedings against the Trust Estate.
- (ii) The acceleration of any Junior Lien Bonds.
- (iii) The commencement of any suit, action or proceeding to enforce or collect payment on money due with respect to any Junior Lien Bonds.

(iv) The commencement of a bankruptcy, reorganization or liquidation proceeding against the Authority or the City.

(c) Upon any distribution to creditors of the City of moneys constituting Pledged Revenues in a liquidation or dissolution or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding, (i) the Owners of Parity Lien Bonds shall be entitled to receive indefeasible payment in full in cash of the principal of, premium, if any, and interest (including interest accruing after the commencement of such proceeding) to the date of payment on the Parity Lien Bonds before the owners of the Junior Lien Bonds shall be entitled to receive any payment of principal or interest thereon, and (ii) until the Parity Lien Bonds are paid indefeasibly in full in cash, any distribution of Pledged Revenues to which the Owners of the Junior Lien Bonds would be entitled but for these provisions shall be made to Owners of the Parity Lien Bonds.

(d) No payment may be made of principal of or interest on Junior Lien Bonds if a default on the Parity Lien Bonds has occurred and is continuing. Junior Lien Bonds shall only be due and payable to the extent moneys are available therefor in accordance with the terms of this Indenture.

(e) If a distribution is made to the Owner of Junior Lien Bonds that because of subparagraphs (c) and (d) of this Section should not have been made, the Owner who receives such distribution shall hold it in trust for the Owners of the Parity Lien Bonds and shall promptly pay such distribution to the Trustee for the benefit of the Owners of Parity Lien Bonds.

(f) These provisions shall be enforceable by the Trustee or the Owners of Parity Lien Bonds, or both of them acting together, in accordance with the provisions of this Indenture. No right of the Trustee or the Owners of Parity Lien Bonds to enforce these provisions shall be impaired in any way by any act or failure to act by either of them or by the failure of the City or the Authority to comply with this Indenture.

(g) Junior Lien Bonds shall be issued in accordance with the provisions of this Indenture and shall bear a legend as follows: **“THIS BOND IS SUBJECT TO THE SUBORDINATION PROVISIONS OF THE INDENTURE, AND ALL RENEWALS, MODIFICATIONS, AMENDMENTS, CONSOLIDATIONS, REPLACEMENTS AND/OR EXTENSIONS THEREOF.”**

**“THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND THIS BOND MAY NOT BE TRANSFERRED UNLESS THE TRUSTEE RECEIVES AN INVESTOR LETTER SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE.”**

#### **Section 209. Additional Bonds.**

Additional Bonds which have the same Interest Payment Dates and the same dates for payment of principal as the Series 2017A Bonds may be issued under and equally and ratably secured by this Indenture on a parity (except as otherwise provided in this Section) with the Series 2017A Bonds and any other Parity Lien Bonds at any time and from time to time, upon compliance with the conditions set forth in this Section for any purpose authorized under the Act.

Before any Additional Bonds are issued under the provisions of this Section, (1) the Authority shall adopt a resolution (a) authorizing the issuance of such Additional Bonds, fixing the Maturity Amount or principal amount thereof, as applicable, and describing the purpose or purposes for which such

Additional Bonds are being issued, (b) authorizing the Authority to enter into a Supplemental Indenture for the purpose of issuing such Additional Bonds and establishing the terms and provisions of such series of Additional Bonds and the form of such series of Additional Bonds of such series, and (c) providing for such other matters as are appropriate because of the issuance of the Additional Bonds, which matters, in the judgment of the Authority, are not prejudicial to the owners of the Parity Lien Bonds previously issued, (2) the City shall adopt an ordinance authorizing the issuance of such Additional Bonds, and (3) there shall then be no Event of Default, or event or condition which, with the giving of notice or the passage of time or both, would constitute an Event of Default, occurring and continuing under this Indenture or the Financing Agreement or other agreements or certificates executed in connection with the issuance of the Bonds.

Such Additional Bonds shall have the same general title as the Series 2017A Bonds, except for an identifying series letter or date, and shall be dated, shall mature on such dates, shall be numbered, shall bear interest at such rates not exceeding the maximum rate then permitted by law payable at such times, and shall be redeemable at such times and prices (subject to the provisions of **Article III** of this Indenture), all as provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds (other than Junior Lien Bonds) shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2017A Bonds and any other Parity Lien Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds issued on a parity with the Junior Lien Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2017B Bonds and any other Junior Lien Bonds.

Such Additional Bonds shall be executed in the manner set forth in **Section 203** hereof and shall be deposited with the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of such Additional Bonds by the Trustee, and as a condition precedent thereto, there shall be filed with the Trustee the following:

- (1) A certified copy of the resolution the Authority approving the issuance of the Additional Bonds and authorizing the execution of a Supplemental Indenture related thereto.
- (2) A copy of the ordinance authorizing the issuance of the Additional Bonds, certified by the City Clerk.
- (3) An original executed counterpart of the Supplemental Indenture.
- (4) An original executed counterpart of the Supplemental Financing Agreement relating to the Additional Bonds.
- (5) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that the Additional Bonds constitute valid and legally binding obligations of the Authority and, if applicable, that the interest on the Additional Bonds is excludable from gross income of the Owners thereof for federal income tax purposes.
- (6) A copy of any amendment to the Plan, certified by the City Clerk.
- (7) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that the Additional Bonds are exempt from registration under the Securities Act of 1933, as amended, and this Indenture, as supplemented by the Supplemental Indenture, is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(8) A request and authorization to the Trustee on behalf of the Authority, executed by an Authorized Authority Representative, to authenticate the Additional Bonds and deliver said Additional Bonds to or upon the order of the purchaser upon payment, for the account of the Authority, of the purchase price therefor. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name of the purchaser and the amount of such purchase price.

(9) A certificate of the Authority (i) stating that no event of default under this Indenture has occurred and is continuing and that no event has occurred and is continuing which with the lapse of time or giving of notice, or both, would constitute such an event of default, and (ii) stating the purpose or purposes for which such Additional Bonds are being issued.

(10) The delivery to the Authority and the Trustee of a certificate signed by the Authorized City Representative demonstrating that the Historical Pro Forma Debt Service Coverage Ratio for the most recent full twelve months was not less than 1.35x, provided, however, that this subsection (10) shall not apply in the case of Refunding Bonds issued to provide net present value savings as determined by the City.

(11) Only so long as the Developer owns 100% of the Outstanding Junior Lien Bonds and only in the event of issuance of Additional Bonds other than Refunding Bonds described in the preceding subsection (10), the written consent of the Developer, which shall not be unreasonably withheld.

(12) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that all requirements for the issuance of such Additional Bonds have been met, that such Additional Bonds constitute valid and legally binding obligations of the Authority and the issuance of such Additional Bonds will not result in the interest on any Parity Lien Bonds then Outstanding and originally issued as exempt from federal income taxes becoming subject to federal income taxes then in effect.

(13) Such other certificates, statements, opinions, receipts and documents or as the Authority or the Trustee shall reasonably require for the delivery of the Additional Bonds.

When the documents specified above have been filed with the Trustee, and when such Additional Bonds have been executed and authenticated as required by this Indenture, the Trustee shall deliver such Additional Bonds to or upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of such Additional Bonds. The proceeds of the sale of such Additional Bonds, including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee and shall be deposited and applied by the Trustee as provided in **Article IV** hereof and in the Supplemental Indenture authorizing the issuance of such Additional Bonds.

Except as provided in this Section, the Authority will not otherwise issue any Additional Bonds but the Authority may issue Bonds and other obligations on a parity with Junior Lien Bonds which are specifically subordinate and junior to the Parity Lien Bonds with respect to payment from Pledged Revenues and the Trust Estate upon satisfaction of the conditions listed in paragraphs (1) through (9) and (11) through (13) of this **Section 209**. No such Bonds shall be issued without the prior written consent and direction of the City.

#### **Section 210. Securities Depository.**

(a) For purposes of this **Section 210**, the following terms shall have the following meanings:

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

“Cede & Co.” shall mean Cede & Co., the nominee of the Securities Depository, and any successor nominee of the Securities Depository with respect to the Parity Lien Bonds.

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

“Representation Letter” shall mean the Representation Letter from the Authority and the Trustee to the Securities Depository with respect to the Parity Lien Bonds.

“Securities Depository” shall mean The Depository Trust Company, New York, New York.

(b) The Parity Lien Bonds shall be initially issued as one single authenticated fully registered bond for each maturity of the Parity Lien Bonds. Upon initial issuance, the ownership of such Parity Lien Bonds shall be registered in the Register of the Authority kept by the Trustee in the name of Cede & Co., as nominee of the Securities Depository. The Trustee and the Authority may treat the Securities Depository (or its nominee) as the sole and exclusive owner of the Parity Lien Bonds registered in its name for the purposes of payment of the principal of or interest on the Parity Lien Bonds, giving any notice permitted or required to be given to Owners of Parity Lien Bonds under this Indenture, registering the transfer of Parity Lien Bonds, and for all other purposes whatsoever; and neither the Trustee nor the Authority shall be affected by any notice to the contrary. Neither the Trustee nor the Authority shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Parity Lien Bonds under or through the Securities Depository or any Participant, or any other Person which is not shown on the Register kept by the Trustee as being an Owner of any Parity Lien 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 or interest on the Parity Lien Bonds, with respect to any notice which is permitted or required to be given to Owners of Parity Lien Bonds under this Indenture or with respect to any consent given or other action taken by the Securities Depository as Owner of the Parity Lien Bonds. The Trustee shall pay all principal of and interest on the Parity Lien 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 Authority’s obligations with respect to the principal of and interest on the Parity Lien Bonds to the extent of the sum or sums so paid. No Person other than the Securities Depository or the Trustee as the Securities Depository’s “FAST” Agent shall receive an authenticated Parity Lien Bond evidencing the obligation of the Authority to make payments of principal and interest. Upon delivery by the Securities Depository to the Trustee of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of Cede & Co., the Parity Lien Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the Authority determines that it is in the best interest of the Beneficial Owners that they be able to obtain note certificates, the Authority may notify the Securities Depository and the Trustee, whereupon the Securities Depository shall notify the Participants of the availability through the Securities Depository of note certificates. In such event, the Parity Lien Bonds will be transferable in accordance with paragraph (e) hereof. The Securities Depository may determine to discontinue providing its services with respect to the Parity Lien Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law.

In such event the Parity Lien Bonds will be transferable in accordance with paragraph (e) hereof. The Trustee may conclusively rely on information from the Securities Depository or any Participant as to the principal amount held by and the names and addresses of the Beneficial Owners of the Parity Lien Bonds.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as any Parity Lien 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 Parity Lien Bond and all notices with respect to such Parity Lien Bond shall be made and given, respectively, to the Securities Depository as provided in the Representation Letter.

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

(f) Junior Lien Bonds shall not be entitled to the benefits of this Section and may not be registered in the name of a securities depository.

### ARTICLE III

#### REDEMPTION OF BONDS

**Section 301. Redemption of Bonds Generally.** The Bonds are subject to redemption prior to maturity in accordance with their terms and the terms and provisions set forth in this Article. Additional Bonds and additional Junior Lien Bonds shall be subject to redemption prior to maturity in accordance with the applicable terms and provisions contained in this Article and as may be specified in such Bonds and the Supplemental Indenture authorizing such Bonds.

#### **Section 302. Redemption of Series 2017A Bonds and Series 2017B Bonds.**

(a) *Optional Redemption of the Series 2017A Bonds.* The Series 2017A Bonds are subject to optional redemption by the Authority at the direction of the City on or after November 1, 2025, in whole or in part at any time at a redemption price equal to 100% of the principal amount to be redeemed, together with interest accrued to the date fixed for redemption, without premium.

(b) *Optional Redemption of the Series 2017B Bonds.* The Series 2017B Bonds are subject to optional redemption by the Authority at the direction of the City in whole or in part at any time at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest thereon to the date fixed for redemption, without premium.

(c) *Special Mandatory Redemption of the Series 2017A Bonds.* The Series 2017A Bonds maturing on November 1, 2029 (the “Cumulative Redemption Term Bonds”), are subject to special mandatory redemption and payment prior to the stated maturity thereof, in whole or in part on any Interest Payment Date in inverse order of maturity, including Mandatory Sinking Fund Redemptions with respect to Term Bonds, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, solely from amounts on deposit in the Redemption Account of the Debt Service Fund pursuant to Section 402(b) Seventh, but in no event in excess of the greater of (i) the annual amount shown below for such redemption date or (ii) the cumulative redemption amounts shown below for such redemption date less any prior redemptions of the Cumulative Redemption Term Bonds pursuant to this paragraph:

<u>Term Bond Maturing</u> <u>November 1, 2029*</u>	
<u>Year</u> <u>(November 1)</u>	<u>Cumulative</u> <u>Principal</u> <u>Amount*</u>
2017	\$500,000
2018	1,000,000
2019	1,500,000
2020	2,000,000
2021	2,500,000
2022	3,000,000
2023	3,500,000
2024	4,000,000
2025	4,500,000
2026	5,000,000
2027 and thereafter	5,590,000

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\* Final Maturity

(d) *Special Mandatory Redemption of the Series 2017B Bonds.* The Series 2017B Bonds are subject to special mandatory redemption and payment prior to the stated maturity thereof, in whole or in part on any Interest Payment Date, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, solely from amounts on deposit in the appropriate subaccount of the Debt Service Account of the Debt Service Fund pursuant to **Section 402(b) Ninth.**

(d) *Mandatory Sinking Fund Redemption of the Series 2017A Bonds.* The Series 2017A Bonds with a stated maturity of November 1, 2029 (the “2029 Term Bonds,” collectively with the Cumulative Redemption Term Bonds, the “Term Bonds”) are subject to mandatory sinking fund redemption and payment prior to the stated maturity thereof, in whole or in part on any Interest Payment Date, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, in the amounts and on each November 1 in the following years:

Term Bonds maturing  
November 1, 2029

2028	\$2,740,000
2029*	2,850,000

\* Final Maturity

The Trustee shall make timely selection the Term Bonds or portions thereof to be redeemed in Authorized Denominations of principal amount in such equitable manner as the Trustee may determine and shall give notice thereof without further instructions from the Authority. At the option of the Authority at the direction of the City, to be exercised on or before the 45<sup>th</sup> day next preceding each mandatory redemption date, the Authority or the City may: (1) deliver Term Bonds to the Trustee for cancellation in the aggregate principal amount desired; or (2) furnish to the Trustee moneys, together with appropriate instructions, for the purpose of purchasing any Bonds from any owner thereof in the open market, to the extent practical, at a price not in excess of 100% of the principal amount thereof, whereupon the Trustee shall use its reasonable efforts to expend such funds for such purposes; or (3) elect to receive a credit in respect to the mandatory redemption obligation under this subsection for any Term Bonds of the same maturity which prior to such date have been redeemed (other than through the operation of the requirements of this subsection) and cancelled by the Trustee and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation to redeem Term Bonds on the next mandatory redemption date applicable to Term Bonds that is at least 45 days after receipt by the Trustee of such instructions from the Authority or the City, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds in chronological order or such other order as the City may designate, and the principal amount of Term Bonds to be redeemed on such future mandatory redemption dates by operation of the requirements of this subsection shall be reduced accordingly. If the Authority intends to exercise any option granted by the provisions of clauses (1), (2) or (3) of this subsection as directed by the City, the Authority will, on or before the 45<sup>th</sup> day next preceding the applicable mandatory redemption date, furnish or cause the City to furnish the Trustee a certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with in respect to such mandatory redemption payment.

**Section 303. Selection of Bonds to be Redeemed.**

(a) Bonds shall be redeemed only in Authorized Denominations; provided, however Junior Lien Bonds may be redeemed in denominations of \$5,000 or any multiple of \$5,000 in excess thereof. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds or portions of Bonds to be redeemed shall be selected in Authorized Denominations by the Trustee in such equitable manner as it may determine.

(b) In the case of a partial redemption of Bonds when Bonds of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each Authorized Denomination unit of face value shall be treated as though it was a separate Bond of the denomination of the minimum Authorized Denomination. If one or more, but not all, of the minimum Authorized Denomination units of principal amount represented by any Bond are selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination unit or units, the Owner of such Bond or his attorney or legal representative shall forthwith

present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the interest to the date fixed for redemption) of the minimum Authorized Denomination unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination fails to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination unit or units of principal amount called for redemption (and to that extent only) and shall cease to accrue interest on the principal amount so called for redemption.

**Section 304. Notice of Redemption of Bonds.**

(a) In the case of Bonds called for redemption under **Section 302** hereof, the Trustee shall call Bonds for redemption and payment as herein provided and shall give notice of redemption as provided below upon receipt by the Trustee at least 45 days prior to the redemption date of a written request of the Authority, given at the direction of the City, which written request shall specify the maturities of the Bonds to be redeemed as directed by the City. Unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of any Bond shall be given by the Trustee on behalf of the Authority by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Register. The foregoing provisions of this Section shall not apply in the case of any mandatory redemption of Bonds under this Bond Indenture, and the Trustee shall call Bonds for redemption and shall give notice of redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Authority and whether or not the Trustee shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

(b) All official notices of redemption shall be dated and shall state:

(1) the redemption date,

(2) the redemption price,

(3) if less than all Outstanding Bonds are to be redeemed, the identification number and maturity date(s) and, in the case of a partial redemption of any Bonds, the respective principal amounts of the Bonds to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the payment office of the Trustee.

In addition to the foregoing notice, the Trustee shall also comply with any requirements or guidelines published by the Securities and Exchange Commission relating to providing notices of redemption. The failure of the Trustee to comply with any such requirements shall not affect or invalidate the redemption of said Bonds.

(c) The Trustee shall mail by first-class mail to the Authority and the City a copy of such redemption notice.

The failure of any Owner to receive notice given as heretofore provided or any defect therein shall not invalidate any redemption.

**Section 305. Effect of Call for Redemption.** On or prior to the date fixed for redemption, the Authority shall deposit moneys or Government Securities with the Trustee as provided in **Section 402** hereof to pay the Bonds called for redemption and accrued interest thereon to the redemption date. Upon the happening of the above conditions, and notice having been given as provided in **Section 304** hereof, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price are on deposit at the place of payment at the time, and shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

## ARTICLE IV

### FUNDS AND REVENUES

**Section 401. Creation of Funds; Application of Bond Proceeds.** The following funds of the Authority are hereby created and established with the Trustee:

- (a) Revenue Fund, which shall contain a Pilots Account, an Economic Activity Tax Account and a CID Revenues Account.
- (b) Debt Service Fund, which shall contain the following accounts, a Debt Service Account and a Redemption Account. Within each such account the Trustee shall establish a subaccount for each series of Bonds delivered under this Indenture.
- (c) Debt Service Reserve Fund, which shall contain a separate account for each series of Parity Lien Bonds delivered under this Indenture, and initially a Series 2017A Account.
- (d) Costs of Issuance Fund, which shall contain a separate account for each series of Parity Lien Bonds delivered under this Indenture, and initially a Series 2017A Account and any separate accounts that may be requested by the City regarding the issuance of Junior Lien Bonds.
- (e) Rebate Fund. Within each such account the Trustee shall establish a subaccount for each series of tax-exempt Bonds delivered under this Indenture.

Each fund shall be maintained by the Trustee as a separate and distinct trust fund and the moneys therein shall be held, managed, invested, disbursed and administered as provided in this Indenture. All moneys deposited in the funds shall be used solely for the purposes set forth in this Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and all disbursements therefrom.

The Trustee is authorized to establish separate accounts and subaccounts within such funds and accounts for each series of Bonds or otherwise segregate moneys within such funds, on a book-entry basis or in such other manner as the Trustee may deem necessary or convenient, or as the Trustee shall be instructed by the City.

The Escrow Fund held by the Escrow Agent is hereby ratified and confirmed.

The net proceeds received from the sale of the Series 2017 Bonds (after payment of the underwriter's discount), together with other available moneys, shall be deposited simultaneously with the delivery of the Series 2017 Bonds as follows:

(i) an amount equal to \$2,802,500.00 shall be deposited in the Series 2017A Account of the Debt Service Reserve Fund;

(ii) an amount equal to \$315,332.66 shall be deposited into the Costs of Issuance Fund; which deposit shall be disbursed by the Trustee from time to time, upon receipt of written disbursement requests of the City in substantially the form attached hereto and signed by the Authorized City Representative, in amounts equal to the amount of costs of issuance of the Bonds certified in such written requests. At such time as the Trustee is notified in writing by the City that all costs of issuance have been paid, and in any case not later than six months from the date of original issuance of the Series 2017A Bonds, the Trustee shall transfer any moneys remaining in the Costs of Issuance Fund to the Series 2017A Account of the Debt Service Fund; and

(iii) an amount equal to \$33,547,839.22 (consisting of \$24,864,667.14 from the proceeds of the Series 2017 Bonds and \$8,683,172.08 from the funds and accounts established for the Refunded Bonds) shall be deposited in the Escrow Fund and used for the redemption and payment of the Refunded Bonds.

(iv) an amount equal to \$855,342.81 from the funds and accounts for the Refunded Bonds shall be deposited in the Debt Service Fund.

**Section 402. Revenue Fund.**

(a) On the tenth calendar day of each month (or the next Business Day thereafter if the tenth is not a Business Day) while the Bonds are Outstanding, the Authority shall cause the City to transfer (i) all Net Revenues as of the last day of the preceding month consisting of Payments in Lieu of Taxes to the Trustee and shall direct the Trustee in writing to deposit such sums into the Pilots Account of the Revenue Fund, (ii) all Net Revenues as of the last day of the preceding month consisting of Economic Activity Tax Revenues to the Trustee and shall direct the Trustee in writing to deposit such sums into the Economic Activity Tax Account of the Revenue Fund and (iii) all Net Revenues as of the last day of the preceding month consisting of the CID Portion of CID Revenues to the Trustee and shall direct the Trustee in writing to deposit such sums into the CID Revenues Account of the Revenue Fund.

(b) Moneys in the Revenue Fund (first drawing from the CID Revenues Account (but only with respect to deposits under subparagraphs *first*, *second*, *third* and *fourth* below), then from the Pilots Account and then from the Economic Activity Tax Account) on the 40th day, except as otherwise provided below (or if such day is not a Business Day, the immediately preceding Business Day), prior to each Interest Payment Date shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows:

*First*, transfer to the appropriate account of the Rebate Fund, when necessary, an amount sufficient to pay rebate, if any, to the United States, owed under Section 148 of the Code, as directed in writing by the Authority in accordance with the Tax Compliance Agreement;

*Second*, for payment to the Trustee or any Paying Agent, an amount sufficient for payment of any fees and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the City, on behalf of the Authority, of an invoice for such amounts;

*Third*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the interest due on the Parity Lien Bonds on the next succeeding Interest Payment Date;

*Fourth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the principal due on the Parity Lien Bonds by their terms on the next succeeding November 1;

*Fifth*, transfer to appropriate account of the Debt Service Reserve Fund such amount as may be required to restore any deficiency in the applicable Debt Service Reserve Fund if the amount on deposit in the Debt Service Reserve Fund is less than the applicable Debt Service Reserve Requirement for Parity Lien Bonds;

*Sixth*, [reserved];

*Seventh*, if the Cumulative Redemption Term Bonds, or any portion thereof, are Outstanding, transfer all remaining amounts to the Redemption Account of the Debt Service Fund as may be required to redeem the maximum amount of Bonds pursuant to the provisions of Section 302(c), which shall be applied to the payment of the principal of and accrued interest on all or any portion of the Cumulative Redemption Term Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to Section 302(c) hereof; provided, however, that in no event shall any redemption result in an annual or cumulative redemption of Cumulative Redemption Term Bonds in excess of the principal amounts determined in accordance with shown in Section 302(c), and further provided that any amounts on deposit in the Redemption Account of the Debt Service Fund which will not be used for the redemption of Bonds on the next Interest Payment Date shall be used as provided in paragraphs Eighth, Ninth and Tenth) hereof;

*Eighth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the interest due, if any, on the Junior Lien Bonds on the next succeeding Interest Payment Date;

*Ninth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund all remaining amounts to pay the outstanding principal, if any, of the Junior Lien Bonds on the next succeeding Interest Payment Date; and

*Tenth*, transfer to the appropriate subaccount of the Redemption Account of the Debt Service Fund all remaining moneys to be held therein until such amounts can be used to redeem Bonds then subject to optional redemption, provided that such moneys may be applied prior to any Interest Payment Date to paragraphs *First* through *Sixth* to fully fund the obligations described in such paragraphs.

(c) Upon the payment in full of the principal of and interest due on the Bonds (or provision has been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under this Indenture, all amounts remaining on deposit in the Pilots Account and the Economic Activity Tax Account of the Revenue Fund shall be paid to the City for deposit into the Special Allocation Fund and all amounts remaining on deposit in the CID Revenues Account of the Revenue Fund shall be paid to the City for application in accordance with the CID Agreement.

(d) To the extent that moneys are not sufficient to fund the obligations in subparagraph (b) hereof for each Outstanding series of Parity Lien Bonds or Junior Lien Bonds, such moneys will be applied at each such level on a proportionate basis based upon the outstanding principal amounts of each series of Parity Lien Bonds or Junior Lien Bonds.

(e) **Notwithstanding anything in this Indenture to the contrary, in no event shall moneys be applied in such a manner that the Revenue Limitations are exceeded.**

**Section 403. Debt Service Fund.**

(a) Except as otherwise provided herein, all amounts paid and credited to the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds as the same mature and become due or upon the redemption thereof.

(b) The Authority hereby authorizes and directs the Trustee to withdraw sufficient moneys from the Debt Service Fund to pay the principal of and interest on the Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Bonds.

(c) The Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Parity Lien Bonds Outstanding (and if no Parity Lien Bonds are Outstanding then Junior Lien Bonds) and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by **Article III** hereof, so long as said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption. The Trustee, upon the written instructions from the City, signed by the Authorized City Representative, shall use moneys in the Debt Service Account or the Redemption Account of the Debt Service Fund on a best efforts basis for the purchase of Parity Lien Bonds (and if no Parity Lien Bonds are Outstanding then Junior Lien Bonds) in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

(d) Subject to **Section 205(f)**, if the moneys in the Debt Service Fund are insufficient to pay all accrued interest on the Bonds on any Interest Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the Persons entitled thereto without any discrimination or privilege, and any unpaid portion shall accrue to the next Interest Payment Date, with interest thereon at the rate or rates specified in the Bonds to the extent permitted by law. If the moneys in the Debt Service Fund are insufficient to pay the principal of the Bonds on the maturity or redemption date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(e) After payment in full of the principal of and interest on the Bonds (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under this Indenture, (i) all amounts remaining in the CID Revenues Subaccount of the Debt Service Account shall be paid to the City for application as provided by law and the CID Agreement, and (ii) all amounts remaining in any other account of the Debt Service Fund shall be paid to the City for deposit into the Special Allocation Fund.

(f) The Trustee shall use any moneys in the Redemption Account of the Debt Service Fund to redeem all or part of the Cumulative Redemption Term Bonds Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by **Article III** hereof, so long as said moneys are in excess of the amount required for payment of the Cumulative Redemption Term Bonds, or portions thereof, theretofore matured or called for redemption.

**Section 404. Reserved.**

**Section 405. Debt Service Reserve Fund.**

(a) Except as otherwise provided in this Indenture, moneys in the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the Bonds if moneys otherwise available for such purpose as provided in **Sections 403 and 409** hereof are insufficient to pay the same as they become due and payable. In the event the balance of moneys in the Debt Service Fund is insufficient to pay principal of or interest on the Bonds when due and payable, moneys in the Debt Service Reserve Fund shall be transferred into the Debt Service Fund in an amount sufficient to make up such deficiency; provided, however, moneys in an account of the Debt Service Reserve Fund shall only be available to fund a deficiency in the Debt Service Fund with respect to the related series of Parity Lien Bonds. Subject to such limitation, the Trustee may use moneys in the Debt Service Reserve Fund for such purpose whether or not the amount in the Debt Service Reserve Fund at that time equals any applicable Debt Service Reserve Requirement. Such moneys shall be used first to make up any deficiency in the payment of interest and then principal. Moneys in any account of the Debt Service Reserve Fund shall also be used to pay the last Bonds secured by such accounts becoming due unless such Bonds and all interest thereon be otherwise paid. The amount on deposit in the Debt Service Reserve Fund shall be valued by the Trustee 45 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) and the Trustee shall give Immediate Notice to the Authority if such amount is less than the Debt Service Reserve Requirement. For the purpose of determining the amount on deposit in the Debt Service Reserve Fund, the value of any investments shall be valued at their fair market value on the date of valuation. Moneys in the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement shall be deposited by the Trustee without further authorization in the Debt Service Fund.

(b) After payment in full of the principal of, redemption premium, if any, and interest on the Bonds (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under this Indenture and receipt by the Trustee of a certificate from the Authorized City Representative that all Project Costs have been paid, all amounts remaining in the Debt Service Reserve Fund shall be paid to the City for deposit into the Special Allocation Fund.

**Section 406. Rebate Fund.**

(a) There shall be deposited by the Trustee in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. Subject to the transfer provisions provided in subsection (b) below, all money at any time deposited in the Rebate Fund and any income earned thereon shall be held in trust, to the extent required to pay arbitrage rebate to the federal government of the United States, and neither the Authority nor the Owner of any Bonds 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 and by the Tax Compliance Agreement (which are incorporated herein by reference).

(b) Pursuant to the Tax Compliance Agreement, the Trustee, on behalf of the Authority, shall remit from the Rebate Fund rebate installments and the final rebate payments to the United States. The Trustee shall have no obligation to rebate any amounts required to be rebated pursuant to this Section and the Tax Compliance Agreement, other than from moneys held in the funds created under this Indenture or from other moneys provided to it by the Authority. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any arbitrage rebate, or provision made therefor, shall be paid to the City for deposit into the Special Allocation Fund.

(c) Notwithstanding any other provision of this Indenture, including in particular this Article, the obligation to remit arbitrage rebate to the United States and to comply with all other requirements of this Section and the Tax Compliance Agreement shall survive the defeasance or payment in full of the Parity Lien Bonds.

**Section 407. Separation of CID Revenues.** In making the allocations and transfers of funds provided herein, the CID Portion of CID Revenues and the moneys on deposit in the CID Account of the Revenue Fund shall be used to pay the portion of the principal of and interest on any series of Bonds issued to pay or refinance the costs of the CID Project. The Trustee shall establish separate subaccounts within the Funds and Accounts or otherwise segregate moneys within such Funds and Accounts, on a book-entry basis or in such other manner as the Trustee may deem necessary or convenient, for each separate series of Bonds issued under this Indenture and to separately account for the CID Portion of CID Revenues.

**Section 408. Non-Presentation of Bonds.**

(a) If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof, and provided the Trustee is holding sufficient funds for the payment thereof, all liability of the Authority to the Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on such Owner's part under this Indenture or on, or with respect to, said Bond.

(b) Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within four years after the date on which the same have become due shall be paid by the Trustee to the City without liability for interest thereon, free from the trusts created by this Indenture. Thereafter, Owners shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid by the Trustee. The City shall not be liable for any interest on the sums paid to it pursuant to this Section and shall not be regarded as a trustee of such money.

**ARTICLE V**

## SECURITY FOR DEPOSITS AND INVESTMENT OF MONEYS

**Section 501. Moneys to be Held in Trust.** All moneys deposited with or paid to the Trustee for the account of any fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and, excluding only the Rebate Fund and payments required to be made to meet the requirements of Section 148(f) of the Code, whether or not held in the Rebate Fund, until used or applied as herein provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as otherwise provided herein.

### **Section 502. Investment of Moneys.**

(a) Moneys in all funds and accounts under any provision of this Indenture shall be continuously invested and reinvested by the Trustee in Investment Securities at the written direction of the City given by the Authorized City Representative or, if such written directions are not received, then in Investment Securities described in **subparagraph (f)** of the definition thereof. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which may be deducted from income earned on investments. Moneys on deposit in all funds and accounts may be invested only in Investment Securities which mature or are subject to redemption at the option of the owner thereof prior to the date such funds are expected to be needed. The Trustee may make investments through its investment division or short-term investment department.

(b) All investments and the interest earnings or profit therefrom shall constitute a part of the fund or account from which the moneys used to acquire such investments have come. The Trustee shall sell and reduce to cash a sufficient amount of investments in a fund or account whenever the cash balance therein is insufficient to pay the amounts required to be paid therefrom. The Trustee may transfer investments from any fund or account to any other fund or account in lieu of cash when required or permitted by the provisions of this Indenture. In determining the balance in any fund or account, investments shall be valued at the lower of their original cost or their fair market value on the most recent Interest Payment Date. The Trustee shall not be liable for any loss resulting from any investment made in accordance herewith.

## ARTICLE VI

### PARTICULAR COVENANTS AND PROVISIONS

**Section 601. Authority to Issue Bonds and Execute Indenture.** The Authority covenants that it is duly authorized under the laws of the State to execute and deliver this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the Authority according to the import thereof.

**Section 602. Performance of Covenants.** The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds, the Financing Agreement and in all proceedings, documents and agreements pertaining thereto.

**Section 603. Instruments of Further Assurance.** The Authority covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better assuring, transferring, pledging and assigning to the Trustee, and granting a security interest unto the Trustee in and to the Trust Estate and the other property and revenues herein described. A certified copy of the Agreement, the CID Agreement and all other documents or instruments requested by the Trustee shall be delivered to and held by the Trustee.

**Section 604. General Limitation on Authority Obligations.** ANY OTHER TERM OR PROVISION OF THIS INDENTURE OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTION WHICH IS THE SUBJECT HEREOF TO THE CONTRARY NOTWITHSTANDING, THE AUTHORITY SHALL NOT BE REQUIRED TO TAKE OR OMIT TO TAKE, OR REQUIRE ANY OTHER PERSON OR ENTITY TO TAKE OR OMIT TO TAKE, ANY ACTION WHICH WOULD CAUSE IT OR ANY PERSON OR ENTITY TO BE, OR RESULT IN IT OR ANY PERSON OR ENTITY BEING, IN VIOLATION OF ANY LAW OF THE STATE.

**Section 605. Recording and Filing.** The Authority shall file or cause to be kept and filed all financing statements and such other documents as may be necessary to be kept and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the Owners of the Bonds and the rights of the Trustee hereunder, and the Trustee shall file or cause to be kept and filed continuation statements with respect to such originally filed financing statements related to this Indenture and all supplements hereto. The Authority hereby authorizes the filing of financing statements under the Uniform Commercial Code in connection with any security interest granted hereunder. In carrying out its duties under this Section, the Trustee shall be entitled to rely on an Opinion of Counsel specifying what actions are required to comply with this Section.

**Section 606. Possession and Inspection of Books and Documents.** The Authority and the Trustee covenant and agree that all books and documents in their possession relating to the Bonds, the funds established hereunder and to the distribution of proceeds thereof shall at all reasonable times and upon reasonable notice be open to inspection by such accountants or other agencies or Persons as the other party may from time to time designate.

**Section 607. Tax Covenants.**

(a) The Authority (to the extent within its power or direction) shall not use or permit the use of any proceeds of Bonds or any other funds of the Authority, directly or indirectly, in any manner, and shall not take or permit to be taken any other action or actions, which would cause the interest on any Bond to be included in gross income for federal income tax purposes.

(b) The Authority agrees that so long as any of the Bonds remain Outstanding, it will (to the extent within its power or direction and at the expense of the City) comply with the provisions of the Tax Compliance Agreement applicable to the Authority.

(c) The Trustee agrees upon receipt thereof to comply with the provisions of the Tax Compliance Agreement, and any other written letter or opinion of Bond Counsel which sets forth such requirements, to comply with any statute, regulation or ruling that may apply to it as Trustee hereunder and relating to reporting requirements or other requirements necessary to preserve the exclusion from federal gross income of the interest on the Parity Lien Bonds. The Trustee from time to time may cause a firm of attorneys, consultants or independent accountants or an investment banking firm to supply the Trustee, on behalf of the Authority, with such information as the Trustee, on behalf of the Authority, may

request in order to determine in a manner reasonably satisfactory to the Trustee, on behalf of the Authority, all matters relating to (1) the actuarial yields on the Parity Lien Bonds as the same may relate to any data or conclusions necessary to verify that the Parity Lien Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Code, and (2) compliance with rebate requirements of Section 148(f) of the Code. Payment for costs and expenses incurred in connection with supplying the foregoing information shall be paid by as provided in **Section 402** hereof.

(d) The foregoing covenants of this Section shall remain in full force and effect notwithstanding the defeasance of the Parity Lien Bonds pursuant to **Article IX** hereof or any other provision of this Indenture, until the final scheduled payment of all Bonds Outstanding.

**Section 608. Collection of Revenues.** The Authority shall cause the City, at the expense of the Trust Estate, to take all lawful action within the City’s control to cause (a) the County Assessor of Taney County, Missouri to assess the real property and improvements within the Redevelopment Area at the times and in the manner required by the TIF Act, and (b) cause the Collector of Revenue of Taney County, Missouri and all other Persons to pay all Economic Activity Tax Revenues which are due to the City under the TIF Act.

**Section 609. Enforcement of Rights.** The Authority agrees that the Trustee, as assignee, transferee, pledgee, and owner of a security interest under this Indenture in its name or in the name of the Authority may enforce all rights of the Authority and the Trustee and all obligations of the City under and pursuant to the Financing Agreement for and on behalf of each Owner, whether or not the Authority is in default hereunder.

## ARTICLE VII

### DEFAULT AND REMEDIES

**Section 701. Events of Default.** If any one or more of the following events occur, it is hereby defined as and declared to be and to constitute an “Event of Default:”

(a) If any payment of interest, principal or redemption price of any Parity Lien Bond is not made or, at such time as no Parity Lien Bonds remain Outstanding under this Indenture, if any payment of interest, principal or redemption price of any Junior Lien Bond is not made when due and payable;

(b) Default in the performance or observance of any of the covenants, agreements or conditions on the part of the Authority in this Indenture, the Financing Agreement or in the Bonds contained, and the continuance thereof for a period of 30 days after written notice thereof has been given (i) to the Authority by the Trustee, or (ii) to the Trustee (which notice of default the Trustee shall be required to accept) and the Authority by the Owners of not less than 25% in aggregate principal amount of Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, 100% in aggregate principal amount of Junior Lien Bonds); provided, however, if any default is such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the Authority within such period and diligently pursued until the default is corrected; or

(c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the City to carry on its operation, or adjudication of the City as a bankrupt, or

assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of federal bankruptcy law, or under any similar acts which may hereafter be enacted.

The Trustee shall give written notice of any Event of Default to the Authority and the City as promptly as practicable after the occurrence of an Event of Default of which the Trustee has notice as provided in **Section 801(h)** hereof.

**Section 702. Acceleration.**

(a) Subject to the subordination provisions of **Section 208**, and the provisions of **Section 406** hereof, if an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of the Owners of a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding, by notice in writing delivered to the Authority and the City, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable.

(b) In case of any rescission pursuant to **Section 712** hereof, the Trustee, the Authority, the City and the Owners shall be restored to their former positions and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

**Section 703. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession.**

(a) If an Event of Default has occurred and is continuing, the Authority, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the Authority pertaining thereto, and out of the same and any moneys received from any receiver of any part thereof pay and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including, but not limited to, (i) reasonable compensation to the Trustee, its agents and counsel, and (ii) any reasonable charges and expenses of the Trustee and its counsel hereunder, and the Trustee shall apply the remainder of the moneys so received in accordance with **Section 708** hereof. Whenever all that is due upon the Bonds has been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the Authority, its successors or assigns, the same right of possession, however, to exist upon any subsequent Event of Default.

(b) While in possession of the Trust Estate, the Trustee shall render annually to the Authority and the City a summarized statement of receipts and expenditures in connection therewith.

**Section 704. Appointment of Receivers in Event of Default.** If an Event of Default has occurred and is continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 705. Exercise of Remedies by the Trustee.**

(a) If an Event of Default has occurred and is continuing, the Trustee may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Authority as herein set forth.

(b) If an Event of Default has occurred and is continuing, and if requested so to do by the Owners of not less than 25% in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding then Junior Lien Bonds then Outstanding) and if indemnified as provided in **Section 801(I)** hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, deems most expedient in the interests of the Owners; provided, however, that the Trustee shall not be required to take any action which in its good faith conclusion could result in personal liability to it for which it has not been indemnified as provided in **Section 801(I)** hereof.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owner, and any recovery or judgment shall, subject to **Section 708** hereof, be for the equal benefit of all the Owners of the Outstanding Bonds.

**Section 706. Limitation on Exercise of Remedies by Owners.** No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless:

(i) a default has occurred of which the Trustee has notice as provided in **Section 801(h)** hereof, and

(ii) such default has become an Event of Default, and

(iii) the Owners of not less than 25% in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding then Junior Lien Bonds then Outstanding) shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and shall have provided to the Trustee indemnity as provided in **Section 801(I)** hereof, and

(iv) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name;

and such notification, request and indemnity are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and shall, subject to **Section 708** hereof, be for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in this

Indenture, however, shall affect or impair the right of any Owner to payment of the principal of and interest on any Bond at and after its maturity or the obligation of the Authority to pay the principal of and interest on each of the Bonds to the respective Owners thereof at the time, place, from the source and in the manner herein and in such Bond expressed.

**Section 707. Right of Owners to Direct Proceedings.** Any other provision herein to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding then Junior Lien Bonds then Outstanding) shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and provided, further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith determines that the proceeding so directed would involve it in personal liability for which the Trustee has not been indemnified as provided in **Section 801(I)** hereof.

**Section 708. Application of Moneys in Event of Default.**

(a) Upon an Event of Default, and the provisions of **Section 406** and **Section 409** hereof, all moneys held or received by the Trustee pursuant to this Indenture, the Financing Agreement or pursuant to any right given or action taken under this Article shall, after payment of the reasonable fees, costs, advances and expenses of the Trustee and the proceedings resulting in the collection of such moneys (including without limitation attorneys' fees and expenses), be deposited in the Debt Service Fund. All moneys in the Debt Service Account of the Debt Service Fund, and the Revenue Fund shall be applied as follows:

(1) If the principal of all the Bonds has not become or has not been declared due and payable, all such moneys shall be applied:

*First* -- To the payment to the Owners entitled thereto of all installments of principal and interest then due and payable on the Parity Lien Bonds (including without limitation the maximum amount of Cumulative Redemption Term Bonds which may then be redeemed as set forth in **Section 302(c)**), in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Parity Lien Bonds to the extent permitted by law, and, if the amount available is not sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege.

*Second* -- To the payment to the Owners entitled thereto of all installments of principal and interest then due and payable on the Junior Lien Bonds, in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Junior Lien Bonds to the extent permitted by law, and, if the amount available is not sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege.

(b) If the principal of all the Bonds has become due or has been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on all of the Bonds, without preference or priority of principal over interest or of

interest over principal or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or privilege, provided that principal and interest on Parity Lien Bonds shall be paid in full prior to any payments of principal and interest on Junior Lien Bonds.

(c) If the principal of all the Bonds has been declared due and payable, and if such declaration thereafter is rescinded and annulled under the provisions of **Section 712** hereof, then, subject to the provisions of subsection (b) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this Section.

Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future.

Whenever all of the Bonds and interest thereon have been paid under this Section, all obligations under **Section 406** hereof have been satisfied and all fees, expenses and charges of the Trustee and any other amounts required to be paid under this Indenture have been paid, any balance remaining in the funds created pursuant to this Indenture shall be paid to the CID or the City, as applicable, for application in accordance with **Section 403(e)** hereof.

**(b) Notwithstanding anything in this Indenture to the contrary, in no event shall moneys be applied in such a manner that the Revenue Limitations are exceeded.**

**Section 709. Remedies Cumulative.** No remedy conferred by this Indenture upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing at law or in equity or by statute.

**Section 710. Delay or Omission Not Waiver.** No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient.

**Section 711. Effect of Discontinuance of Proceedings.** If the Trustee has proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely, then the Authority, the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

**Section 712. Waivers of Events of Default.** The Trustee shall waive any Event of Default and its consequences and rescind any acceleration of maturity of principal upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee on account of any such Event of Default have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the City, the Trustee and the Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

## ARTICLE VIII

### THE TRUSTEE

**Section 801. Acceptance of Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person under reasonably similar circumstances would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys, receivers, employees or such other professionals but shall not be answerable for the conduct of the same in accordance with the standard specified above, provided the Trustee has exercised reasonable care in making such selection. The Trustee may act and conclusively rely upon the opinion or advice of counsel, who may, without limitation, be counsel to the Authority or the City or an employee of the Trustee, concerning all matters of trust hereof and the duties hereunder, and, subject to the restrictions of **Section 802** hereof, may in all cases pay such reasonable compensation to all such agents, attorneys, receivers, employees and other such professionals as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any such action or nonaction by it taken or omitted to be taken in good faith and shall be fully protected in reliance upon such opinion or advice of counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the Certificate of Authentication of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture or any security agreements in connection therewith, or for insuring any of the improvements constructed in the Redevelopment Area or collecting any insurance moneys, or for the validity of the execution by the Authority of this Indenture or of any instruments of further assurance, or for the sufficiency of the security for the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Article V** hereof. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application by the Authority or the City of any of the Bonds or the proceeds thereof or of any money paid to or upon the order of the Authority or the City under any provision of this Indenture.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction,

consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture believed by it to be genuine and correct and to have been signed, presented or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to and in accordance with this Indenture upon the request or authority or consent of any Person who, at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee deems it desirable that a matter be proven or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by an Authorized Authority Representative or an Authorized City Representative, as applicable, as sufficient evidence of the facts therein contained. Prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in subsection (h) of this Section, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice of any default or Event of Default unless the Trustee is specifically notified in writing of such default or Event of Default by the Authority, the City or by the Owners of at least 25% in aggregate principal amount of all Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, the Owners of 100% in aggregate principal amount of Junior Lien Bonds).

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect any and all of the Redevelopment Area, and any and all books, papers and records of the Authority pertaining to the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder.

(k) The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any funds, or any action by the Trustee whatsoever within the purview of this Indenture, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee as are deemed desirable for the purpose of establishing the right of the Authority or the City, as applicable, to the authentication of any Bonds, the withdrawal of any funds or the taking of any other action by the Trustee.

(l) Anything herein to the contrary notwithstanding, before taking any action under this Indenture, other than any action under **Article II** hereof concerning the payment of principal and interest on the Bonds or declaring an Event of Default and accelerating the maturity of the Bonds, the Trustee may, in its discretion, require that satisfactory indemnity be furnished to it by the Owners or other parties for the reimbursement of all reasonable fees, costs liabilities, losses,

claims and expenses to which it or its agents or counsel may be put and to protect it against all liability including environmental, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) All moneys received by the Trustee or any Paying Agent shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Indenture or by law. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as provided herein.

(n) The Trustee may elect not to proceed in accordance with the directions of the Owners of the Bonds without incurring any liability to the Owners if in the opinion of the Trustee such direction may result in environmental or other liability to the Trustee, in its individual capacity, for which the Trustee has not received indemnity from the Owners, and the Trustee may rely upon an Opinion of Counsel addressed to the Trustee in determining whether any action directed by Owners may result in such liability.

(o) The Trustee may inform the Owners of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event no fiduciary duty exists which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not received indemnity pursuant to this Indenture.

(p) Notwithstanding any other provision of this Indenture to the contrary, any provision intended to provide authority to act, right to payment of fees and expenses, and protection, immunity and indemnification to the Trustee shall be interpreted to include any action of the Trustee whether it is deemed to be in its capacity as Trustee, Registrar or Paying Agent.

(q) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its directors, officers or employees unless it is established that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(iv) subject to subsection (l) above, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial or environmental liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it has reasonable grounds for believing that

repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(v) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

**Section 802. Fees, Charges and Expenses of the Trustee.** The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) by the City (to the extent not paid from other sources) for its ordinary services rendered hereunder and all agent and counsel fees and other ordinary costs and expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, if it becomes necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary costs and expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and as Registrar for the Bonds. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, costs and expenses incurred. If moneys in the Revenue Fund are insufficient to make payment to the Trustee for its fees and expenses, as provided in subparagraph *Second* of **Section 402(b)** hereof, on any Interest Payment Date, the unpaid portion shall be carried forward to the next Interest Payment Date, together with interest thereon at the Trustee's base lending rate plus 2%.

In each instance in which this Indenture shall provide for compensation, reimbursement or indemnification of the Trustee, such provision shall be deemed to provide for, whether or not expressly so stated, the payment of all related fees, costs, charges, advances and expenses of the Trustee (including, without limitation, attorneys' fees and expenses), unless the context shall clearly indicate otherwise.

**Section 803. Notice of Default.** If a default occurs of which notice is given to the Trustee as provided in **Section 801(h)** hereof, then the Trustee shall give written notice thereof to the Authority and the City and within 30 days (five Business Days if the maturity of the Bonds has been accelerated pursuant to **Section 702** hereof) by first class mail to the Owners of all Bonds then Outstanding as shown on the Register.

**Section 804. Intervention by the Trustee.** In any judicial proceeding to which the Authority or the City is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Bonds, the Trustee may intervene on behalf of Owners and shall do so if requested in writing by the Owners of at least 25% in the aggregate principal amount of Party Lien Bonds (or if no Party Lien Bonds are Outstanding, Junior Lien Bonds) then Outstanding, provided that the Trustee shall first have been provided indemnity provided under **Section 801(i)** hereof as it may require against the reasonable costs, expenses and liabilities which it may incur in or by reason of such proceeding, including without limitation attorneys' fees and expenses.

**Section 805. Successor Trustee Upon Merger, Consolidation or Sale.** Any corporation or association with or into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which the Trustee may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale,

consolidation or transfer to which it is a party, provided such corporation or association is otherwise eligible under **Section 808** hereof, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

**Section 806. Resignation or Removal of Trustee.** The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the Authority, the City and the Owners. If at any time the Trustee ceases to be eligible in accordance with the provisions of this Indenture, it shall resign immediately in the manner provided in this Section. The Trustee may be removed for cause or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and signed by the Owners of a majority in aggregate principal amount of Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, 100% in aggregate principal amount of Junior Lien Bonds). If no Event of Default has occurred and is continuing, or no condition exists which will become an Event of Default as provided in **Section 701(a)** hereof, the Trustee may be removed for cause (including the failure of the Trustee and the City to agree on the reasonableness of the fees and expenses of the Trustee under this Indenture) or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the Owners and signed by an Authorized Authority Representative or an Authorized City Representative. The Authority, the City or the Owners of a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, 100% in aggregate principal amount of Junior Lien Bonds) may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee. No resignation or removal of the Trustee shall become effective until a successor Trustee has accepted its appointment under **Section 809** hereof.

**Section 807. Appointment of Successor Trustee.** If the Trustee hereunder resigns or is removed, or otherwise becomes incapable of acting hereunder, or if it is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy the Authority, by an instrument executed and signed by the Authorized Authority Representative, with the consent of the City, may appoint a temporary Trustee to fill such vacancy until a successor Trustee is appointed by the Owners in the manner above provided; and any such temporary Trustee so appointed by the Authority shall immediately and without further acts be superseded by the successor Trustee so appointed by such Owners. If a successor Trustee or a temporary Trustee has not been so appointed and accepted such appointment within 30 days of a notice of resignation or removal of the current Trustee, the retiring Trustee may petition a court of competent jurisdiction for the appointment of a successor Trustee to act until such time, if any, as a successor has so accepted its appointment. No resignation or removal of the Trustee shall become effective until a successor Trustee has accepted its appointment under **Section 809** hereof.

**Section 808. Qualifications of Trustee and Successor Trustees.** The Trustee and every successor Trustee appointed hereunder shall be a trust institution or commercial bank with its principal corporate trust office located in the State, shall be in good standing and qualified to accept such trusts, shall be subject to examination by a federal or state bank regulatory authority, and shall have a reported capital and surplus of not less than \$25,000,000. If such institution publishes reports of condition at least annually pursuant to law or regulation, then for the purposes of this Section the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

**Section 809. Vesting of Trusts in Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor and the obligations of the predecessor Trustee hereunder shall cease and terminate; but such predecessor shall, nevertheless, on the written request of the Authority, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

**Section 810. Trust Estate May be Vested in Co-Trustee.**

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Agreement, and in particular in case of the enforcement of either upon an Event of Default, or if the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee appoint an individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee.

(b) If the Trustee appoints an additional individual or institution as co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(c) Should any deed, conveyance or instrument in writing from the Authority be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

(d) If any co-trustee or separate trustee dies, becomes incapable of acting, resigns or is removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

**Section 811. Annual Statement.** The Trustee shall render an annual statement for each calendar year ending December 31 to the Authority, the City and, if so requested and the expense thereof is paid, to any Owner requesting the same. The annual statement shall show in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and shall include a breakdown of money deposited into each account of the Revenue Fund and the balance in any funds and accounts created by this Indenture as of the beginning and close of such accounting period. The Trustee

will compile such reports as of each December 31 and forward such compiled report to the City and any dissemination agent assisting the City in satisfying its obligations under the Continuing Disclosure Agreement .

**Section 812. Paying Agents; Registrar; Appointment and Acceptance of Duties; Removal.**

(a) The Trustee is hereby designated and agrees to act as Paying Agent and as Registrar for and in respect of the Bonds.

(b) The Authority may appoint and shall appoint at the request of the City one or more additional Paying Agents for the Bonds. Each Paying Agent other than the Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Authority and the Trustee a written acceptance thereof. The Authority may remove any Paying Agent other than the Trustee and any successors thereto, and appoint a successor or successors thereto; provided that any such Paying Agent designated by the Authority shall continue to be a Paying Agent of the Authority for the purpose of paying the principal of and interest on the Bonds until the designation of a successor as such Paying Agent and acceptance by such successor of the appointment. Each Paying Agent is hereby authorized to pay or redeem Bonds when such Bonds are duly presented to it for payment or redemption, which Bonds shall thereafter be delivered to the Trustee for cancellation.

(c) The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Authority and the Trustee. The Paying Agent may be removed by the Authority at any time by an instrument signed by the Authority and filed with the Paying Agent and the Trustee. In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

(d) If the Authority fails to appoint a Paying Agent hereunder, or the Paying Agent resigns or is removed, or is dissolved, or if the property or affairs of the Paying Agent are taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Authority has not appointed its successor as Paying Agent, the Trustee shall *ipso facto* be deemed to be the Paying Agent for all purposes of this Indenture until the appointment by the Authority of the Paying Agent or successor Paying Agent, as the case may be. The Trustee shall give each Owner notice by first-class mail of the appointment of a Paying Agent or successor Paying Agent other than the Trustee.

**ARTICLE IX**

**SATISFACTION AND DISCHARGE OF THE INDENTURE**

**Section 901. Satisfaction and Discharge of the Indenture.**

(a) When the principal of and interest on all the Bonds have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 902** hereof, and provision also is made for paying all other sums payable hereunder, including the fees and expenses of the Trustee and any Paying Agents to the date of payment of the Bonds, then the right, title and interest of the Trustee under this Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release this Indenture and shall execute, acknowledge and deliver to the Authority such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the Authority

any property at the time subject to this Indenture which may then be in the Trustee's possession, except amounts in the funds required to be paid to the City under **Article IV** hereof and except funds or securities in which such moneys are invested and held by the Trustee for the payment of the principal of and interest on the Bonds.

(b) The Authority is hereby authorized to accept a certificate of the Trustee stating that the whole amount of the principal and interest so due and payable upon all of the Bonds then Outstanding has been paid or provision for such payment has been made in accordance with **Section 902** hereof as evidence of satisfaction of this Indenture, and upon receipt thereof the Authority shall cancel and erase the inscription of this Indenture from its records.

**Section 902. Bonds Deemed to Be Paid.**

(a) Bonds shall be deemed to be paid within the meaning of this Article when payment of the principal on such Bonds, plus premium, if any, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (1) has been made or caused to be made in accordance with the terms hereof, or (2) provision therefor has been made by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and, in the case of the payment of Parity Lien Bonds, the Trustee shall have received an Opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such deposit will not cause the interest on such Parity Lien Bonds to be included in gross income for purposes of federal income taxation and that all conditions precedent to the satisfaction of this Indenture have been met. At such time as a Bond is deemed to be paid hereunder as aforesaid, such Bond shall no longer be secured by or be entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Securities.

(b) Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (2) of subsection (a) above shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities, proper notice of such redemption has been given in accordance with **Article III** hereof or irrevocable instructions have been given to the Trustee to give such notice.

(c) Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds and interest thereon shall be applied to and be used solely for the payment of the particular Bonds and interest thereon with respect to which such moneys and Government Securities have been so set aside in trust.

(d) If the interest earnings on the moneys or Government Securities are necessary to provide for the payment of the Bonds under this Section, the Trustee shall receive a verification report of a firm of independent certified public accountants that the moneys and Government Securities deposited with the Trustee are sufficient to pay when due the principal or redemption price, if any, and interest on the Bonds on or prior to the applicable redemption or maturity date.

## ARTICLE X

### SUPPLEMENTAL INDENTURES AND SUPPLEMENTAL FINANCING AGREEMENTS

**Section 1001. Supplemental Indentures and Supplemental Financing Agreements Not Requiring Consent of Owners.** The Authority and the Trustee may from time to time, without the consent of or notice to any of the Owners, enter into such Supplemental Indenture or Supplemental Indentures as are not inconsistent with the terms and provisions hereof, and the Authority and the City may from time to time, without the consent of or notice to any of the Owners, enter into Supplemental Financing Agreements as are not inconsistent with the terms and provisions thereof, for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Indenture or the Financing Agreement or to release property from the Trust Estate which was included by reason of an error or other mistake;

(b) to grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;

(c) to subject to this Indenture or the Financing Agreement additional revenues, properties or collateral;

(d) to modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States;

(e) to provide for the refunding of any Bonds in accordance with the terms hereof;

(f) to evidence the appointment of a separate trustee or the succession of a new trustee hereunder;

(g) to make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Owners. In exercising such judgment the Trustee may rely on an Opinion of Counsel.

**Section 1002. Supplemental Indentures and Supplemental Financing Agreements Requiring Consent of Owners.** In addition to Supplemental Indentures and Supplemental Financing Agreements permitted by **Section 1001** hereof and subject to the terms and provisions contained in this Section, and not otherwise, with the consent of the Owners of not less than a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, with the consent of 100% in aggregate principal amount of Junior Lien Bonds the Outstanding), the Authority and the Trustee may from time to time enter into such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Authority for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture and the Authority and the City may from time to time enter into such other Supplemental Financing Agreement or Supplemental Financing Agreements as shall be deemed necessary and desirable by the Authority and the City for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Financing

Agreement or in any Supplemental Indenture or Supplemental Financing Agreement; provided, however, that nothing in this Section contained shall permit or be construed as permitting:

- (a) an extension of the maturity of the principal of, any change in the mandatory redemption of or the scheduled date of payment of interest on any Bond;
- (b) a reduction in the principal amount, redemption premium or any interest payable on any Bond;
- (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds;
- (d) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture; or
- (e) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee.

If at any time the Authority requests the Trustee to enter into any such Supplemental Indenture or the City or the Authority advise the Trustee of their desire to enter into any such Supplemental Financing Agreement for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture or Supplemental Financing Agreement to be mailed by first-class mail to each Owner. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture or Supplemental Financing Agreement and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as shall be prescribed by the Authority following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture or Supplemental Financing Agreement have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Authority or the City from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture or Supplemental Financing Agreement as in this Section permitted and provided, this Indenture or the Financing Agreement, as applicable shall be and be deemed to be modified and amended in accordance therewith.

**Section 1003. Opinion of Bond Counsel.** Notwithstanding anything to the contrary in **Sections 1001** or **1002** hereof, before the Authority and the Trustee enter into any Supplemental Indenture or Supplemental Financing Agreement pursuant to **Sections 1001** or **1002** hereof, there shall have been delivered to the Trustee an Opinion of Bond Counsel stating that such Supplemental Indenture or Supplemental Financing Agreement is authorized or permitted by this Indenture or the Financing Agreement, as applicable, the Act and the TIF Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority or the City and the Authority, as applicable, in accordance with its terms and will not adversely affect the exclusion from federal gross income of interest on any Parity Lien Bonds then Outstanding.

## ARTICLE XI

### MISCELLANEOUS PROVISIONS

**Section 1101. Consents and Other Instruments by Owners.** Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners 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, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument (other than the assignment of a Bond) may be proved by the 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 him the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the Register. In all cases where Bonds are owned by persons other than the Authority or an assignee of the Authority, in determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by, or held by or for the account of, the Authority or any affiliate or any Person controlling, controlled by or under common control with the Authority, shall be disregarded and deemed not to be Outstanding under this Indenture.

(c) In determining whether the Owners of the required principal amount of Bonds have taken any action under this Indenture with respect to approvals, consents, requests, direction or exercise of rights, Bonds owned by the Developer or any person controlling, controlled by or under common control with the Developer shall be disregarded and deemed not to be Outstanding. In determining whether the Trustee shall be protected in relying on any such action, only Bonds which the Trustee knows to be so owned shall be disregarded.

**Section 1102. Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given to or filed with the Authority, the City or the Trustee if the same is duly mailed by registered or certified mail, postage pre-paid, return receipt requested, or sent by telegram, telecopy or telex or other similar communication, or when given by telephone, confirmed by telegram, telecopy or telex, on the same day, addressed as follows, provided that notices to the Trustee shall be effective only upon receipt:

(a) To the Authority at:

The Industrial Development Authority of the City of Branson, Missouri  
110 W. Maddux  
Branson, Missouri 65616  
Attention: President  
Telephone: (417)-334-3345  
Facsimile: (417) 334-6095

(b) To the Trustee at:

BOKF, N.A.  
4600 Madison Avenue, Suite 800  
Kansas City, Missouri 64112  
Attention: Corporate Trust Department  
Telephone: (816) 932-7316  
Facsimile: (816) 932-7315

(c) To the City at:

City of Branson, Missouri  
110 W. Maddux  
Branson, Missouri 65616  
Attention: Mayor  
Telephone: (417)-334-3345  
Facsimile: (417) 334-6095

(d) To the Owners at:

By first-class mail addressed to each of the Owners of all Bonds at the time Outstanding, as shown on the Register. Any notice so mailed to the Owners of the Bonds shall be deemed given at the time of mailing whether or not actually received by the Owners.

In the event of any notice to a party other than the Authority, a copy of said notice shall be provided to the Authority. The above parties may from time to time designate, by notice given hereunder to the other parties, such other address to which subsequent notices, certificates or other communications shall be sent.

**Section 1103. Limitation of Rights Under the Indenture.** With the exception of rights herein expressly conferred and as otherwise provided in this Section, nothing expressed or mentioned in or to be implied by this Indenture or the Bonds is intended or shall be construed to give any Person other than the parties hereto, the City and the Owners of the Bonds, any right, remedy or claim under or in respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are, except as otherwise provided in this Section, intended to be and are for the sole and exclusive benefit of the parties hereto and the Owners of the Bonds as herein provided.

**Section 1104. Suspension of Mail Service.** If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient notice.

**Section 1105. Business Days.** If any date for the payment of principal of or interest on the Bonds or the taking of any other action hereunder is not a Business Day, then such payment shall be due, or such action shall be taken, on the first Business Day thereafter; provided, however, any interest that accrues on any unmatured or unredeemed Bonds from the due date shall be payable on the next succeeding Interest Payment Date.

**Section 1106. Immunity of Officers, Employees and Members of Authority.** No recourse shall be had for the payment of the principal of or interest on any of the Bonds or for any claim based

thereon or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future officer, director, member, employee or agent of the Authority, the governing body of the Authority, or of any successor public corporation, as such, either directly or through the Authority or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Bonds.

**Section 1107. No Sale.** The Authority covenants and agrees that, except as provided herein or in the Financing Agreement, it will not sell, convey, assign, pledge, encumber or otherwise dispose of any part of the moneys subject to this Indenture.

**Section 1108. Severability.** If any provision of this Indenture is held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Indenture contained shall not affect the remaining portions of this Indenture, or any part thereof.

**Section 1109. Execution in Counterparts.** This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 1110. Governing Law.** This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

[remainder of page intentionally left blank]

**IN WITNESS WHEREOF**, The Industrial Development Authority of the City of Branson, Missouri has caused these presents to be signed in its name and behalf and its corporate seal to be hereunto affixed and attested by its duly authorized officers, and to evidence its acceptance of the trusts hereby created, BOKF, N.A., has caused these presents to be signed in its name and behalf by its duly authorized officer, all as of the day and year first above written.

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

[NO SEAL]

By \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

[Trust Indenture]

**BOKF, N.A., as Trustee**

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

[Trust Indenture]

**EXHIBIT A-1**

(Form of Series 2017A Bonds)

**THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW.**

**EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE (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. R-\_\_\_\_\_

Registered  
\$\_\_\_\_\_

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

**TAX INCREMENT REFUNDING REVENUE BOND  
SERIES 2017A  
(BRANSON SHOPPES REDEVELOPMENT PROJECT)**

**Rate of Interest:                      Maturity Date:                      Dated Date:                      CUSIP No.**

%

REGISTERED OWNER:                      CEDE & CO.

PRINCIPAL AMOUNT:                      \_\_\_\_\_ DOLLARS

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI**, a public corporation duly organized and existing under the laws of the State of Missouri (the "Authority"), for value received, hereby promises to pay to the registered owner shown above, or registered assigns, the Principal Amount shown above on the Maturity Date shown above, and to pay interest thereon from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the Rate of Interest per annum shown above. Interest shall be payable semiannually on May 1 and November 1 in each year (each, an "Interest Payment

Date”), beginning on November 1, 2017. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined).

The principal of this Bond shall be paid at maturity or upon earlier redemption to the Person in whose name this Bond is registered on the Register at the maturity or redemption date thereof. The interest payable on this Bond on any Interest Payment Date shall be paid by BOKF, N.A., Kansas City, Missouri (the “Trustee”) to the person in whose name this Bond is registered on the 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. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of an interest payment to (1) the registered Owner of all Bonds or (2) any registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than 15 days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Bond is one of an authorized series of fully registered bonds of the Authority designated “The Industrial Development Authority of the City of Branson, Missouri, Tax Increment Refunding Revenue Bonds, Series 2017A Bonds (Branson Shoppes Redevelopment Project),” in the principal amount of \$28,025,000 (the “Bonds”). Concurrently with the issuance of the Series 2017A Bonds, the Authority has authorized the issuance of its Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project) in the original principal amount of \$8,668,665.22 (the “Series 2017B Bonds”). The Series 2017B Bonds shall be junior and subordinate to the Series 2017A Bonds and any other Parity Lien Bonds with respect to payment of principal and interest from the Pledged Revenues and the Trust Estate as described in the Indenture.

The Bonds are being issued pursuant to a Trust Indenture dated as of July 1, 2017, between the Authority and the Trustee (the “Indenture”), for the purpose of providing funds to (a) refund the Refunded Bonds of the Authority as described in the Indenture (b) fund a debt service reserve fund for the Bonds, (c) fund capitalized interest for the Bonds, and (d) pay the costs of issuance of the Bonds, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri (the “Act”) and the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “TIF Act”).

The Bonds constitute special, limited obligations of the Authority payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. “Pledged Revenues” means all Net Revenues and all moneys held in the Revenue Fund, the Debt Service Fund and the Debt Service Reserve Fund under the Indenture, together with investment earnings thereon, but excluding payments required to be made to meet the requirements of Section 148(f) of the Code (whether or not held in the Rebate Fund). “Net Revenues” means (a) all moneys on deposit in the Pilots Account of the Special Allocation Fund, (b) all Economic Activity Tax Revenues on deposit in the Economic Activity Tax Account of the Special Allocation Fund that have been appropriated to the repayment of the Bonds and (c) all of the CID Portion

of CID Revenues received by the City of Branson, Missouri (the “City”). Net Revenues do not include (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

The moneys on deposit in the Pilots Account of the Special Allocation Fund are those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the TIF Act), if any, attributable to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Project Areas (as such tracts are described in the Plan) over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project Areas, as described and determined in accordance with Section 99.845 of the TIF Act (herein referred to as “Pilots”). Moneys on deposit in the Economic Activity Tax Account of the Special Allocation Fund are amounts equal to fifty percent (50%) of the total additional revenue from taxes imposed by the City or other taxing districts which are generated by economic activities within the Redevelopment Project Areas over the amount of such taxes generated by economic activities within Redevelopment Project Areas in calendar year 2005 (herein referred to as “EATS”), as described and determined in accordance with Sections 99.805(4) and 99.845.3 of the TIF Act. “CID Portion of CID Revenues,” “CID Revenues” and “TIF Portion of CID Revenues” have the meanings set forth in the Indenture.

*Optional Redemption of the Series 2017A Bonds.* The Series 2017A Bonds are subject to optional redemption by the Authority at the direction of the City on or after November 1, 2024, in whole or in part at any time at a redemption price equal to 100% of the principal amount to be redeemed, together with interest accrued to the date fixed for redemption.

*Special Mandatory Redemption of the Series 2017A Bonds.* The Bonds maturing on November 1, 20\_\_ (the “Cumulative Redemption Term Bonds”) are subject to special mandatory redemption on each Interest Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days prior to each Interest Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) but in no event in excess of the annual or cumulative redemption amounts shown in the Indenture.

*Mandatory Sinking Fund Redemption of the Series 2017A Bonds.* The Series 2017A Bonds are subject to mandatory sinking fund redemption and payment prior to the stated maturity pursuant to the Indenture, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium. Bonds to be so redeemed shall be selected by the Trustee in such equitable manner as it may determine.

If any of the Bonds are to be called for redemption as aforesaid, notice of redemption, unless waived, is to be given by the Trustee by mailing an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered Owner of each Bond to be redeemed at the address shown on the Register as of the date of such notice, as more fully described in the Indenture. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority defaults in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any notice of redemption shall not cause any Bond called for redemption to remain Outstanding.

Bonds shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds shall be selected by the Trustee in Authorized Denominations in such equitable manner as the Trustee may determine.

The Bonds are being issued by means of a book-entry system with no physical distribution of note certificates to be made except as provided in the Indenture. One Bond certificate for each maturity, 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 or that of the Trustee as the Depository's "FAST" Agent. 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. The Trustee and the Authority 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 interest on, this Bond, (ii) notices and (iii) voting. Transfers of principal and interest to participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Trustee and the Authority 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 registered 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 Securities Depository, the Trustee and the Authority.

**EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE, 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.**

The Bonds and the interest thereon are limited obligations of the Authority payable solely out of the Pledged Revenues and other moneys pledged thereto and held by the Trustee as provided in the Indenture. The Bonds are equally and ratably secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in the Indenture. The Bonds are not an indebtedness of the State of Missouri or any political subdivision thereof within the meaning of any provision of the Constitution or laws of the State of Missouri. The Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction and are not payable in any manner by taxation. The Authority has no taxing power.

The Bonds are issuable in the form of fully registered Bonds without coupons in the Authorized Denominations.

This Bond may be transferred or exchanged, as provided in the Indenture, only upon the books for the registration, transfer and exchange thereof (the "Register") kept by the Trustee, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner's duly authorized agent, whereupon a new Bond of the same maturity and in the same principal amount outstanding as the Bond which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Authority and the Trustee may deem and treat the Person in whose name this Bond is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Bond shall not be valid or binding on the Authority or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, happened and been performed in due time, form and manner as required by law.

**IN WITNESS WHEREOF, THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI** has executed this Bond by causing it to be signed by the manual or facsimile signature of its President or Vice President and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, and its official seal to be affixed or imprinted hereon, and this Bond to be dated as of the Dated Date shown above.

Registration Date: \_\_\_\_\_

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

CERTIFICATE OF AUTHENTICATION

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

By \_\_\_\_\_  
President

**BOKF, N.A.,**  
as Trustee

(SEAL)

ATTEST:

By \_\_\_\_\_  
Authorized Signatory

By \_\_\_\_\_  
Secretary



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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned 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 Trustee 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 on the face of the within  
Bond in every particular.

Signature Guaranteed By:

---

(Name of Eligible Guarantor Institution)

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

NOTICE: Signature(s) must be guaranteed by  
an eligible guarantor institution as defined by  
SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

**EXHIBIT A-2**

(Form of Series 2017B Bonds)

**THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND THIS BOND MAY NOT BE TRANSFERRED UNLESS THE TRUSTEE RECEIVES A REPRESENTATION LETTER SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE.**

**THIS BOND IS SUBJECT TO THE SUBORDINATION PROVISIONS OF THE INDENTURE, AND ALL RENEWALS, MODIFICATIONS, AMENDMENTS, CONSOLIDATIONS, REPLACEMENTS AND/OR EXTENSIONS THEREOF.**

**UNITED STATES OF AMERICA  
STATE OF MISSOURI**

Registered  
No. R-\_\_\_\_\_

Registered  
\$ \_\_\_\_\_  
(See Schedule 1  
attached)

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

**SUBORDINATE TAX INCREMENT REFUNDING REVENUE BOND  
SERIES 2017B  
(BRANSON SHOPPES REDEVELOPMENT PROJECT)**

**Rate of Interest:                      Maturity Date:                      Dated Date:                      CUSIP:**

REGISTERED OWNER: \_\_\_\_\_

PRINCIPAL AMOUNT: \_\_\_\_\_

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI**, a public corporation duly organized and existing under the laws of the State of Missouri (the "Authority"), for value received, hereby promises to pay to the registered owner shown above, or registered assigns, the Principal Amount on Schedule 1 attached hereto on the Maturity Date shown above unless called for redemption prior to the Maturity Date shown above, and to pay interest thereon from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the Rate of Interest per annum shown above. Interest shall be payable semiannually on May 1 and November 1 in each year (each, an "Interest Payment Date"), beginning on November 1, 2017. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined).

The principal of this Bond shall be paid at maturity or upon earlier redemption to the Person in whose name this Bond is registered on the Register at the maturity or redemption date thereof. The

interest payable on this Bond on any Interest Payment Date shall be paid by BOKF, N.A., Kansas City, Missouri (the “Trustee”) to the person in whose name this Bond is registered on the 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. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of an interest payment to (1) the registered Owner of all Bonds or (2) any registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than 15 days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Bond is one of an authorized series of fully registered bonds of the Authority designated “The Industrial Development Authority of the City of Branson, Missouri, Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project),” in the aggregate principal amount of \$8,668,665.22 (the “Series 2017B Bonds”). Concurrently with the issuance of the Series 2017B Bonds, the Authority has authorized the issuance of its Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) in the aggregate principal amount of \$8,668,665.22 (the “Series 2017A Bonds”). **Payment of principal of and interest on the Series 2017B Bonds is junior and subordinate to payment of the principal of and interest on the Series 2017A Bonds and any Parity Lien Bonds, as further described in the Indenture.**

The Series 2017A Bonds and the Series 2017B Bonds are being issued pursuant to a Trust Indenture dated as of July 1, 2017, between the Authority and the Trustee (the “Indenture”), for the purpose of providing funds to (a) refund the Refunded Bonds as described in the Indenture, (b) fund a debt service reserve fund for the Series 2017A Bonds, and (c) pay the costs of issuance of the Bonds, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri (the “Act”) and the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “TIF Act”).

The Bonds constitute special, limited obligations of the Authority payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. “Pledged Revenues” means all Net Revenues and all moneys held in the Revenue Fund, the Debt Service Fund under the Indenture, together with investment earnings thereon, but excluding payments required to be made to meet the requirements of Section 148(f) of the Code (whether or not held in the Rebate Fund). “Net Revenues” means (a) all moneys on deposit in the Pilots Account of the Special Allocation Fund, (b) all Economic Activity Tax Revenues on deposit in the Economic Activity Tax Account of the Special Allocation Fund that have been appropriated to the repayment of the Bonds and (c) all of the CID Portion of CID Revenues received by the City of Branson, Missouri (the “City”). Net Revenues do not include (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

The moneys on deposit in the Pilots Account of the Special Allocation Fund are those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the TIF Act), if any, attributable to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Project Areas (as such tracts are described in the Plan) over and above the

certified total initial equalized assessed valuation of the real property in the Redevelopment Project Areas, as described and determined in accordance with Section 99.845 of the TIF Act (herein referred to as “Pilots”). Moneys on deposit in the Economic Activity Tax Account of the Special Allocation Fund are amounts equal to fifty percent (50%) of the total additional revenue from taxes imposed by the City or other taxing districts which are generated by economic activities within the Redevelopment Project Areas over the amount of such taxes generated by economic activities within Redevelopment Project Areas in calendar year 2005 (herein referred to as “EATS”), as described and determined in accordance with Sections 99.805(4) and 99.845.3 of the TIF Act. “CID Portion of CID Revenues,” “CID Revenues” and “TIF Portion of CID Revenues” have the meanings set forth in the Indenture.

The Series 2017B Bonds are subject to optional redemption by the Authority at the direction of the City in whole or in part at any time at the redemption price equal to 100% of the principal amount to be redeemed, together with interest accrued to the date fixed for redemption.

The Series 2017B Bonds are subject to special mandatory redemption and payment prior to the stated maturity thereof, in whole or in part on any Interest Payment Date, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, solely from amounts on deposit in the appropriate subaccount of the Debt Service Account of the Debt Service Fund pursuant to the Indenture.

If any of the Bonds are to be called for redemption as aforesaid, notice of redemption, unless waived, is to be given by the Trustee by mailing an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered Owner of each Bond to be redeemed at the address shown on the Register as of the date of such notice, as more fully described in the Indenture. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority defaults in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any notice of redemption shall not cause any Bond called for redemption to remain Outstanding.

Bonds shall be redeemed only in Authorized Denominations, provided that the Series 2017B Bonds may be redeemed in denomination of \$100,000 and multiples of \$5,000 in excess thereof unless the par amount of Junior Lien Bonds held by any Owner may be redeemed by the Issuer to a par amount which is less than \$100,000, in which case the Authorized Denominations of Junior Lien Bonds will be \$5,000 and integral multiples thereof. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds shall be selected by the Trustee in Authorized Denominations in such equitable manner as the Trustee may determine.

This Bond may be transferred or exchanged, as provided and subject to the restrictions on transfer in the Indenture, only upon the books for the registration, transfer and exchange thereof (the “Register”) kept by the Trustee, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner’s duly authorized agent, whereupon a new Bond of the same maturity and in the same principal amount outstanding as the Bond which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Authority and the Trustee may deem and treat the Person in whose name this Bond is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The Bonds and the interest thereon are limited obligations of the Authority payable solely out of the Net Revenues and other moneys pledged thereto and held by the Trustee as provided in the Indenture. The Bonds are not an indebtedness of the State of Missouri or any political subdivision thereof within the meaning of any provision of the Constitution or laws of the State of Missouri. The Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction and are not payable in any manner by taxation. The Authority has no taxing power.

The Bonds are issuable in the form of fully registered Bonds without coupons in Authorized Denominations.

This Bond shall not be valid or binding on the Authority or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, happened and been performed in due time, form and manner as required by law.

**IN WITNESS WHEREOF, THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI** has executed this Bond by causing it to be signed by the manual or facsimile signature of its President or Vice President and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, and its official seal to be affixed or imprinted hereon, and this Bond to be dated as of the Dated Date shown above.

Registration Date: \_\_\_\_\_

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

**CERTIFICATE OF AUTHENTICATION**

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

By \_\_\_\_\_  
President

**BOKF, N.A.,**  
as Trustee

ATTEST:

By \_\_\_\_\_  
Authorized Signatory

By \_\_\_\_\_  
Secretary

---

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AS NOTED ABOVE, TRANSFER OF THIS BOND IS SUBJECT TO CERTAIN LIMITATIONS CONTAINED IN THE INDENTURE.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned 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 Trustee 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 on the face of the within Bond in every particular.

Signature Guaranteed By:

---

(Name of Eligible Guarantor Institution)

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

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

**EXHIBIT B**

Request No. \_\_\_\_\_

Date: \_\_\_\_\_

WRITTEN REQUEST FOR DISBURSEMENTS FROM THE COSTS OF ISSUANCE ACCOUNT OF THE PROJECT FUND – THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI, TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A (BRANSON SHOPPES REDEVELOPMENT PROJECT), & SUBORDINATE TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017B (BRANSON SHOPPES REDEVELOPMENT PROJECT)

To: BOKF, N.A.  
Attention: Corporate Trust Department

as Trustee under the Trust Indenture dated as of July 1, 2017, between The Industrial Development Authority of the City of Branson, Missouri and said Trustee (the “Indenture”)

Pursuant to **Section 404** of the Indenture, the City of Branson, Missouri (the “City”) requests payment from Costs of Issuance Account of the Project Fund in accordance with this request and said **Section 404** and hereby states and certifies as follows:

1. The date and number of this request are as set forth above.
2. All terms in this request shall have and are used with the meanings specified in the Indenture.
3. The names of the persons, firms or corporations to whom the payments requested hereby are due, the amounts to be paid and the description of the costs for which each obligation requested to be paid hereby was incurred are as set forth on **Attachment I** hereto.
4. Each item for which payment is requested is a proper cost of issuance that was incurred in connection with the issuance of the Bonds, the amount of this request is justly due and owing and has not been the subject of another requisition which was paid.

**CITY OF BRANSON, MISSOURI**

By: \_\_\_\_\_  
Authorized City Representative

ATTACHMENT I

TO WRITTEN REQUEST FOR DISBURSEMENTS FROM THE COSTS OF ISSUANCE ACCOUNT OF THE PROJECT FUND – THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI, TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A (BRANSON SHOPPES REDEVELOPMENT PROJECT), & SUBORDINATE TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017B (BRANSON SHOPPES REDEVELOPMENT PROJECT)

REQUEST NO. \_\_\_\_\_

DATE: \_\_\_\_\_

---

SCHEDULE OF PAYMENTS REQUESTED

Person, firm or corporation to whom payment is due	Amount to be paid	General classification and description of the cost of issuance for which the obligation to be paid was incurred
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## EXHIBIT C

### FORM OF INVESTOR LETTER RELATED TO SERIES 2017B BONDS AND JUNIOR LIEN BONDS

City of Branson, Missouri  
Branson, Missouri

The Industrial Development Authority of the  
City of Branson, Missouri  
Branson, Missouri

BOKF, N.A.  
Kansas City, Missouri

Re: \$8,668,665.22 The Industrial Development Authority of the City of Branson, Missouri Subordinate Tax Increment Refunding Revenue Bonds Series 2017B (Branson Shoppes Redevelopment Project) (the “Series 2017B Bonds”)

On the date hereof, in connection with its purchase of the above-captioned notes (the “**Series 2017B Bonds**”) issued pursuant to the Trust Indenture, dated as of July 1, 2017 (the “**Indenture**”), by and between The Industrial Development Authority of the City of Branson, Missouri (the “**Issuer**”) and BOKF, N.A., as Trustee, the undersigned does hereby certify as follows:

(a) The undersigned is either the Developer under the Agreement (as those terms are defined in the Indenture), a “qualified institutional buyer” within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the “**Securities Act**”), or an “accredited investor” within the meaning of Rule 501 of Regulation D promulgated under the Securities Act, with sufficient knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Series 2017B Bonds.

(b) The undersigned has had the opportunity to obtain such information related to the Branson Shoppes Redevelopment Project and matters related thereto as it deems necessary to evaluate the merits and risks of an investment in the Series 2017B Bonds, including without limitation the Official Statement related to the Series 2017A Bonds (the “Official Statement”) and filings by the City on the Electronic Municipal Market Access (“EMMA”) website. The undersigned understands that Series 2017B Bonds are not payable from any funds of the City other than Payments in Lieu of Taxes and Economic Activity Tax Revenues on a subordinate basis as described in the Indenture. The undersigned further acknowledges that except for information provided in the Official Statement or on EMMA by the City, all other information has been obtained from sources other than the City or the Issuer.

(c) The undersigned is purchasing the Series 2017B Bonds for its own account and for investment in the ordinary course of its business, and has no present intention to resell or otherwise distribute the Series 2017B Bonds. Notwithstanding such intent, the undersigned will not be prohibited in the future from reselling the Series 2017B Bonds and may transfer only to those purchasers who sign a letter in substantially the form of this letter and is an accredited investor within the meaning of Section 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended, or a qualified institutional buyer under Rule 144A promulgated under the Securities Act of 1933.

(d) The undersigned is duly and legally authorized to purchase obligations such as the Series 2017B Bonds. The Series 2017B Bonds, together with the interest and premium, if any, thereon, are special, limited obligations of the Authority, and are secured by a transfer, pledge and assignment and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of the Series 2017B Bonds, as provided in the Indenture. The Series 2017B Bonds are being issued pursuant to the TIF Act and the IDA Act and will constitute valid and legally binding limited obligations of the Issuer, payable solely from the Trust Estate, including the Pledged Revenues.

[Transferee]

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

---

**FINANCING AGREEMENT**

**Dated as of August 1, 2017**

**among**

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

**and**

**BRANSON SHOPPES DEVELOPMENT COMPANY**

**and the**

**CITY OF BRANSON, MISSOURI**

**Relating to:**

**\$28,025,000**  
**The Industrial Development Authority of the**  
**City of Branson, Missouri**  
**Tax Increment Refunding Revenue**  
**Bonds**  
**Series 2017A**  
**(Branson Shoppes Redevelopment Project)**

**\$8,668,665.22**  
**The Industrial Development Authority of the**  
**City of Branson, Missouri**  
**Subordinate Tax Increment Refunding Revenue**  
**Bonds**  
**Series 2017B**  
**(Branson Shoppes Redevelopment Project)**

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**Certain rights, title and interest of The Industrial Development Authority of the City of Branson, Missouri in this Financing Agreement have been pledged and assigned to BOKF, N.A., Kansas City, Missouri, as Trustee under a Trust Indenture dated as of August 1, 2017, between the Authority and the Trustee.**

**FINANCING AGREEMENT**

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## FINANCING AGREEMENT

**THIS FINANCING AGREEMENT**, dated as of August 1, 2017 ("Financing Agreement"), between **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI**, a public corporation duly organized and existing under the laws of the State of Missouri (the "Authority"), the **CITY OF BRANSON, MISSOURI**, a fourth class city organized and existing under the laws of the State of Missouri (the "City") and **BRANSON SHOPPES DEVELOPMENT COMPANY**, a corporation organized and existing under the laws of the State of Missouri (the "Developer");

### RECITALS:

1. The Authority is authorized and empowered under the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended (the "Act") to issue bonds and notes for the purpose of promoting commercial facility projects within the State of Missouri.

2. The City of Branson, Missouri (the "City") is authorized and empowered under the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the "TIF Act"), to implement certain redevelopment projects and to provide for the costs thereof.

3. On February 10, 1992, the Board of Aldermen passed Ordinance No. 92-14 creating the Tax Increment Financing Commission of the City of Branson, Missouri (the "Commission").

4. A plan for redevelopment known as the "Branson Hills Tax Increment Financing Plan" (as amended as described below, the "Plan") which was approved by the Board of Aldermen pursuant to Ordinance No. 2004-096 adopted on July 12, 2004, for an area designated therein as the Redevelopment Area (the "Redevelopment Area"), as legally described in the Plan, has been prepared and reviewed by the Commission and the City.

5. On March 2, 2005, the Board of Aldermen adopted Ordinance No. 2005-023 approving amendments to the Plan.

6. On November 9, 2006, the Board of Aldermen adopted Ordinance No. 2006-163 approving Redevelopment Project II described in the Plan (the "Redevelopment Project II") and adopting tax increment allocation financing within Redevelopment Project Area II legally described in the Plan (the "Redevelopment Project Area II").

7. On November 9, 2006, the Board of Aldermen adopted Ordinance No. 2006-164 approving Redevelopment Project III described in the Plan (the "Redevelopment Project III," together with Redevelopment Project II, the "Redevelopment Projects") and adopting tax increment allocation financing within Redevelopment Project Area III legally described in the Plan (the "Redevelopment Project Area III," together with Redevelopment Project Area II, the "Redevelopment Project Areas").

8. On October 31, 2006, the Board of Aldermen adopted Ordinance No. 2006-161 approving a second amended and restated redevelopment agreement, (the "Agreement") with the Developer and with Ozark Diversified Development Co. for implementation of Redevelopment Project II and Redevelopment Project III described in the Plan, as well as for the development by Ozark Diversified Development Co. of Redevelopment Project I as described in the Plan (Ozark Diversified Development

Company assigned its rights related to Redevelopment Project II and Redevelopment Project III to the Developer on January 31, 2006).

**9.** On November 20, 2006, the Board of Directors of the Authority adopted a resolution authorizing the issuance of its Tax Increment Revenue Bonds, Series 2006A (Branson Shoppes Redevelopment Project) in the principal amount of \$35,545,000 (the “Series 2006A Bonds”) and its Subordinate Tax Increment Revenue Bonds, Series 2006B (Branson Shoppes Redevelopment Project) in the aggregate principal amount of not to exceed \$9,385,045 (the “Series 2006B Bonds,” together with the Series 2006A Bonds, the “Refunded Bonds”) for the purpose of (a) funding Project Costs and CID Project Costs, (b) funding capitalized interest for the Series 2006A Bonds, and (c) paying the costs of issuance of the Refunded Bonds.

**10.** On November 20, 2006, the Board of Aldermen of the City adopted Ordinance No. 2006-170 (the “Bond Ordinance”), approving the issuance of the Refunded Bonds by the Authority.

**11.** On August 22, 2017, the Board of Directors of the Authority adopted a resolution (the “Bond Resolution”) authorizing the issuance its Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) in the principal amount of \$28,025,000 (the “Series 2017A Bonds”) and its Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project) in the principal amount of \$8,668,665.22 (the “Series 2017B Bonds,” together with the Series 2017A Bonds, the “Series 2017 Bonds”) for the purpose of, together with other available funds, (a) refunding the Refunded Bonds, (b) funding a debt service reserve fund for the Series 2017A Bonds, and (c) paying the costs of issuance of the Bonds.

**12.** On August 22, 2017, the Board of Aldermen of the City adopted Ordinance No. \_\_\_\_\_ (the “Bond Ordinance”), approving the issuance of the Series 2017 Bonds by the Authority pursuant to the Indenture and pledging and assigning the Net Revenues received by the City to the Trustee pursuant to this Financing Agreement.

**11.** Pursuant to the foregoing, the Authority and the City are authorized to execute and deliver this Financing Agreement for the purpose of securing the Bonds.

**NOW, THEREFORE,** in consideration of the premises and the mutual representations, covenants and agreements herein contained, the Authority and the City do hereby represent, covenant and agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.1. Definitions of Words and Terms.** Capitalized terms not defined in this Financing Agreement shall have the meanings set forth in the Indenture.

**Section 1.2. Rules of Interpretation.** For all purposes of this Financing Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) The table of contents hereto and the headings and captions herein are not a part of this document.

(d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.

(e) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

## ARTICLE II

### REPRESENTATIONS

**Section 2.1. Representations by the Authority.** The Authority represents and warrants to the City, the Trustee and the Developer as follows:

(a) *Organization and Authority.* The Authority (1) is a public corporation duly organized and existing under the laws of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver this Financing Agreement, the Indenture and any other documents required to be executed and delivered by it in connection with the issuance of the Bonds (collectively, the "Authority Documents"), and to carry out its obligations hereunder and thereunder, and (3) by all necessary action has been duly authorized to execute and deliver this Financing Agreement and the other Authority Documents acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Financing Agreement and the other Authority Documents by the Authority will not result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Authority is a party or by which it or any of its property is bound or its bylaws or any of the constitutional or statutory laws, rules or regulations applicable to the Authority or its property.

(c) *Public Purpose.* The Redevelopment Projects will further the public purposes of the Act.

(d) *No Litigation.* To the knowledge of the Authority, there is no litigation or proceeding pending or threatened against the Authority or any other person affecting the right of the Authority to execute or deliver this Financing Agreement or the other Authority Documents or the ability of the Authority to comply with its obligations under this Financing Agreement or the other Authority Documents. Neither the execution and delivery of this Financing Agreement by the Authority, nor compliance by the Authority with its obligations under this Financing Agreement and the other Authority Documents, require the approval of any regulatory body, any parent company, or any other entity, which approval has not been obtained.

(e) *No Conflicts of Interest.* No member of the Board of Directors of the Authority or any other officer of the Authority has any significant or conflicting interest, financial,

employment or otherwise, in the City, the Redevelopment Projects or in the transactions contemplated hereby.

**Section 2.2. Representations by the City.** The City represents and warrants to the Authority, the Developer and the Trustee as follows:

(a) *Organization and Authority.* The City (1) is a fourth class city and political subdivision duly organized and validly existing under the laws of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver this Financing Agreement and all other documents required to be executed and delivered by it in connection with the issuance of the Bonds (collectively, the "City Documents") and to carry out its obligations hereunder and thereunder, and (3) by all necessary action has been duly authorized to execute and deliver this Financing Agreement and the other City Documents, acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Financing Agreement and the other City Documents by the City will not conflict with or result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the City is a party or by which it or any of its property is bound, or any of the laws, rules or regulations applicable to the City or its property.

(c) *Public Purpose.* The Redevelopment Projects will promote the economic, social, industrial, cultural and commercial growth of the City and will contribute to the general welfare and benefit of the City.

(d) *Tax Increment Financing Proceedings.* The City has duly completed all required proceedings and approvals in connection with approval of the Plan, designation of the Redevelopment Area as a "blighted area", approval of the Redevelopment Projects as "redevelopment projects" and adoption of tax increment financing within the Redevelopment Project Areas, all in accordance with the TIF Act.

(e) *No Litigation.* To the knowledge of the City, there is no litigation or proceeding pending or threatened against the City or any other person affecting the right of the City to execute this Financing Agreement or the other City Documents or the ability of the City to comply with the obligations under this Financing Agreement or the other City Documents. Neither the execution and delivery of this Financing Agreement and the other City Documents by the City, nor compliance by the City with its obligations under this Financing Agreement and the other City Documents require the approval of any regulatory body or any other entity, which approval has not been obtained.

**Section 2.3. Representations by the Developer.** The Developer represents and warrants to the City, the Authority and the Trustee as follows:

(a) *Organization and Authority.* The Developer (1) is a corporation duly organized and validly existing under the laws of the State of Missouri and is duly qualified to transact business in the State, and (2) has lawful power and authority to enter into, execute and deliver this Financing Agreement, and to execute and deliver the Agreement and any other financing documents required to be executed and delivered by it in connection with the issuance of the Bonds (collectively, the "Developer Documents") and to carry out its obligations hereunder and thereunder, and by all necessary corporate action has been duly authorized to execute and deliver

this Financing Agreement and other required Developer Documents, acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Financing Agreement, the Agreement and other Developer Documents by the Developer will not conflict with or result in a breach of any of the terms of, or constitute a default under, its articles of organization or operating agreement or any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Developer is a party or by which it or any of its property is bound, or any laws, rules or regulations applicable to the Developer or its property.

(c) *Information.* The information provided to the Purchaser by, or on behalf of, the Developer relating to the Developer and the Redevelopment Projects is true, accurate and complete in all material respects and such information does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(d) *No Litigation.* To the knowledge of the Developer, there is no litigation or proceeding pending or threatened against the Developer or any other person affecting the right of the Developer to execute this Financing Agreement or the Agreement or the ability of the Developer to comply with the obligations under this Financing Agreement or the Agreement. Neither the execution and delivery of this Financing Agreement nor the Agreement by the Developer, nor compliance by the Developer with its obligations under this Financing Agreement and the Agreement require the approval of any regulatory body or any other entity, which approval has not been obtained.

(e) *Series 2006B Bonds.* The Developer is the owner of 100% of the outstanding Series 2006B Bonds and consents to the refunding of the Series 2006A Bonds and the Series 2006B Bonds in the manner described herein and in the Indenture and the Escrow Agreement.

**Section 2.4. Survival of Representations.** All representations of the Authority, the Developer and the City contained in this Financing Agreement or in any certificate or other instrument delivered by the Authority and the City pursuant to this Financing Agreement or any other Authority Documents, Developer Documents or City Documents, or in connection with the transactions contemplated hereby or thereby, shall survive the execution and delivery thereof and the issuance, sale and delivery of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations.

## ARTICLE III

### PAYMENT OF THE BONDS; ISSUANCE OF THE BONDS

**Section 3.1. Issuance of Series 2017A Bonds and Series 2017B Bonds.** In order to provide funds for the purposes set forth in the recitals hereto, the Authority agrees that it will issue, sell and deliver the Series 2017A Bonds to the Purchaser and the Series 2017B Bonds to the original Owners thereof. The net proceeds of the sale of such Bonds paid over to the Trustee for the account of the Authority shall be administered, disbursed and applied for the refunding of the Refunded Bonds and for other purposes upon the terms and in the manner as provided in the Indenture and in this Financing Agreement.

**Section 3.2. Transfer of Revenues.** On the tenth calendar day of each month (or the next Business Day thereafter if the tenth is not a Business Day) while the Bonds are Outstanding, the City shall transfer to the Trustee pursuant to **Section 402(a)** of the Indenture (a) all Payments in Lieu of Taxes, (b) subject to appropriation, all Economic Activity Tax Revenues and (c) the CID Portion of CID Revenues which have been received by the City.

## ARTICLE IV

### SPECIAL ALLOCATION FUND

**Section 4.1. Special Allocation Fund.** The City has established and shall hold the Special Allocation Fund in accordance with the provisions of the TIF Act, subject to the pledge of certain accounts therein to the Trustee pursuant to this Financing Agreement and the Indenture. The Special Allocation Fund, and the accounts therein, shall be segregated on the books and records of the City and shall be kept separate and apart on the books and records of the City from all other moneys, revenues, funds and accounts of the City and shall not be commingled with any other moneys, revenues, funds and accounts of the City.

**Section 4.2. Use of Special Allocation Fund.** The Special Allocation Fund shall be maintained and administered by the City solely for the purposes provided herein and in the Indenture until such time as the Indenture has been discharged in accordance with **Article IX** thereof. The City shall, immediately upon receipt thereof, deposit all Payments in Lieu of Taxes received by it in the Pilots Account of the Special Allocation Fund. The City shall, immediately upon receipt thereof, deposit all Economic Activity Tax Revenues received by it in the Economic Activity Tax Account of the Special Allocation Fund. The City shall thereafter transfer all such amounts to the Trustee pursuant to **Section 3.2** hereof.

**Section 4.3. Pledge of Payments in Lieu of Taxes.** The City hereby pledges to the Authority, for the benefit of the Owners of the Bonds, as security for the payment of the principal of and redemption premium, if any, and interest on the Bonds, all of its right, title and interest in, to and under, and grants to the Authority a lien upon and security interest in, (a) the Payments in Lieu of Taxes and (b) the Pilots Account of the Special Allocation Fund, and all proceeds of the foregoing.

**Section 4.4. Collection of Revenues.** The City shall, at the expense of the Trust Estate, (a) take all lawful action within its control to cause the County Assessor of Taney County, Missouri to assess the real property and improvements within the Redevelopment Area at the times and in the manner required by the TIF Act and (b) take such lawful action within its control as may be required to cause the Collector of Revenue of Taney County, Missouri and all other Persons to pay all Economic Activity Tax Revenues which are due to the City under the TIF Act. The City shall take such lawful action within its control to collect CID Revenues which are due to the CID in accordance with the CID Agreement. Notwithstanding Section 5.01 of the Agreement, the obligation to pay real estate taxes related to land in the Redevelopment Project Areas described therein is strictly an *in rem* obligation.

## ARTICLE V

### GENERAL COVENANTS AND PROVISIONS

**Section 5.1. [Reserved].**

**Section 5.2. Continuing Disclosure.** The City has covenanted and agreed that it will observe and perform the covenants and agreements contained in the Continuing Disclosure Agreement, unless amended or terminated in accordance with the provisions thereof, for the benefit of the Owners or beneficial owners from time to time of the Outstanding Bonds as therein provided. Notwithstanding any other provision of this Financing Agreement, the failure of the City to comply with the Continuing Disclosure Agreement or similar undertaking shall not be considered an event of default under this Financing Agreement or under the Indenture.

**Section 5.3. Covenant to Request Appropriations.** The City covenants and agrees that the officer of the City at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposal submitted to the Board of Aldermen of the City for each Fiscal Year that the Bonds are Outstanding a request for an appropriation of the Net Revenues on deposit in the Economic Activity Tax Account of the Special Allocation Fund for transfer to the Trustee for deposit in the Revenue Fund at the times and in the manner provided in **Section 402** of the Indenture. Any funds appropriated as the result of such a request shall be transferred by the City to the Revenue Fund at the times and in the manner provided in **Section 402** of the Indenture.

**Section 5.4. Tax Covenants.**

(a) The City shall not use or permit the use of any proceeds of the Bonds or any other funds of the City, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the City in any manner, and shall not take or permit to be taken any other action or actions, which would cause any Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code, or "federally guaranteed" within the meaning of Section 149(b) of the Code. If at any time the City is of the opinion that for purposes of this subsection (a) it is necessary to restrict or limit the yield on or change in any way the investment of any moneys held by the Trustee under the Indenture, the City shall so instruct the Trustee in writing and the Trustee shall act in accordance with such instructions. The City and the Trustee shall be deemed in compliance with this Section to the extent they follow the Tax Compliance Agreement or an opinion of Bond Counsel with respect to the investment of funds under the Indenture.

(b) The City shall not use or permit the use of any proceeds of the Bonds or any other funds of the City, directly or indirectly, in any manner, and shall not take or permit to be taken any other action or actions, which would result in any of the Bonds being treated as other than an obligation described in Section 103(a) of the Code.

(c) The City will not use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Bond to be a "private activity bond" within the meaning of Section 141(a) of the Code.

(d) The foregoing covenants of this Section shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article IX** of the Indenture or any other provision of the Indenture, until the final scheduled payment of all Bonds Outstanding.

**Section 5.5. Enforcement of Agreement and CID Agreement.**

(a) The City shall enforce the provisions of the Agreement and the CID Agreement in such manner as the City deems prudent and advisable in its good faith discretion. The City may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Agreement or the CID Agreement, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

(b) The City shall notify the Trustee in writing as to any material failure of performance under either the Agreement or the CID Agreement and at the time of such notification the City shall also advise the Trustee what action the City proposes to take in enforcing available remedies. If, in the judgment of the Trustee, being advised by counsel, such action is less likely to be effective than some other or additional action, the Trustee shall so advise the City promptly in writing. If, within 30 days following advice by the Trustee that some additional or other action would be more effective, the City has not taken such other or additional action, and the Trustee has not, after consultation with the City, withdrawn such advice, upon receipt of indemnification satisfactory to it, the Trustee is hereby authorized to take such action, whether the action was suggested by the Trustee or otherwise, as the Trustee, being advised by counsel, may deem most expedient and in the interest of the Owners of the Bonds. In furtherance of the rights granted to the Trustee by this Section, the City hereby assigns to the Trustee all of the rights it may have in the enforcement of the Agreement and the CID Agreement, further authorizing the Trustee in its own name or in the name of the City to bring such actions, employ such counsel, execute such documents and do such other things as may in the judgment of the Trustee be necessary or appropriate under the circumstance at the expense of the Trust Estate.

(c) The City shall not modify, amend or waive any provision of the Agreement or the CID Agreement in a manner which may, in the sole judgment of the City, being advised by counsel, materially adversely affect the security for the Bonds or the interest of the owners thereof or adversely affects the exclusion of interest on the Bonds from gross income of the Owners thereof for federal income tax purposes.

**Section 5.6. Performance of Covenants.** Each of the parties to this Financing Agreement covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Financing Agreement and in all proceedings pertaining thereto.

**Section 5.7. General Limitation on City Obligations.** ANY OTHER TERM OR PROVISION OF THIS FINANCING AGREEMENT OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTION WHICH IS THE SUBJECT HEREOF TO THE CONTRARY NOTWITHSTANDING, THE CITY SHALL NOT BE REQUIRED TO TAKE OR OMIT TO TAKE, OR REQUIRE ANY OTHER PERSON OR ENTITY TO TAKE OR OMIT TO TAKE, ANY ACTION WHICH WOULD CAUSE IT OR ANY PERSON OR ENTITY TO BE, OR RESULT IN IT OR ANY PERSON OR ENTITY BEING, IN VIOLATION OF ANY LAW OF THE STATE.

**Section 5.8. Possession and Inspection of Books and Documents.** The City covenants and agrees that all books and documents in its possession relating to the Special Allocation Fund and to the distribution of proceeds thereof shall at all reasonable times and upon reasonable notice be open to inspection by such accountants or other agencies or Persons as the Trustee or the Authority may from time to time designate.

**Section 5.9. Waiver and Release of Claims.** As a condition of and consideration for the execution of this Financing Agreement and the issuance of the Series 2017 Bonds, the Developer, on behalf of itself and all related entities and affiliates, does hereby release any and all claims whether past, present or future against the City, the Authority, the Trustee, the Purchaser and the officers, directors, employees, agents, consultants and representatives thereof in any way related to the approval of the Redevelopment Projects, the issuance of the Refunded Bonds or the issuance of the Series 2017 Bonds.

## ARTICLE VI

### ASSIGNMENT

**Section 6.1. Assignment by the Authority.** The Authority, by means of the Indenture and as security for the payment of the principal of, and redemption premium, if any, and interest on the Bonds, will assign, pledge and grant a security interest in all of its rights, title and interests in, to and under this Financing Agreement for the benefit of the Owners (reserving its Unassigned Authority's Rights).

**Section 6.2. Restriction on Transfer of Authority's Interests.** The Authority will not sell, assign, transfer or convey its interests in this Financing Agreement or the Net Revenues except pursuant to the Indenture and this Financing Agreement.

**Section 6.3. Restriction on Transfer of City's Interests.** The City will not sell, assign, transfer or convey its interests in the Net Revenues or this Financing Agreement.

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES

**Section 7.1. Events of Default Defined.** The term "Event of Default" shall mean any one or more of the following events:

(a) Failure by the City to timely transfer revenues to the Trustee pursuant to **Section 3.2** hereof.

(b) Failure by the City to observe and perform any covenant, condition or agreement on the part of the City under this Financing Agreement, other than as referred to in the preceding subparagraph (a) of this Section, for a period of 30 days after written notice of such default has been given to the City, during which time such default is neither cured by the City nor waived in writing by the Trustee, provided that, if the failure stated in the notice cannot be corrected within said 30-day period, the Trustee may consent in writing to an extension of such time prior to its expiration if corrective action is instituted by the City within the 30-day period and diligently pursued to completion and if such consent, in the judgment of the Trustee, does not materially adversely affect the interests of the Owners of the Bonds.

(c) Any representation or warranty by the City herein or in any certificate or other instrument delivered under or pursuant to this Financing Agreement or the Indenture or in connection with the refinancing of the Redevelopment Project shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Trustee or cured by the City within 30 days after notice thereof has been given to the City.

(d) Failure by the Developer to observe and perform any covenant, condition or agreement on the part of the Developer under this Financing Agreement for a period of 30 days after written notice of such default has been given to the Developer, during which time such default is neither cured by the Developer nor waived in writing by the Trustee, provided that, if the failure stated in the notice cannot be corrected within said 30-day period, the Trustee may consent in writing to an extension of such time prior to its expiration if corrective action is instituted by the Developer within the 30-day period and diligently pursued to completion and if

such consent, in the judgment of the Trustee, does not materially adversely affect the interests of the Owners of the Bonds.

(e) Any representation or warranty by the Developer herein or in any certificate or other instrument delivered under or pursuant to this Financing Agreement or the Indenture or in connection with the refinancing of the Redevelopment Projects or the CID Project shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Trustee or cured by the Developer within 30 days after notice thereof has been given to the Developer.

(f) An Event of Default under the Indenture.

**Section 7.2. Remedies on an Event of Default.**

(a) Whenever any Event of Default has occurred and is continuing, the Trustee, as the assignee of the Authority, may take any one or more of the remedial steps set forth in the Indenture; provided that if the principal of all Bonds then Outstanding and the interest accrued thereon have been declared immediately due and payable pursuant to the provisions of **Section 702** of the Indenture, the Trustee may immediately proceed to take whatever other action at law or in equity is necessary and appropriate to exercise or to cause the exercise of the rights and powers set forth herein or in the Indenture, as may appear necessary or desirable to collect the amounts payable pursuant to this Financing Agreement then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the City or the Developer under this Financing Agreement or the Indenture.

(b) Any amount collected pursuant to action taken under this Section shall be paid to the Trustee and applied, first, to the payment of any reasonable costs, expenses and fees incurred by the Trustee as a result of taking such action and, next, any balance shall be transferred to the Revenue Fund and applied in accordance with the Indenture.

(c) Notwithstanding the foregoing, the Trustee shall not be obligated to take any step that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until indemnity satisfactory to it has been furnished to the Trustee at no cost or expense to the Trustee, except as otherwise provided in **Section 801(I)** of the Indenture.

**Section 7.3. No Remedy Exclusive.** No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Financing Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

**Section 7.4. Authority and City to Give Notice of an Event of Default.** The Authority, Developer and the City shall each promptly give to the Trustee written notice of any Event of Default of which the Authority, the Developer or the City, as the case may be, shall have actual knowledge or written notice, but neither the Authority, the Developer nor the City shall be liable for failing to give such notice.

**Section 7.5. Performance of the City's Obligations.** If the City or the Developer fails to keep or perform any of its obligations as provided in this Financing Agreement, then the Trustee may (but shall not be obligated so to do) upon the continuance of such failure on the City's or the Developer's part for 15 days after notice of such failure is given to the City or the Developer by the Trustee, and without waiving or releasing the City or the Developer from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by the Trustee and all necessary incidental costs and expenses incurred by the Trustee in performing such obligations shall be paid to the Trustee in accordance with **Section 402** and **Section 802** of the Indenture.

**Section 7.6. Remedial Rights Assigned to the Trustee.** Upon the execution and delivery of the Indenture, the Authority will thereby have assigned to the Trustee all rights and remedies conferred upon or reserved to the Authority by this Financing Agreement, reserving only the Unassigned Authority's Rights. The Trustee shall have the exclusive right to exercise such rights and remedies conferred upon or reserved to the Authority by this Financing Agreement in the same manner and to the same extent, but under the limitations and conditions imposed thereby and hereby. The Owners of the Bonds shall be deemed third party creditor beneficiaries of all representations, warranties, covenants and agreements contained herein.

## ARTICLE VIII

### MISCELLANEOUS

**Section 8.1. Authorized Representatives.** Whenever under this Financing Agreement the approval of the Authority, the Developer or the City is required or the Authority, the Developer or the City is required or permitted to take some action, such approval shall be given or such action shall be taken by the Authorized Authority Representative, the Authorized Developer Representative or the Authorized City Representative, and the Trustee shall be authorized to act on any such approval or action.

**Section 8.2. Term of Financing Agreement.** This Financing Agreement shall be effective from and after its execution and delivery and shall continue in full force and effect until the Bonds are deemed to be paid within the meaning of **Article IX** of the Indenture and provision has been made for paying all other sums payable under this Financing Agreement and the Indenture.

**Section 8.3. Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by hand delivery or overnight delivery service or on the third day following the day on which the same has been mailed by registered or certified mail, postage prepaid, addressed as specified in **Section 1102** of the Indenture provided that any of the foregoing given to the Trustee shall be effective only upon receipt. A duplicate copy of each notice, certificate or other communication given hereunder to any party mentioned in said **Section 1102** shall be given to all other parties mentioned therein (other than the Owners of the Bonds unless a copy is required to be furnished to them by other provisions of this Financing Agreement). The Authority, the Developer, the City or the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent to it.

**Section 8.4. Performance Date Not a Business Day.** If any date for the payment of principal of, or redemption premium, if any, or interest on the Bonds or the taking of any other action hereunder is not a Business Day, then such payment shall be due, or such action shall be taken, on the first Business Day thereafter with the same force and effect as if made on the date fixed for payment or performance.

**Section 8.5. Binding Effect.** This Financing Agreement shall inure to the benefit of and shall be binding upon the Authority, the Developer, the City, the Trustee and their respective successors and assigns.

**Section 8.6. Amendments, Changes and Modifications.** Except as otherwise provided in this Financing Agreement or in the Indenture, subsequent to the issuance of Bonds and prior to all of the Bonds being deemed to be paid in accordance with **Article IX** of the Indenture and provision being made for the payment of all sums payable under the Indenture in accordance with **Article IX** thereof, this Financing Agreement may not be effectively amended, changed, modified, altered or terminated without the prior concurring written consent of the Trustee, given in accordance with the Indenture.

**Section 8.7. Execution in Counterparts.** This Financing Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 8.8. No Pecuniary Liability.** Notwithstanding the language or implication of any provision, representation, covenant or agreement to the contrary, no provision, representation, covenant or agreement contained in this Financing Agreement or in the Indenture, the Bonds, or any obligation herein or therein imposed upon the Authority or the City, or the breach thereof, shall constitute or give rise to or impose upon the Authority or the City a pecuniary liability (except to the extent of any Net Revenues actually received by the City and, with respect to Economic Activity Tax Revenues, appropriated to the payment of the Bonds). No provision hereof shall be construed to impose a charge against the general credit of the Authority or the City or any personal or pecuniary liability upon any director, officer, agent or employee of the Authority or the City.

**Section 8.9. Extent of Covenants of the Authority and the City; No Personal or Pecuniary Liability.** All covenants, obligations and agreements of the Authority and the City contained in this Financing Agreement and the Indenture shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future director, officer, agent or employee of the Authority or the City in other than his official capacity, and no official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, obligations or agreements of the Authority or the City contained in this Financing Agreement or in the Indenture. No provision, covenant or agreement contained in this Financing Agreement, the Indenture or the Bonds, or any obligation herein or therein imposed upon the Authority, or the breach thereof, shall constitute or give rise to or impose upon the Authority a pecuniary liability or a charge.

**Section 8.10. Conflict With Agreement.** To the extent of a conflict between the provisions of (a) this Financing Agreement and the Indenture, and (b) the Agreement, the provisions of the Financing Agreement and Indenture shall control.

**Section 8.11. Severability.** If any provision of this Financing Agreement is held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Financing Agreement contained shall not affect the remaining portions of this Financing Agreement, or any part thereof.

**Section 8.12. Governing Law.** This Financing Agreement shall be governed by and construed in accordance with the laws of the State.

**IN WITNESS WHEREOF, THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI, BRANSON SHOPPES DEVELOPMENT COMPANY and the CITY OF BRANSON, MISSOURI** have caused this instrument to be executed on their behalf all as of the date first above written.

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

(No Seal)

ATTEST:

By: \_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

[Financing Agreement]

**CITY OF BRANSON, MISSOURI**

(Seal)

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Gilmore & Bell, P.C.

[Financing Agreement]

**BRANSON SHOPPES DEVELOPMENT  
COMPANY**

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

[Financing Agreement]

\$28,025,000  
**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF BRANSON, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A  
(BRANSON SHOPPES REDEVELOPMENT PROJECT)**

**BOND PURCHASE AGREEMENT**

August 22, 2017

The Industrial Development Authority  
of the City of Branson, Missouri  
Branson, Missouri

City of Branson, Missouri  
Branson, Missouri

Ladies and Gentlemen:

Piper Jaffray & Co. (the “**Underwriter**”), on the basis of the representations, warranties and covenants contained herein, offers to enter into this Bond Purchase Agreement (this “**Agreement**”) with The Industrial Development Authority of the City of Branson, Missouri (the “**Authority**”) and the City of Branson, Missouri (the “**City**”), which, upon acceptance of this offer by the Authority and the City, will be binding upon the Authority, the City and the Underwriter. This offer is made subject to the written acceptance hereof by the Authority and the City on or before 10:00 p.m. (central time) on the date hereof (or at such other time or date as may be agreed to in writing by the Authority, the City and the Underwriter) and, if not so accepted, will be subject to withdrawal by the Underwriter upon written or oral notice given to the Authority and the City at any time prior to the acceptance hereof by the Authority and the City. Capitalized terms used herein and not otherwise defined have the meanings set forth in the hereinafter defined Indenture.

**SECTION 1. PURCHASE AND SALE OF THE SERIES 2017A BONDS**

(a) On the terms and conditions and upon the basis of the representations, warranties and agreements contained herein, the Underwriter hereby agrees to purchase from the Authority and the Authority hereby agrees to sell and deliver to the Underwriter all (but not less than all) of its \$28,025,000 original principal amount of Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) (the “**Series 2017A Bonds**”) at the aggregate Purchase Price set forth below. The Series 2017A Bonds shall be issued under and secured as provided in the Trust Indenture, dated as of August 1, 2017 (the “**Indenture**”) by and between the Authority and BOKF, N.A., Kansas City, Missouri, as trustee (the “**Trustee**”). The Underwriter’s agreement to purchase the Series 2017A Bonds from the Authority is made in reliance upon the Authority’s and the City’s representations, covenants and warranties and on the terms and conditions set forth in this Agreement. The Series 2017A Bonds shall have the maturities, interest rates and initial offering prices and be subject to redemption as set forth in **Exhibit A** attached hereto.

(b) The Underwriter agrees to purchase the Series 2017A Bonds at the aggregate purchase price of \$27,982,499.80, which amount is equal to the principal amount of the Series 2017A Bonds of \$28,025,000.00, plus net original issue premium of \$335,837.30, and less an Underwriter’s discount of \$378,337.50 (the “**Purchase Price**”).

## SECTION 2. USE AND PREPARATION OF THE OFFICIAL STATEMENT AND PRELIMINARY OFFICIAL STATEMENT

(a) At the time of acceptance of this Agreement, or at such later time as is agreeable to the Underwriter, but no later than seven (7) business days of the date of this Agreement, and, in any event, at least two (2) business days prior to the Closing Date, the Authority and the City will deliver to the Underwriter a sufficient number of copies of the Official Statement dated as the date hereof (the “**Official Statement**”), as determined by the Underwriter, but in no case less than one (1) copy, executed by an appropriate officer of the Authority and the City. At such time as is agreeable to the Underwriter, but no later than two (2) business days prior to the Closing Date, the City will cause to be delivered such reasonable number of conformed copies of the Official Statement as the Underwriter requests, in amounts sufficient to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”) and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The Authority and the City, by their acceptance hereof, authorize the Underwriter to use the Preliminary Official Statement dated August 1, 2017 (the “**Preliminary Official Statement**”), the Official Statement and all documents described therein in connection with the public offering and the sale of the Series 2017A Bonds.

(b) The Authority and the City each represent and warrant that the Preliminary Official Statement delivered to the Underwriter is deemed final as of the date thereof and as of the date hereof for the purposes of the Rule, and represent and warrant that the Official Statement delivered to the Underwriter within seven (7) business days of the execution and delivery hereof is deemed final by the Authority and the City as of the date hereof.

(c) The Underwriter shall give notice to the Authority and the City of the “End of the Underwriting Period” (as defined in the Rule and **Section 9** hereof) and of the date after which no “participating underwriter,” as such term is defined in the Rule, remains obligated to deliver an Official Statement pursuant to paragraph (b)(4) of the Rule on the respective date of such occurrence. The Authority and the City hereby authorize the Underwriter to deliver to the Electronic Municipal Market Access (“**EMMA**”), within seven (7) business days of the Closing Date, such copies of the Official Statement and other information as required by EMMA so as to satisfy the provisions of paragraph (b)(4)(ii) of the Rule.

## SECTION 3. CLOSING

(a) Delivery of and payment for the Series 2017A Bonds will take place at 11:00 a.m. (central time) on August 31, 2017 at the Kansas City office of Gilmore & Bell, P.C., or at such other time or place or on such business day as shall have been mutually agreed upon by the parties hereto. At the Closing, the Authority shall deliver or cause to be delivered: (i) a single bond certificate for each maturity of the Series 2017A Bonds in definitive form, duly executed and authenticated by the Trustee in accordance with the Indenture and (ii) the other instruments and documents required hereunder to be delivered at the Closing pursuant to **Section 5** hereof. At the Closing, the Underwriter shall pay the Purchase Price as set forth in **Section 1** hereof by delivering Federal or other immediately available funds in the amount of such Purchase Price to the Authority. The Series 2017A Bonds shall be delivered as fully registered bonds in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“**DTC**”), and shall be delivered to the Trustee in Kansas City, Missouri, as agent of DTC under the Fast Automated Securities Transfer system, for delivery to the Underwriter through the facilities of DTC, and the Underwriter will accept such delivery through the facilities of DTC upon satisfaction of the conditions set forth in **Section 5** hereof. Such payment and delivery is herein called the “**Closing**,” and the date on which payment and delivery occurs is herein called the “**Closing Date**.” The Series 2017A Bonds will be made available for inspection by the Underwriter at least one business day prior to the Closing. If, at the Closing, the Authority fails to deliver the Series 2017A Bonds to the Underwriter as provided herein, or if, at the Closing, any of the conditions specified in **Section 5** hereof shall not have been fulfilled to the satisfaction of

the Underwriter or any of the events in **Section 6** hereof have occurred, the Underwriter may elect to be relieved of any further obligations under this Agreement as provided in **Section 8** hereof.

(b) It is anticipated that CUSIP identification numbers will be printed on the Series 2017A Bonds, but neither the failure to print such numbers on any Series 2017A Bond nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for any Series 2017A Bonds.

#### **SECTION 4. REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY AND THE CITY**

**A. AUTHORITY.** The Authority hereby agrees with, and makes the following representations and warranties to, the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) The Authority is a public corporation organized and existing under the laws of the State of Missouri authorized and empowered under the Missouri Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended (“**Act**”), to issue revenue bonds for the purpose of providing funds to finance and refinance the costs of certain “projects” as defined in the Act and to pay certain costs related to the issuance of such revenue bonds, with lawful power and authority to enter into the Indenture acting by and through its duly authorized officers and to sell the Series 2017A Bonds as contemplated hereunder.

(b) The Authority has complied with all provisions of the Constitution and the laws of the State of Missouri, including the Act, and has full power and authority under the Constitution and the laws of the State to execute and deliver, and to consummate all transactions contemplated by, this Agreement, the Series 2017A Bonds, the Indenture, the Financing Agreement, dated as of August 1, 2017 (the “**Financing Agreement**”), among the Authority, the City and Branson Shoppes Development Company, a Missouri corporation (the “**Developer**”), the Tax Compliance Agreement dated as of August 1, 2017 (the “**Tax Compliance Agreement**”), among the Authority, the City and the Trustee, and any and all other agreements relating thereto (all such documents being referred to collectively as the “**Bond Documents**”). When the words “**Bond Documents**” are used in the context of the authorization, execution, delivery, approval or performance of Bond Documents by a party hereto, the same shall mean only those Bond Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

(c) The Authority has duly authorized all necessary action to be taken by the Authority for (i) the issuance and sale of the Series 2017A Bonds upon the terms set forth herein and in the Indenture and the Official Statement; (ii) the execution and delivery of the Indenture providing for the issuance of and security for the Series 2017A Bonds (including the pledge and assignment by the Authority of the payments to be received pursuant to the Financing Agreement in the amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Series 2017A Bonds) and appointing the Trustee as trustee, paying agent and bond registrar under the Indenture; (iii) the approval of the Official Statement; (iv) the refunding of the Refunded Bonds as described in the Official Statement; (v) the execution, delivery, receipt and due performance of the Bond Documents and any and all such other agreements and documents as may be required to be executed, delivered and received by the Authority in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (vi) the carrying out, giving effect to and consummation of the transactions contemplated hereby and by the Bond Documents and the Official Statement. Executed counterparts of the Bond Documents and the Official Statement will be delivered to the Underwriter by the Authority on the Closing Date.

(d) There is no action, suit, proceeding, inquiry, investigation, litigation, or other proceeding at law or in equity before or by any court or agency or other administrative body (either State or federal) pending against or, to the knowledge of the Authority, threatened against it, or in any way restraining or enjoining, or threatening or seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2017A Bonds or in any way questioning or affecting: (i) the proceedings under which the Series 2017A Bonds are to be issued; (ii) the validity or enforceability of any provision of the Series 2017A Bonds; (iii) the pledge by the Authority effected under the Bond Documents to the payment of the Series 2017A Bonds; (iv) the accuracy, completeness, or fairness of the Preliminary Official Statement and the Official Statement; (v) the legal existence of the Authority or its right to conduct its operations as presently conducted; (vi) the entitlement of the members of the Authority to their respective offices in such manner as to adversely affect the ability of the Authority to authorize the issuance, sale, or delivery of the Series 2017A Bonds; or (vii) the tax-exempt status of the Series 2017A Bonds.

(e) The execution and delivery of this Agreement and the Official Statement have been, and the execution and delivery of the other Bond Documents, at the time of the Closing, will be duly authorized by the Authority. When delivered to and paid for by the Underwriter, in accordance with the terms of this Agreement, the Series 2017A Bonds will have been duly authorized, issued, executed, authenticated, and delivered by the Authority and will constitute the valid and binding obligations of the Authority, enforceable in accordance with their terms. Assuming due authorization, execution, and delivery of the Bond Documents (except for the Official Statement) by the other parties thereto, such documents, when executed and delivered by the Authority shall constitute legal, valid, and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms. The Indenture has been duly and lawfully approved, is in full force and effect and will be a legal, valid, and binding obligation of the Authority, enforceable against the Authority in accordance with its terms as of the date hereof and will be as of the date of the Closing. When delivered and paid for at the Closing, the Series 2017A Bonds shall be subject only to the terms and conditions set forth in the Bond Documents and as described in the Official Statement.

(f) The execution, delivery, and performance of the Bond Documents, the issuance and sale of the Series 2017A Bonds, and the consummation of the transactions contemplated by the Bond Documents, the Series 2017A Bonds, and the Official Statement, under the circumstances contemplated by such documents, are within the powers of the Authority, and do not and will not: (i) in any material respect conflict with or constitute on the part of the Authority a violation of, breach of, or default under any agreement, indenture, mortgage, lease, or other instrument to which the Authority is a party or to which it or its revenues, properties, assets, or operations are bound or subject; (ii) in any material respect conflict with or result in a violation by the Authority of the Act, the Constitution of the United States or the State, or any other law, ordinance, regulation, order, decree, judgment, or ruling by or to which it or its revenues, properties, assets, or operations are bound or subject; or (iii) except as provided in the Bond Documents, result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of its revenues, properties, or assets. The Authority has complied, and will at Closing be in compliance in all material respects, with the Act and the laws of the State and the United States of America and with its obligations in connection with the issuance of the Series 2017A Bonds and under the Bond Documents.

(g) The Authority is not in violation in any material respect of any existing law, rule, or regulation applicable to it and it is not in default in any material respect under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree, or other agreement, instrument, or restriction of any kind to which the Authority is a party or by which it is bound or to which any of its assets are subject, the violation of which or default thereunder would restrain or

enjoin the issuance of the Series 2017A Bonds or question or affect the validity of the Series 2017A Bonds or the Bond Documents and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such document; and the execution of, and compliance with the provisions of, the Bond Documents will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is subject, or by which it is bound.

(h) No consent, approval, authorization or order of any governmental or regulatory authority is required to be obtained by the Authority as a condition precedent to the issuance of the Series 2017A Bonds by the Authority or the adoption or execution and delivery by the Authority of the Bond Documents or the performance of its obligations thereunder (provided no representation or warranty is expressed as to any action required under federal or state securities or Blue Sky laws in connection with the purchase or distribution of the Series 2017A Bonds by the Underwriter).

(i) Except for information which is permitted to be omitted pursuant to the Rule, the information in the Preliminary Official Statement regarding the Authority under the headings “THE AUTHORITY” and “ABSENCE OF LITIGATION – The Authority,” as of its date and as of the date hereof was and is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) As of its date and at the time of the Authority’s acceptance thereof, the information regarding the Authority under the headings “THE AUTHORITY ” and “ABSENCE OF LITIGATION – The Authority” in the Official Statement does not contain any untrue or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, at all times up to and including the Closing Date, the information regarding the Authority in the Official Statement under the headings “THE AUTHORITY ” and “ABSENCE OF LITIGATION – The Authority” will not contain any untrue or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Series 2017A Bonds for offer and sale under the “blue sky” or other securities laws or regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate; provided, however, that the Authority shall not be required to consent to service of process in any state or place where such is not provided by the laws of the State.

(l) Except as otherwise provided herein, the Indenture and the Series 2017A Bonds conform to the descriptions thereof contained in the Official Statement; and the Series 2017A Bonds, when validly issued, authenticated and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and entitled to the benefits and security of the Indenture, all as more fully described in the Official Statement.

(m) The Authority, to the extent such matters are within its control, will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Series 2017A Bonds to be applied in a manner contrary to that provided for in the Indenture and the Official Statement or which would cause the interest on the Series 2017A Bonds to be includable in gross income for federal income tax purposes.

(n) Any certificate signed by any of the authorized officials of the Authority and delivered to the Underwriter shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(o) The Authority will deliver or cause to be delivered all opinions, certificates and other documents, as provided herein, including, but not limited to, an opinion of its counsel dated as of the Closing Date covering, among other things, the due authorization, execution and delivery by the Authority of this Agreement and the documents to which the Authority is a party.

(p) No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a “default,” “Event of Default,” or “event of default” under and as defined in any of the Bond Documents.

**B. CITY.** The City hereby agrees with, and makes the following representations and warranties to, the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) The City is a 4<sup>th</sup> class city and political subdivision organized and existing under the laws of the State. The City is authorized to enter into this Agreement.

(b) The City has complied with all provisions of the Constitution and the laws of the State and has full power and authority under the Constitution and the laws of the State to execute and deliver, and to consummate all transactions contemplated by the Bond Documents.

(c) The information contained in the Official Statement (other than the information supplied by the Developer, the Authority, DTC or the Underwriter) is and as of the Closing Time will be, true and does not omit and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

(d) The City has duly authorized all necessary action to be taken by the City for (i) the approval of the Official Statement; (ii) the execution, delivery, receipt and due performance of the Bond 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, by the other Bond Documents and by the Official Statement; and (iii) the carrying out, giving effect to and consummation of the transactions contemplated hereby, by the other Bond Documents and by the Official Statement. Executed counterparts of the Bond Documents to which the City is a party will be delivered to the Underwriter by the City at the Closing Time.

(e) There is no action, suit, proceeding, inquiry, investigation, litigation, or other proceeding at law or in equity before or by any court or agency or other administrative body (either State or federal) pending against the or, to the knowledge of the City, threatened against it, or in any way restraining or enjoining, or threatening or seeking to restrain or enjoin, or in any way questioning or affecting: (i) the proceedings of the City related to the issuance of the Series 2017A Bonds; (ii) the validity or enforceability of any provision of the Series 2017A Bonds; (iii) the accuracy, completeness, or fairness of the Preliminary Official Statement and the Official Statement; (iv) the legal existence of the City or its right to conduct its operations as presently conducted; (v) the entitlement of the members of the governing body of the City to their respective offices in such manner as to adversely affect the ability of the City to authorize the execution and delivery of the Bond Documents; or (vii) the tax-exempt status of the Series 2017A Bonds.

(f) The execution, delivery, and performance of the Bond Documents and the consummation of the transactions contemplated by the Bond Documents, the Series 2017A Bonds, and the Official Statement, under the circumstances contemplated by such documents, are within the powers of the City, and do not and will not: (i) in any material respect conflict with or constitute on the part of the City a violation of, breach of, or default under any agreement, indenture, mortgage, lease, or other instrument to which the City is a party or to which it or its revenues, properties, assets, or operations are bound or subject; (ii) in any material respect conflict with or result in a violation by the City of the Constitution of the United States or the State, or any other law, ordinance, regulation, order, decree, judgment, or ruling by or to which it or its revenues, properties, assets, or operations are bound or subject; or (iii) except as provided in the Bond Documents, result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of its revenues, properties, or assets. The City has complied, and will at Closing be in compliance in all material respects, with the laws of the State and the United States of America and with its obligations under the Bond Documents.

(g) The City is not in violation in any material respect of any existing law, rule, or regulation applicable to it and it is not in default in any material respect under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree, or other agreement, instrument, or restriction of any kind to which the City is a party or by which it is bound or to which any of its assets are subject, the violation of which or default thereunder would question or affect the validity of the Series 2017A Bonds or the Bond Documents and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such document; and the execution of, and compliance with the provisions of, the Bond Documents will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is subject, or by which it is bound.

(h) No consent, approval, authorization or order of any governmental or regulatory authority is required to be obtained by the City as a condition precedent to the adoption or execution and delivery by the City of the Bond Documents or the performance of its obligations thereunder.

(i) Except for information which is permitted to be omitted pursuant to the Rule, the information in the Preliminary Official Statement regarding the City, as of its date and as of the date hereof was and is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) As of its date and at the time of the City's acceptance hereof, the information regarding the City in the Official Statement does not contain any untrue or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, at all times up to and including the Closing Date, the information regarding the City in the Official Statement will not contain any untrue or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The City will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Series 2017A Bonds to be applied in a manner contrary to that provided for in the Indenture and the Official Statement or which would cause the interest on the Series 2017A Bonds to be includable in gross income for federal income tax purposes.

(l) Any certificate signed by any of the authorized officials of the City and delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

(m) The City will deliver or cause to be delivered all opinions, certificates and other documents, as provided herein, including, but not limited to, an opinion of its counsel dated as of the Closing Date covering, among other things, the due authorization, execution and delivery by the City of this Bond Purchase Agreement and the documents to which the City is a party.

(n) No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute “default,” “Event of Default,” or “event of default” under and as defined in the documents to which the City is a party.

(o) The City hereby covenants and agrees to enter into a written agreement constituting a continuing disclosure agreement (the “**Continuing Disclosure Agreement**”) to provide ongoing disclosure about the City for the benefit of the owners of the Series 2017A Bonds on the date of delivery of the Series 2017A Bonds required by Section (b)(5) of the Rule, in the form set forth in **Appendix D** to the Official Statement. Except as described in the Preliminary Official Statement and the Official Statement, the City has complied in all material respects with any previous continuing disclosure undertakings under the Rule. The City has taken steps to ensure that it will timely comply with all undertakings in the future.

(p) If, after the date of this Agreement and until the earlier of (a) 90 days from the “End of the Underwriting Period” (as defined in the Rule and **Section 9** hereof) or (b) the time when the Official Statement is available to any person from a nationally recognized repository, but in no case less than 25 days following the End of the Underwriting Period, any event occurs which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City will promptly notify the Underwriter thereof in writing of such event, and, if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will, at its own expense, promptly prepare and furnish to the Underwriter a sufficient number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory, as confirmed in writing, to the Underwriter and its counsel) which will supplement or amend the Official Statement so that it will not contain an untrue or misleading statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at such time, not misleading.

## **SECTION 5. CLOSING CONDITIONS**

The Underwriter has entered into this Agreement in reliance upon the representations, warranties and agreements of the Authority and the City contained herein and to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the Authority and the City of their obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligation under this Agreement to purchase and pay for the Series 2017A Bonds shall be subject to the performance by the Authority and the City of their obligations to be performed hereunder and under such documents and instruments on or prior to the Closing Date, and shall also be subject to the following conditions:

(a) The representations and warranties of the Authority and City contained herein shall be true, complete and correct as of the date hereof, and on and as of the Closing Date with the same effect as if made on the Closing Date.

(b) On the Closing Date, the Bond Documents shall each have been duly authorized, executed and delivered, shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriter.

(c) On or before the Closing Date, there shall not have occurred (i) any change or any development involving a prospective change in the condition, financial or otherwise, of the City from that set forth in the Official Statement that in the judgment of the Underwriter is material and adverse and that makes it, in the judgment of the Underwriter, impracticable to market the Series 2017A Bonds on the terms and in the manner contemplated in the Official Statement, or (ii) any change in or particularly affecting the Act, the TIF Act or the Bond Documents as the foregoing matters are described in the Official Statement, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the Series 2017A Bonds.

(d) Simultaneously with the issuance of the Series 2017A Bonds, the Authority shall have issued and delivered to the Developer its Subordinate Tax Increment Tax Increment Refunding Revenue Bonds, Series 2017B (the “**Series 2017B Bonds**”) pursuant to the terms of the Indenture and in accordance with the terms of the Bond Purchase and Tender Agreement, dated as of the date of this Agreement (the “**Series 2017B Bond Purchase and Tender Agreement**”), between the Authority, the City and the Developer.

(e) On the Closing Date, the Underwriter shall receive:

(1) The bond opinions in form and substance satisfactory to the Underwriter, dated as of the Closing Date and addressed to the Underwriter, of (a) Gilmore & Bell, P.C., Bond Counsel, relating to the due organization and existence of the Authority, the valid authorization and issuance of the Series 2017A Bonds, the due authorization, execution and delivery by the Authority of the Indenture, the Financing Agreement and the Tax Compliance Agreement, the exclusion of interest on the Series 2017A Bonds from gross income for federal income tax purposes and certain other matters; and (b) the City’s counsel, relating to the due organization and existence of the City, the due authorization, execution and delivery of the Bond Documents to the extent the City is a party and the other agreements described in the Official Statement to be executed by the City;

(2) The opinion of Bryan Cave LLP, counsel to the Underwriter, dated the date of the Closing and addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(3) The opinion of Armstrong Teasdale LLP, counsel to the Developer, dated the date of the Closing and addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(4) A certificate, in form and substance satisfactory to the Underwriter, of the President or Vice President of the Authority or of any other of its duly authorized officers satisfactory to the Underwriter, dated as of the Closing Date;

(5) A certificate, in form and substance satisfactory to the Underwriter, of the City, dated as of the Closing Date;

(6) A certificate, in form and substance satisfactory to the Underwriter, of the CID, dated as of the Closing Date;

- (7) A certificate, in form and substance satisfactory to the Underwriter, of the Developer, dated as of the Closing Date;
- (8) A specimen Series 2017A Bond;
- (9) Copy of the executed Continuing Disclosure Agreement in form and substance satisfactory to the Underwriter and its counsel;
- (10) Copies of the Bond Documents, the Series 2017B Bond Purchase and Tender Agreement and any other documents necessary to consummate the transaction contemplated thereunder, each duly executed by the parties thereto; and
- (11) Such additional certificates, instruments, legal opinions, agreements, proceedings, or other documents as Bond Counsel or counsel to the Underwriter may reasonably request to evidence the due authorization, execution, authentication, and delivery of the Series 2017A Bonds, the conformity of the Series 2017A Bonds with the terms of the Indenture as summarized in the Official Statement, the exclusion from gross income for federal income tax purposes of interest on the Series 2017A Bonds, and the truth, accuracy, and completeness as of the Closing of the Authority's and the City's representations and warranties contained in this Agreement, in the Official Statement and in any of the certificates or documents of the Authority or the City delivered pursuant hereto.

## **SECTION 6. THE UNDERWRITER'S RIGHT TO CANCEL**

The Underwriter shall have the right to cancel their obligations hereunder to purchase the Series 2017A Bonds by notifying the Authority and the City in writing of their election to make such cancellation prior to the Closing Time, if at any time prior to the Closing Time:

- (a) Legislation shall have been enacted, or actively considered for enactment with an effective date prior to the Closing Date, or a decision by a court of the United States of America shall have been rendered, having the effect that the Series 2017A Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended (the "**Securities Act**") and as then in effect, or the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and as then in effect;
- (b) An event described in paragraph (p) of Section 4B hereof has occurred which requires an amendment or supplement to the Official Statement and which, in the opinion of the Underwriter, materially adversely affects the marketability of the Series 2017A Bonds or the market price thereof;
- (c) In the reasonable sole opinion of the Underwriter, payment for and delivery of the Series 2017A Bonds is rendered impracticable or inadvisable because (i) trading in securities generally has been suspended on any national securities exchange, or (ii) a general banking moratorium has been established by federal, New York or State authorities, or (iii) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of America of a national emergency or war or other calamity or crisis or material adverse change in the operating, financial or economic conditions affecting the United States of America;
- (d) Any litigation (whether instituted or pending), order, decree or injunction of any court of competent jurisdiction, or any order, rating, regulation or administrative proceeding by any governmental body or board having jurisdiction over the subject matter, has been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance,

offering or sale of the Series 2017A Bonds as contemplated hereby or by the Official Statement or prohibiting the execution or performance of the Bond Documents, including, without limitation, any provision of applicable federal securities laws as amended and then in effect;

(e) The President of the United States of America, the Office of Management and Budget, the Department of Treasury, the Internal Revenue Service or any other governmental body having jurisdiction over the subject matter, department, agency or commission of the United States of America or the State takes or proposes to take any action or implement or propose regulations, rules or legislation which, in the reasonable judgment of the Underwriter, materially adversely affects the market price of the Series 2017A Bonds;

(f) Any executive order is announced, (f) any legislation, ordinance, rule or regulation is proposed by or introduced in, or be enacted by any governmental body, department, agency or commission of the United States of America or the State or the State of New York, having jurisdiction over the subject matter, or a decision by any court of competent jurisdiction within the United States of America or within the State or the State of New York is rendered which, in the reasonable judgment of the Underwriter, materially adversely affects the market price of the Series 2017A Bonds;

(g) A stop order, ruling, regulation or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Series 2017A Bonds as contemplated hereby or by the Official Statement, is or would be in violation of any provisions of the federal securities laws, including the Securities Act, as then in effect, and the Securities Exchange Act, as then in effect;

(h) Any event shall have occurred, or information become known, which, in the Underwriter's opinion, makes untrue in any material respect any statement or information contained in the Official Statement as originally circulated, or has the effect that the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(i) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Series 2017A Bonds;

(j) The New York Stock Exchange or other national securities exchange, or any governmental authority shall impose, as to the Series 2017A Bonds or obligations of the general character of the Series 2017A Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(k) If between the date hereof and the Closing Date legislation has been enacted by the House of Representatives or the Senate of the Congress of the United States of America, or a committee of either, shall have pending before it, or recommended to the Congress for passage by the President of the United States of America, or favorably reported for passage to either House of Congress by any Committee of such House, or passed by either House of Congress, or a decision has been rendered by a court of the United States of America or the United States Tax Court, or a ruling has been made or a regulation has been proposed or made by the Treasury Department of the United States of America or the Internal Revenue Service, with respect to the federal taxation of

interest received on obligations of the general character of the Series 2017A Bonds, which, in the opinion of counsel to the Underwriter has, or will have, the effect of making such interest subject to inclusion in gross income for purposes of federal income taxation, except to the extent such interest shall be includable in gross income on the date hereof;

(l) Any general banking moratorium shall have been established by federal, New York or Missouri authorities; or

(m) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's opinion, materially adversely affects the market price of the Series 2017A Bonds.

## **SECTION 7. REPRESENTATIONS, WARRANTIES AND AGREEMENTS TO SURVIVE DELIVERY**

All of the Authority's and the City's representations, warranties, and agreements shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter on its own behalf, and shall survive delivery of the Series 2017A Bonds to the Underwriter.

## **SECTION 8. TERMINATION**

If the Authority and the City shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Agreement, or if such obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter, the Authority nor the City shall be under further obligation hereunder, except: (i) the respective obligations of the Authority, the City and the Underwriter for the payment of expenses, as provided in **Section 10** hereof; and (ii) the agreement of the Authority and the City made in **Section 11** hereof, each of which obligations referred to in (i) and (ii) of this sentence shall continue in full force and effect. The performance by the Authority or the City of any and all conditions contained in this Agreement for the benefit of the Underwriter may be waived by the Underwriter.

## **SECTION 9. END OF THE UNDERWRITING PERIOD**

(a) For purposes of this Agreement, the End of the Underwriting Period shall mean the earlier of (i) the Closing Date, unless the Authority and the City have been notified in writing to the contrary by the Underwriter on or prior to the Closing Date or (ii) the date on which the "end of the underwriting period" for the Series 2017A Bonds has occurred under the Rule. In any event, the Authority and the City shall be entitled to treat as the End of the Underwriting Period, the date specified in the notification of the Underwriter required by paragraph (b) of this **Section 9**.

(b) The Authority and the City may request from the Underwriter from time to time, and the Underwriter shall provide to the Authority upon such request, such information as may be reasonably required by the Authority and the City in order to determine whether the "end of the underwriting period" for the Series 2017A Bonds has occurred under the Rule with respect to the unsold balances of Series 2017A Bonds that are held by any Underwriter for sale to the public within the meaning of the Rule.

(c) If the End of the Underwriting Period for the Series 2017A Bonds does not occur on the Closing Date and thereafter, the Underwriter does not retain any unsold balance of Series 2017A Bonds for sale to the public within the meaning of the Rule, then the Underwriter shall promptly notify the Authority and the City in writing that, in its opinion, the end of the underwriting period for the Series 2017A Bonds under the Rule has occurred on a date which shall be set forth in such notification.

## SECTION 10. PAYMENT OF EXPENSES

Whether or not the Series 2017A Bonds are sold by the Authority to the Underwriter (unless such sale be prevented at the Closing Time by the Underwriter's default), the Underwriter shall be under no obligation to pay any expenses related to the issuance of the Series 2017A Bonds or incident to the performance of the obligations of the Authority and the City hereunder. If the Series 2017A Bonds are sold by the Authority to the Underwriter, all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Series 2017A Bonds (including, without limitation, the fees and disbursements of Gilmore & Bell, P.C., as Bond Counsel, the fees and disbursements of Bryan Cave LLP, counsel to the Underwriter, the fees of the City's financial advisor, the fees and disbursements of the Underwriter in connection with the offering and sale of the Series 2017A Bonds, and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Series 2017A Bonds, the Official Statement, this Agreement and all other agreements and documents contemplated hereby) shall be paid by the City out of the proceeds of the Series 2017A Bonds. If the Series 2017A Bonds are not sold by the Authority to the Underwriter, the City will not be liable for any of such expenses and costs.

The City shall pay out of the proceeds of the Series 2017A Bonds for expenses (included in the expense component of the spread) incurred on behalf of the Authority's or City's employees which are incidental to implementing this Agreement, including, but not limited to, meals, transportation, lodging, and entertainment of those employees.

## SECTION 11. INDEMNITY

(a) ***The Authority and the City.*** To the extent permitted by law, the Authority and the City agree to indemnify and hold harmless the Underwriter, the directors, officers, employees, and agents of the Underwriter and each person who controls the Underwriter within the meaning of either the Securities Act or the Exchange Act, against any and all losses, claims, damages, or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act, or other federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement (or in any supplement or amendment thereto), or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and agree to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; *provided, however,* that neither the Authority nor the City will be liable in any such case to the extent that any such loss, claim, damage, or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made in the Official Statement, or in any amendment thereof or supplement thereto, in reliance upon and in conformity with written information furnished to either the Authority or the City by or on behalf of the Underwriter specifically for inclusion therein and, *provided further* that such indemnity is given by the Authority only with respect to written information provided by the Authority for inclusion in the Official Statement. This indemnity agreement will be in addition to any liability which the Authority or the City may otherwise have. The City and the Underwriter acknowledge that the information in the Official Statement under the headings "THE AUTHORITY" and "ABSENCE OF LITIGATION – The Authority" constitutes the only information furnished in writing by the Authority for inclusion in the Official Statement, including any amendment or supplement thereto.

(b) ***The Underwriter.*** The Underwriter agrees to indemnify and hold harmless the Authority and the City, each of their officials, directors, officers, and employees, and each person who controls the Authority or the City within the meaning of either the Securities Act or the Exchange Act, to the same extent as the foregoing indemnity from the Authority and the City to the Underwriter, but only with reference to

written information relating to the Underwriter furnished to the Authority or the City by or on behalf of the Underwriter specifically for inclusion in the Official Statement (or in any amendment or supplement thereto). This indemnity agreement will be in addition to any liability which any Underwriter may otherwise have. The Authority and the City acknowledge that the information in the Official Statement under the caption “UNDERWRITING” constitutes the only information furnished in writing by or on behalf of the Underwriter for inclusion in the Official Statement (or in any amendment or supplement thereto).

(c) **Limited Cross-Indemnity.** Promptly after receipt by an indemnified party under this **Section 11** of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this **Section 11**, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under subsections (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in subsections (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party’s choice at the indemnifying party’s expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party’s election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs, and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit, or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise, or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit, or proceeding.

## **SECTION 12. FIDUCIARY DUTY DISCLAIMER**

The Authority and the City acknowledge that in connection with the offering of the Series 2017A Bonds: (a) the primary role of the Underwriter, as underwriter, is to purchase securities for resale to investors in an arm’s length commercial transaction between the Authority, the City and the Underwriter, and the Underwriter has financial and other interests that differ from those of the Authority and the City; (ii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Authority or the City and has not assumed (individually or collectively) any advisory or fiduciary responsibility to the Authority or the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter, has provided other services or is currently providing other services to the Authority or the City on other matters); (iii) the only obligations that the Underwriter has to the Authority or the City with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Authority and the City have consulted their own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent each has deemed appropriate. The Authority and the City waive to

the fullest extent permitted by applicable State law any claims each may have against the Underwriter arising from an alleged breach of fiduciary duty in connection with the offering of the Series 2017A Bonds.

### **SECTION 13. ESTABLISHMENT OF ISSUE PRICE**

(a) The Underwriter agrees to assist the Authority and the City in establishing the issue price of the Series 2017A Bonds and shall execute and deliver to the Authority and the City at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, which, in the reasonable judgment of the Underwriter, the City, the Authority and Bond Counsel, accurately reflects, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2017A Bonds. The Authority and the City will treat the price at which the first 10% of each maturity of the Series 2017A Bonds (the “**10% Test**”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). At or promptly after the execution of this Agreement, the Underwriter shall report to the Authority and the City the price or prices at which it has sold to the public each maturity of Series 2017A Bonds. If at that time the 10% Test has not been satisfied as to any maturity of the Series 2017A Bonds, the Underwriter agrees to promptly report to the Authority and the City the prices at which it sells the unsold series 2017A Bonds of that maturity to the public. The Underwriter’s reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% Test has been satisfied as to the Series 2017A Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(b) The Underwriter confirms that it has offered the Series 2017A Bonds to the public on or before the date of this Agreement at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in **Exhibit A** attached hereto, except as otherwise set forth therein. **Exhibit A** also sets forth, as of the date of this Agreement, the maturities, if any, of the Series 2017A Bonds for which the 10% Test has not been satisfied and for which the Authority, the City and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority and 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 Series 2017A Bonds, the Underwriter will neither offer nor sell unsold Series 2017A 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:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2017A Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Authority and the City when it has sold 10% of that maturity of the series 2017A Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Series 2017A 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 retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2017A Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% Test has been satisfied as to the Series 2017A Bonds of that maturity or all Series 2017A Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Authority and the City acknowledge that, in making the representation set forth in this subsection, the

Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2017A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Series 2017A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Authority and the City further acknowledge that the Underwriter 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 retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2017A Bonds.

(c) The Underwriter acknowledges that sales of any Series 2017A Bonds to any person that is a related party to the Underwriter 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 Authority or the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2017A 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 Series 2017A Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2017A Bonds to the public),

(iii) a purchaser of any of the Series 2017A Bonds is a “**related party**” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 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), (ii) 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 (iii) 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 Agreement by all parties.

## SECTION 14. NOTICE

Any notice or other communication to be given under this Agreement may be given by mailing or delivering the same in writing to the Authority, 110 W. Maddux, Branson, Missouri 65615, Attention: President ; to the City, City Hall, 110 W. Maddux, Branson, Missouri 65615, Attention: Finance Director; and any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to Michelle Bock, Managing Director, Piper Jaffray & Co., 8235 Forsyth Boulevard, Suite 600, St. Louis, Missouri 63105.

## SECTION 15. APPLICABLE LAW: NONASSIGNABILITY

This Agreement shall be governed by the laws of the State of Missouri. This Bond Purchase Agreement shall not be assigned.

## **SECTION 16. EXECUTION OF COUNTERPARTS**

This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

## **SECTION 17. RIGHTS HEREUNDER**

This Agreement is made for the benefit of the Authority, the City and the Underwriter and no other person, including any purchaser of the Series 2017A Bonds shall acquire or have any rights hereunder or by virtue hereof.

## **SECTION 18. EFFECTIVE DATE**

This Agreement shall become effective upon acceptance hereof by the Authority and the City and execution hereof by each party hereto on or before the time set forth in the opening paragraph hereof.

*(Remainder of this page intentionally left blank)*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement, all as of the day and year first above mentioned.

Very truly yours,

**PIPER JAFFRAY & CO.**

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

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

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

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

**CITY OF BRANSON, MISSOURI**

By: \_\_\_\_\_  
Name: Karen Best  
Title: Mayor

Approved as to Form for the City

By: \_\_\_\_\_  
Gilmore & Bell, P.C., Special Counsel

**EXHIBIT A**

**\$28,025,000**

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF BRANSON, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A  
(BRANSON SHOPPES REDEVELOPMENT PROJECT)**

Serial Bonds

<u>Maturity (November 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2018	\$1,925,000	3.000%	1.900%	101.261%
2019	1,985,000	3.000	2.400	101.257
2020	2,045,000	3.000	2.650	101.054
2021	2,105,000	3.000	2.900	100.387
2022	2,165,000	4.000	3.100	104.262
2023	2,255,000	4.000	3.350	103.590
2024	2,345,000	4.000	3.600	102.503
2025	2,440,000	4.000	3.800	101.388
2026	2,535,000	4.000	3.950 <sup>(1)</sup>	100.341
2027	2,635,000	4.000	4.080	99.335

Term Bonds

\$5,590,000 3.900% Term Bonds due November 1, 2029;  
Yield: 3.900%; Price: 100.000%

Redemption Provisions

The redemption provisions for the Series 2017A Bonds shall be as set forth in the Official Statement under the caption "THE SERIES 2017A BONDS."

Maturities Not Subject to 10% Test

None

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<sup>(1)</sup> Yield calculated to the first optional redemption date (November 1, 2025).

NEW ISSUE  
BOOK-ENTRY ONLY

UNRATED

*In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (1) the interest on the Series 2017A Bonds (including any original issue discount properly allocable to an owner thereof) 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 imposed on individuals and corporations, (2) the interest on the Series 2017A Bonds is exempt from Missouri income taxation by the State of Missouri, and (3) the Series 2017A Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" in this Official Statement.*

**\$27,745,000\***

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF BRANSON, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A  
(BRANSON SHOPPES REDEVELOPMENT PROJECT)**

**Dated: Date of Delivery**

**Due: November 1,  
as shown on the inside cover**

The Series 2017A Bonds are being issued by The Industrial Development Authority of the City of Branson, Missouri (the "Authority") pursuant to a Trust Indenture dated as of August 1, 2017 (the "Indenture"), by and between the Authority and BOKF, N.A., as trustee (the "Trustee"). The Series 2017A Bonds are special, limited obligations of the Authority, payable solely from Bond proceeds and Pledged Revenues (as defined herein) and other money that may hereafter be pledged thereto and held by the Trustee under the Indenture. The application of certain Pledged Revenues to the payment of the Series 2017A Bonds is subject to annual appropriation by the City of Branson, Missouri (the "City") or the Branson Hills Community Improvement District (the "CID") as further described herein.

Principal of and semiannual interest on the Series 2017A Bonds will be paid from moneys available therefor under the Indenture. Interest on the Series 2017A Bonds will be payable semiannually on each May 1 and November 1, beginning November 1, 2017.

The Series 2017A Bonds and the interest thereon do not constitute a debt of the Authority, the CID, the City, the State of Missouri or any political subdivision thereof, and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Series 2017A Bonds involve a high degree of risk, and prospective purchasers should read the section herein captioned "BONDOWNERS' RISKS" in this Official Statement. The Series 2017A Bonds may not be suitable investments for all persons, and prospective purchasers should carefully evaluate the risks and merits of an investment in the Series 2017A Bonds, should confer with their own legal and financial advisors and should be able to bear the risk of loss of their investment in the Series 2017A Bonds before considering a purchase of the Series 2017A Bonds.

The Series 2017A Bonds are subject to redemption prior to maturity in certain circumstances, as described herein. See the caption "THE SERIES 2017A BONDS – Redemption Provisions" in this Official Statement.

The Series 2017A Bonds are offered when, as and if issued by the Authority, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, as Bond Counsel. Certain legal matters will be passed upon for the Authority by Gilmore & Bell, P.C., Kansas City, Missouri; for the City by its City Attorney; for the Developer (as defined herein) by Armstrong Teasdale LLP, St. Louis, Missouri; and for the Underwriter by Bryan Cave LLP, Kansas City, Missouri. It is expected that the Series 2017A Bonds will be available for delivery on or about August 31, 2017\*.

**PiperJaffray®**

The date of this Official Statement is \_\_\_\_\_, 2017

\* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment without notice. These securities may not be offered for sale nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**MATURITY SCHEDULE\***

**\$27,745,000\***

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF BRANSON, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A  
(BRANSON SHOPPES REDEVELOPMENT PROJECT)**

Serial Bonds\*

<u>Maturity Date</u> <u>(November 1)*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number<sup>(1)</sup></u>
2018	\$1,925,000	_____ %	_____ %	_____ %	_____
2019	1,970,000	_____ %	_____ %	_____ %	_____
2020	2,025,000	_____ %	_____ %	_____ %	_____
2021	2,085,000	_____ %	_____ %	_____ %	_____
2022	2,155,000	_____ %	_____ %	_____ %	_____
2023	2,230,000	_____ %	_____ %	_____ %	_____
2024	2,310,000	_____ %	_____ %	_____ %	_____
2025	2,400,000	_____ %	_____ %	_____ %	_____
2026	2,495,000	_____ %	_____ %	_____ %	_____
2027	2,600,000	_____ %	_____ %	_____ %	_____

Term Bonds\*

\$5,550,000\* \_\_\_\_\_ % Term Bonds due November 1, 2029\*;  
Yield: \_\_\_\_\_ %; CUSIP Number<sup>(1)</sup>: \_\_\_\_\_

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\* Preliminary; subject to change.

<sup>(1)</sup> CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein have been assigned to this issue by CUSIP Global Services. The CUSIP numbers listed above are being provided solely for the convenience of the Bondowners of the Bonds only at the time of the issuance of the Bonds and none of the Authority, the City, the CID or the Underwriter make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future.

## REGARDING USE OF THIS OFFICIAL STATEMENT

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No dealer, broker, salesman or other person has been authorized by the Authority, the City, the CID, the Developer or the Underwriter to give any information or to make any representations with respect to the Series 2017A Bonds offered hereby 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 Series 2017A Bonds offered hereby 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 Authority, the City, the CID 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 Authority since the date hereof. The Underwriter has provided the following sentence for inclusion in this Official Statement. 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 such information. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary may be a criminal offense.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2017A 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 SERIES 2017A 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 SERIES 2017A BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION.

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**CAUTIONARY STATEMENTS REGARDING FORWARD-  
LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT**

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Certain statements included or incorporated by reference in this Official Statement constitute “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. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “anticipate,” “projected,” “budget” 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. THESE FUTURE RISKS AND UNCERTAINTIES INCLUDE THOSE DISCUSSED IN THE “BONDOWNERS’ RISKS” SECTION OF THIS OFFICIAL STATEMENT. NONE OF THE AUTHORITY, THE CITY, THE CID OR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR.

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Appendix A – Definitions and Summary of the Principal Documents
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## OFFICIAL STATEMENT

\$27,745,000\*

### THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A (BRANSON SHOPPES REDEVELOPMENT PROJECT)

#### 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 the 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 Industrial Development Authority of the City of Branson, Missouri (the “**Authority**”), (2) the City of Branson, Missouri (the “**City**”), (3) the Branson Hills Community Improvement District (the “**CID**”), (4) the Authority’s Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) in the original principal amount of \$27,745,000\* (the “**Series 2017A Bonds**”) and (5) the second and third phases of a three-phase development project (the “**Redevelopment Project II**” and “**Redevelopment Project III**,” respectively) known as the “Branson Shoppes Project” which is located within a tax increment financing redevelopment area (the “**Redevelopment Area**”), including the portion of the Redevelopment Area containing approximately 63 acres developed as the Redevelopment Project II (“**Redevelopment Project Area II**”) and the portion of the Redevelopment Area containing approximately 27 acres being developed as the Redevelopment Project III (“**Redevelopment Project Area III**,” together with Redevelopment Project Area II, the “**Redevelopment Project Areas**”) established by the City and developed by Branson Shoppes Development Company, a Missouri corporation (the “**Developer**”). The Developer has sold substantially all of the Redevelopment Project Areas to an unrelated third party. See the caption “**THE BRANSON SHOPPES PROJECT**” in this Official Statement.

The first phase of the development project (the “**Branson Hills Project**”) was developed by an affiliate of the Developer. The Branson Hills Project was not financed with the proceeds of the Series 2006 Bonds (as defined herein) and will not be refinanced with the proceeds of the Series 2017 Bonds (as defined herein).

For the definition of certain capitalized terms used herein and not otherwise defined, see **Appendix A** to this Official Statement.

#### The Authority

The Authority is a public corporation, duly organized and existing under the laws of the State of Missouri, including particularly the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended (the “**IDA Act**”). The Authority is authorized under the IDA Act, among other things, to (1) finance all or any part of the costs of projects (as defined in the IDA Act), (2) issue its bonds to finance such projects and to refund its outstanding bonds, and (3) pledge the income and revenues to be received with respect to such projects sufficient for the payment of such bonds and the interest thereon.

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\* Preliminary; subject to change.

For further information concerning the Authority, see the caption “**THE AUTHORITY**” in this Official Statement.

### **The City**

The City is a fourth class city and political subdivision of the State of Missouri (the “**State**”). The City is located in Taney County, Missouri (the “**County**”), approximately 35 miles from Springfield, Missouri. The City had a population of approximately 10,520 residents according to the 2010 census. See **Appendix C** to this Official Statement for certain economic and demographic information regarding the City.

### **The Series 2017A Bonds**

The Series 2017A Bonds are being issued pursuant to the IDA Act and the Trust Indenture, dated as of August 1, 2017 (the “**Indenture**”), between the Authority and BOKF, N.A., as trustee (the “**Trustee**”). The Series 2017A Bonds are being issued for the purpose of, together with other available funds,

- (1) refunding the Authority’s Tax Increment Revenue Bonds, Series 2006A (Branson Shoppes Redevelopment Project) originally issued in the aggregate principal amount of \$35,545,000 and currently outstanding in the aggregate principal amount of \$26,960,000 (the “**Series 2006A Bonds**”) and a portion of the Authority’s Subordinate Tax Increment Revenue Bonds, Series 2006B (Branson Shoppes Redevelopment Project) originally issued in an aggregate principal amount not to exceed \$9,385,045 and, as of July 1, 2017, outstanding in the aggregate principal amount of \$8,120,851.86, plus accrued and unpaid interest in the amount of \$6,962,798.67 (the “**Series 2006B Bonds**,” together with the Series 2006A Bonds, the “**Series 2006 Bonds**” or the “**Refunded Bonds**”) (see the caption “**PLAN OF FINANCING – The Refunding**” in this Official Statement),
- (2) funding a debt service reserve fund for the Series 2017A Bonds, and
- (3) paying the costs of issuance of the Series 2017A Bonds and the Series 2017B Bonds (as described below under the subcaption “**The Series 2017B Bonds**”) (the Series 2017A Bonds and the Series 2017B Bonds are collectively referred to as the “**Series 2017 Bonds**”).

A description of the Series 2017A Bonds is contained in this Official Statement under the caption “**THE SERIES 2017A BONDS**.” All references to the Series 2017A Bonds are qualified in their entirety by the definitive form thereof and the provisions with respect thereto included in the Indenture.

In connection with the issuance of the Series 2017 Bonds, the City, the Developer and the Authority will enter into a Financing Agreement, dated as of August 1, 2017 (the “**Financing Agreement**”), pursuant to which the City covenants to transfer (1) Payments in Lieu of Taxes, (2) subject to annual appropriation by the City, Economic Activity Tax Revenues and (3) subject to annual appropriation by the CID, the CID Portion of CID Revenues (each as defined herein) to the Trustee to be used for payment of debt service on the Bonds (as described below under the subcaption “**The Series 2017B Bonds**”) pursuant to the terms of the Indenture. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS**.”

The Indenture permits the issuance of one or more series of bonds on a parity with the Series 2017A Bonds, if certain financial tests and other conditions are satisfied. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS – Additional Bonds**” in this Official Statement.

The Series 2017A Bonds are subject to redemption prior to maturity as described herein. See the caption “**THE SERIES 2017A BONDS – Redemption Provisions**” in this Official Statement.

### **The Series 2017B Bonds**

Simultaneous with the issuance of the Series 2017A Bonds, the Authority will issue its Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project) in the principal amount of \$8,537,589.42\* (the “**Series 2017B Bonds**”), which will be delivered to the Developer in exchange for a portion of the principal and accrued and unpaid interest on Series 2006B Bonds not refunded by the proceeds of the Series 2017A Bonds. The Series 2017B Bonds and any additional “Junior Lien Bonds” (as described under the Indenture, collectively the “**Junior Lien Bonds**”), shall be junior and subordinate to the lien and security of the Series 2017A Bonds and any Additional Bonds issued pursuant to the Indenture (collectively, the “**Parity Lien Bonds**,” together with the Junior Lien Bonds, the “**Bonds**”) with respect to payment of principal and interest from the Pledged Revenues and the Trust Estate. However, pursuant to the flow of funds under the Indenture, payments of principal of and interest on the Junior Lien Bonds may be made while the Parity Lien Bonds remain outstanding. See the discussion under the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS – Indenture Funds and Accounts**” in this Official Statement.

### **Branson Shoppes Project**

In 2004 and 2005, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the “**TIF Act**”), the City implemented tax increment financing in an area of the City located at the northwest and southwest corners of the intersection of Highway 65 and Branson Hills Parkway (referred to herein as the Redevelopment Area), as identified in the Branson Hills Tax Increment Financing Plan, as amended, (the “**Redevelopment Plan**”), by adopting all ordinances approving the Redevelopment Plan. At the time of the adoption of the Redevelopment Plan, the Redevelopment Area consisted of approximately 141 acres of vacant land. The Redevelopment Plan provides for the development and financing of a three-phase retail development. In connection with the second and third phase of the development, the City and the Developer entered into a Second Amended and Restated Redevelopment Agreement (the “**Redevelopment Agreement**”), pursuant to which the Developer agreed to develop the Redevelopment Project Areas. See the caption “**THE BRANSON SHOPPES PROJECT**” in this Official Statement. For additional information on tax increment financing see the caption “**TAX INCREMENT FINANCING IN MISSOURI**” in this Official Statement.

### **The Branson Hills Community Improvement District and CID Sales Tax**

On December 20, 2004, the City adopted an ordinance establishing the Branson Hills Community Improvement District (the “**CID**”). The CID is a political subdivision of the State with authority to impose certain taxes to carry out its purposes pursuant to the provisions of the Community Improvement District Act, Sections 67.1401 and 67.1561 of the Revised Statutes of Missouri (the “**CID Act**”). The boundaries of the CID include the Redevelopment Project Areas and the Branson Hills Project, the first phase of the development project.

The CID was created for the purpose of imposing and has levied a sales and use tax at a rate of ½ of 1% (the “**CID Sales Tax**”) on retail sales occurring on the real property located within the CID. With respect to the CID Sales Tax, 50% of the revenues from the CID Sales Tax which are generated by economic activities within the Redevelopment Project Areas, but excluding certain items as described in the TIF Act (the “**TIF Portion of CID Revenues**”), will be captured as Economic Activity Tax Revenues pursuant to

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\* Preliminary; subject to change.

the TIF Act and will be available, subject to annual appropriation by the City, as Pledged Revenues for payment of the Series 2017A Bonds under the Financing Agreement and the Indenture. The remaining 50% of the CID Sales Tax revenues generated in the Redevelopment Project Areas, plus 50% of revenues generated from the CID Sales Tax generated in Redevelopment Project Area I, all of which is subject to annual appropriation by the Board of Directors of the CID, subject to certain adjustments, are referred to and defined herein as the “**CID Portion of CID Revenues.**” See the captions “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS**” and “**THE BRANSON HILLS COMMUNITY IMPROVEMENT DISTRICT AND THE CID SALES TAX**” in this Official Statement.

### **Security for the Series 2017A Bonds**

The Indenture and Trust Estate. The Series 2017A Bonds and the interest thereon are special, limited obligations of the Authority, payable solely from the Pledged Revenues held by the Trustee as provided in the Indenture, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Series 2017A Bonds, as provided in the Indenture. The “**Trust Estate**” consists of all right, title and interest of the Authority in the Financing Agreement and in the Net Revenues (as defined below) pledged to the Authority by the City (excluding the Authority’s right to payment of its fees and expenses and to be indemnified in certain events), any moneys held in the Debt Service Reserve Fund and all other moneys and securities from time to time held by the Trustee under the Indenture (except payments required to be made to meet the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended, whether or not held in the Rebate Fund).

The Financing Agreement. Pursuant to the Financing Agreement, the City has pledged to the Authority, as security for the payment of the Series 2017A Bonds, all of its rights and interests in (1) the Payments in Lieu of Taxes generated in the Redevelopment Project Areas, (2) subject to annual appropriation by the City, the Economic Activity Tax Revenues generated in the Redevelopment Project Areas, and (3) subject to annual appropriation by the Board of Directors of the CID, the CID Portion of CID Revenues, and has covenanted to make monetary transfers of such funds to the Trustee. Under the Financing Agreement, the City covenants to take all lawful action within its control to cause the County Assessor of the County to assess the real property and improvements within the Redevelopment Area at the times and in the manner required by the TIF Act and take such lawful action within its control as may be required to cause the Collector of Revenue of the County and all other persons to pay all Economic Activity Tax Revenues which are due to the City under the TIF Act. The City further covenants in the Financing Agreement that the City officer responsible for formulating the City budget will be directed to include in the budget proposal submitted to the Board of Aldermen in each fiscal year that the Series 2017A Bonds are outstanding a request for an appropriation of Economic Activity Tax Revenues on deposit in the Special Allocation Fund.

Pursuant to the Financing Agreement, the City agrees to enforce the provisions of the Financing Agreement in such manner as the City deems prudent and advisable in its good faith discretion. The City may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Agreement. See **Appendix A** to this Official Statement for a summary of the Financing Agreement.

CID Agreement. The City and the CID have entered into the CID Agreement (as defined below) to make certain CID Sales Tax revenues available for the payment of the Bonds. The availability of CID Sales Tax revenues is subject to an annual appropriation by the CID. Pursuant to the CID Agreement, for each fiscal year of the CID, the CID is obligated prepare and submit a budget to the City for consideration in accordance with the CID Act. Each budget for the CID District shall generally be prepared in accordance with all applicable state statutes, including the CID Act. The Finance Director of the City may review and comment to the CID District on its proposed budget as allowed by the CID Act. See the caption “**THE**

**BRANSON HILLS COMMUNITY IMPROVEMENT DISTRICT AND CID SALES TAX – CID Agreement”** in this Official Statement.

Additional Bonds. Additional Bonds may be issued under and equally and ratably secured by the Indenture on a parity with the Series 2017A Bonds and any other Additional Bonds, and additional bonds may be issued under and equally and ratably secured by the Indenture on a parity with the Series 2017B Bonds and any other Junior Lien Bonds, at any time and from time to time, upon compliance with the conditions set forth in the Indenture. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS – Additional Bonds**” in this Official Statement.

No Mortgage or General Obligation. The Series 2017A Bonds are not secured by a mortgage on any property in the Redevelopment Project Areas. However, under the TIF Act, Payments in Lieu of Taxes that are due and owing constitute a lien against the real estate in the Redevelopment Project Areas from which they are derived. Upon a default in the payment of any Payments in Lieu of Taxes on real property in the Redevelopment Project Areas, the lien for such unpaid Payments in Lieu of Taxes may be enforced as provided by Missouri law. See the caption “**TAX INCREMENT FINANCING IN MISSOURI - Assessment and Collection of Ad Valorem Taxes**” in this Official Statement.

**THE SERIES 2017A BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY, THE CITY, THE CID, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY, THE CITY, THE CID, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE CID, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2017A BONDS. THE ISSUANCE OF THE SERIES 2017A BONDS SHALL NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE THE CITY, THE CID, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY FORM OF TAXATION THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE AUTHORITY HAS NO TAXING POWER.**

Prospective investors are advised that none of the property comprising the Branson Shoppes Project is pledged as security for the Series 2017A Bonds and none of the Developer, any owner of property within the Redevelopment Project Areas or any affiliate of such entities or any partner, officer, director, agent or representative of any such entities, has pledged its credit or assets or has provided any guaranty, surety or undertaking of any kind, moral or otherwise, to pay the principal of, premium, if any, and interest on the Series 2017A Bonds. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS**” in this Official Statement.

No recourse shall be had for the payment of the principal of or interest on any of the Series 2017A Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in the Indenture, the Financing Agreement, or the Redevelopment Agreement, against any past, present or future elected official of the Authority or the City or any trustee, officer, official, employee or agent of the Authority or the City, as such, either directly or through the Authority, the City, or any successor to the Authority or the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise.

**Bondowners’ Risks**

Payment of the principal of and interest on the Series 2017A Bonds is subject to a variety of risks, depending on future events. Included among those risks is a portion of the Pledged Revenues are subject to

annual appropriation by the City of the Economic Activity Tax Revenues generated in the Redevelopment Project Areas and the annual appropriation by the Board of Directors of the CID of the CID Portion of CID Revenues. See the caption “**BONDOWNERS’ RISKS**” in this Official Statement for a discussion of certain risks associated with ownership of the Series 2017A Bonds.

### **Definitions and Summaries of Documents**

Definitions of certain words and terms used in this Official Statement and a summary of certain provisions of the Indenture and the Financing Agreement are included in this Official Statement in **Appendix A** to this Official Statement. Such definitions and summaries do not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to the definitive form of such document, a copy of which may be obtained from the Underwriter.

### **Continuing Disclosure**

The City has agreed to enter into a continuing disclosure undertaking with respect to the Series 2017A Bonds. See the caption “**CONTINUING DISCLOSURE**” in this Official Statement. The form of the Continuing Disclosure Agreement is attached as **Appendix D** to this Official Statement.

## **THE AUTHORITY**

### **Organization and Powers**

The Authority is a public corporation, duly organized and existing under the laws of the State, including particularly the Act. The Authority is authorized under the Act to, among other things, (i) finance all or any part of the costs of “projects” (as defined in the Act); (ii) issue its bonds to finance such projects and refund prior issues; and (iii) pledge the income and revenues to be received with respect to such projects sufficient for the payment of such bonds and the interest thereon. The Authority may issue its bonds, notes or other obligations for any of its corporate purposes. Neither the directors of the Authority nor any person executing the Series 2017A Bonds will personally be liable on the Series 2017A Bonds by reason of the issuance thereof.

**THE SERIES 2017A BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY, THE CITY OR THE CID AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY, THE CITY, THE CID OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE CID, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2017A BONDS. THE ISSUANCE OF THE SERIES 2017A BONDS SHALL NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE THE CITY, THE CID, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY FORM OF TAXATION THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE AUTHORITY HAS NO TAXING POWER.**

## Members and Officers

The Authority has a Board of Directors in which all the powers of the Authority are vested, which consists of five directors, all of whom are duly qualified electors of and taxpayers in the City. The current members and officers of the Board of Directors of the Authority are as follows:

<u>Name</u>	<u>Title</u>
Sherry DaVore	President
Mike Davis	Secretary
Stephen Marshall	Vice President
Cy Murray	Treasurer
Dave Friggle	Assistant Secretary

## Indebtedness of the Authority

The Authority is authorized to issue and may issue other series of bonds and notes secured by instruments separate and apart from the Indenture and the Financing Agreement. The owners of such bonds and notes will have no claim on the assets, funds or revenues of the Authority securing the Series 2017A Bonds, and the Owners of the Series 2017A Bonds will have no claim on the assets, funds or revenues of the Authority securing such other bonds and notes.

## THE CITY

The City was organized on April 2, 1912 and is a political subdivision of the State of Missouri. The City, located in the County, is a fourth class city and is governed by a Board of Aldermen which is comprised of six aldermen and a mayor. For additional information regarding the City, see **Appendix C** to this Official Statement.

**The Series 2017A Bonds are not a general obligation of the City and are payable solely from the revenues described in this Official Statement. The information regarding the City contained in Appendix C is provided as general background information only and should not be construed as an indication that the Series 2017A Bonds are payable from any source other than the Net Revenues as described in this Official Statement. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS” in this Official Statement.**

## THE BRANSON HILLS COMMUNITY IMPROVEMENT DISTRICT AND CID SALES TAX

### Community Improvement District

Pursuant to the provisions of the Community Improvement District Act, Sections 67.1401 to 67.1561 of the Revised Statutes of Missouri, as amended (the “**CID Act**”) the Developer petitioned the City and the City adopted an ordinance on December 20, 2004, creating the Branson Hills Community Improvement District. The CID is a political subdivision of the State and is authorized to impose certain taxes to carry out its purposes. The CID was created for the purpose of imposing a sales and use tax at the rate of ½ of 1% (the “**CID Sales Tax**”) on retail sales within the boundaries of the CID.

### CID Formation

Pursuant to the CID Act, a CID is created by ordinance of the City upon petition signed by property owners collectively owning more than 50% of assessed value within the proposed CID; and more than 50% per capita of all owners of real property within the proposed CID. The petition must satisfy the requirements of the CID Act, including a legal description and boundary map of the proposed CID, the name of the

proposed CID, and a plan describing: the purpose of the proposed CID, the services it will provide, the improvements it will make and estimate of costs, the proposed life of the CID, and the maximum rates of taxes that may be imposed.

A petition to create the Branson Hills Community Improvement District was filed with the City on December 3, 2004, the ordinance establishing the CID was adopted by the Board of Aldermen on December 20, 2004 and the protest period for challenging the CID expired March 20, 2005.

On July 18, 2006, a majority of all property owners within Redevelopment Project Area II and Redevelopment Project Area III, covering the Branson Shoppes Project, both as to assessed valuation and number of owners, filed a Petition for the Addition of Real Property to the Branson Hills Community Improvement District and to Extend Sales Tax to Additional Property within the City. The property sought to be added and subjected to the CID Sales Tax includes all property within Redevelopment Project Area II and Redevelopment Project Area III, as well as right-of-way of the Missouri Highway and Transportation Commission located at the interchange of State Highway 65 and Bee Creek Road adjacent to Redevelopment Project Area II and Redevelopment Project Area III on the east (the “**Additional CID Property**”).

On July 24, 2006, the Board of Directors by resolution consented to the requested addition of the Additional CID Property and its being subject to the CID Sales Tax. On August 28, 2006, the City adopted an ordinance approving the addition of the Additional CID Property to the CID and extending the CID Sales Tax to the Additional CID Property.

### **CID Board of Directors**

The CID has a Board of Directors in which all the powers of the CID are vested, which consists of five directors. Pursuant to the petition establishing the CID, each director must meet the following qualifications: (i) be at least 18 years old, and (ii) be either (A) an owner (as defined in the CID Act) of real property within the CID, (B) an owner of a business operating within the CID or (C) a registered voter residing within the CID. Successor directors are to be appointed by the City in accordance with the CID Act for terms of four years.

### **CID Sales Tax**

On January 3, 2005 the Board of Directors of the CID adopted a resolution calling an election to submit a question to the qualified voters within the CID (in this case, the qualified voters were the landowners within the Redevelopment Project Area I) a ballot proposition to consider the CID Sales Tax. The election was held on March 16, 2005 by the County Clerk and was conducted as a mail-in ballot. The majority of voters approved the imposition of the CID Sales Tax. On March 17, 2005, the Board of Directors for the CID notified the Director of Revenue within ten (10) days of receiving notice from the County Clerk that the measure has passed. The CID Sales Tax went into effect on July 1, 2005.

### **CID Agreement**

The City formed the CID by ordinance contingent upon the execution of an agreement between the CID and the City regarding administration of the CID revenues. The City and the CID authorized and entered into a Cooperative Agreement, dated March 2, 2005 (the “**Original CID Agreement**”) which sets out the priority of payment of the CID Sales Tax revenues. Pursuant to the TIF Act and the TIF Plan, 50% of the revenues from the CID Sales Tax levied on Redevelopment Project Areas II and III will be captured as Economic Activity Tax Revenues and transferred by the CID to the City for deposit into the Special Allocation Fund maintained by the City. Pursuant to the Original CID Agreement, the CID could utilize the remaining 50% of the revenues from the CID Portion of CID Revenues to pay costs of projects payable under the CID Act and costs of formation and administration of the CID in accordance with the CID Act.

In connection with the issuance of the Series 2006 Bonds, the Original CID Agreement was amended and restated pursuant to a First Amendment to the First Amended and Restated Intergovernmental Cooperation Agreement (the “**2006 CID Agreement**”) to extend its provisions to the Additional CID Property and to make the CID Portion of the CID Revenues available, subject to annual appropriation by the Board of Directors of the CID, to pay debt service and other costs associated with the Series 2006A Bonds or other notes or bonds issued to finance or refinance the related development costs.

In connection with the issuance of the Series 2017 Bonds, the City and the CID will execute and deliver a First Amendment to the First Amended and Restated Intergovernmental Cooperation Agreement (the “**CID Agreement Amendment**,” together with the 2006 CID Agreement, the “**CID Agreement**”) to (i) reduce the amount of administrative costs to be retained by the CID from the CID Portion of CID Revenues and (ii) within 30 days of execution of the CID Agreement Amendment, distribute \$180,000 in CID Sales Tax revenues for use in paying a portion of the debt service on the Series 2017 Bonds.

See the captions “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS**” in this Official Statement.

The CID Board of Directors is comprised of property owners and business operators within the CID and such individuals could determine that their interests are better served by not appropriating the CID Portion of CID Revenues. There exists no contractual obligation requiring the CID Board of Directors to appropriate the CID Portion of CID Revenues. However, under the terms of the CID Agreement, the CID has agreed that, if it appropriated the CID Portion of CID Revenues, such revenues are to be expended and used as follows and in the following order:

- (i) *first*, the CID shall deduct and retain such amount as is necessary to pay its administrative costs;
- (ii) *second*, the CID shall deduct and pay to the Developer any previously unreimbursed administrative costs, formation costs or expansion costs, and
- (iii) *third*, the CID shall remit the balance to the City for deposit as provided in the Indenture.

The CID Portion of CID Revenues which are annually appropriated by the CID Board of Directors will be available to make payments of principal and interest which are allocated to the Series 2017A Bonds issued to finance the CID Project pursuant to the preceding flow of funds.

## **THE BRANSON SHOPPES PROJECT**

### **Overview**

The Branson Shoppes Project represents the second and third phase of a three-phase redevelopment of 141 acres at the northwest and southwest corners of the intersection of Highway 65 and Branson Hills Parkway in Branson, Missouri. The City and the Developer entered into the Redevelopment Agreement to provide for the development and financing of the Branson Shoppes Project. The first phase of the development project (the “**Branson Hills Project**”) was developed by an affiliate of the Developer. The Branson Hills Project was not financed with the proceeds of the Series 2006 Bonds and will not be refinanced with the proceeds of the Series 2017 Bonds.

Pursuant to the Redevelopment Agreement, development of the Branson Shoppes Project included the acquisition by the Developer and the CID of real property in Redevelopment Project Areas consisting of approximately 90 acres and the construction of approximately 606,824 square feet of retail space, including a

Wal-Mart store and a Kohl's store as the major anchors and the sale or lease of in-line retail space and seven outlots to support an estimated additional 50,000 square feet of building area.

The Authority issued the Series 2006A Bonds on November 21, 2006 and, on the date of issuance, the real property in the Redevelopment Project Areas was acquired by the Developer, with the exception of a small portion of which was acquired by the CID and designated as green space not necessary for the completion of the Branson Shoppes Project. The Branson Shoppes Project was funded from the proceeds of the Series 2006A Bonds and funds provided by the Developer, a portion of which were reimbursed by the delivery to the Developer of the Series 2006B Bonds.

The following chart sets forth the breakdown of expenditures of the proceeds Series 2006A Bonds on the Branson Shoppes Project:

<u>Expenditure</u>	<u>Amount</u>
Architect	\$ 207,320.77
Engineering Costs	1,078,268.12
Land Costs	18,113,368.43
Legal Fees	829,025.83
Miscellaneous Soft Costs	509,646.64
Site Preparation Work	<u>6,548,128.67</u>
Total	\$ 27,285,128.67

Source: Developer continuing disclosure filing as of December 31, 2016 with respect to the Series 2006 Bonds.

A Phase I Environmental Assessment Report on Redevelopment Project Areas, dated April 23, 2004, was prepared by Sunbelt Environmental Services, Inc. of Springfield, Missouri. The report did not reveal evidence of recognized environmental conditions on the Redevelopment Project Areas or adjacent property and a Phase II Environmental Site Assessment was not recommended.

### **Initial Retailer Agreements**

The initial development of the Branson Shoppes Project was premised on Kohl's and Wal-Mart serving as the anchor tenants. Prior to the issuance of the Series 2006 Bonds, the Developer entered into agreements with Kohl's Department Stores, Inc., a Delaware corporation ("**Kohl's**"), and Wal-Mart Stores East, L.P., a Delaware limited partnership ("**Wal-Mart**"), and Sam's Real Estate Business Trust, a Delaware statutory trust ("**Sam's**").

*Kohl's Lease.* The Developer entered into a Lease Agreement (the "**Kohl's Lease**") with Kohl's for the lease by Kohl's of a tract of land located in Redevelopment Project Area III (the "**Kohl's Tract**") on which Kohl's agreed to construct an approximately 68,639 square foot Kohl's Building (the Kohl's Tract, together with the Kohl's Building, the "**Kohl's Premises**"). The initial term of the Kohl's Lease was twenty years and Kohl's has the option to extend that initial term for eight successive periods of five years each. Kohl's also has a right of first refusal to purchase the Premises during the entire term of the Kohl's Lease.

Pursuant to the terms of a Site Development Agreement with Kohl's, the Developer was obligated, subject to certain excused delays, to deliver a construction-ready pad site to Kohl's on or before March 15, 2007 and Kohl's was obligated to construct and open for business (for at least one day) a Kohl's store on or before the day that is 210 days after the construction ready pad site has been delivered. The construction-ready pad was completed and delivered by the Developer to

Kohl's on March 15, 2007 and the Kohl's Building consisting of approximately 68,725 square feet was completed and the store opened on October 3, 2007.

*Wal-Mart Purchase Agreement.* The Developer entered into a Purchase Agreement (the "**Wal-Mart Purchase Agreement**") with Wal-Mart and Sam's for the purchase by Wal-Mart of an approximately 18.91 acre tract within Redevelopment Project Area II (the "**Wal-Mart Tract**") and the purchase by Sam's of an approximately 15.21 acre tract also located in Redevelopment Project Area II of the Branson Shoppes Project (the "**Sam's Tract**").

Under the terms of the Wal-Mart Development Agreement, the Developer was obligated to deliver a construction-ready pad site to Wal-Mart on or before March 27, 2007 and Wal-Mart was obligated to open a 195 Prototype (195,000 square feet) or substantially similar or larger Wal-Mart Supercenter on the Wal-Mart Tract within two years from the date the Series 2006A Bonds were issued, and to operate the same for at least one day. The store projected for the Wal-Mart tract contained approximately 203,000 square feet. The Wal-Mart construction-ready pad was completed and delivered to Wal-Mart on May 6, 2007 and the Wal-Mart opened on June 15, 2008.

Under the terms of the Wal-Mart Purchase Agreement, Sam's is not obligated to construct or open a retail building on the Sam's Tract on any given timetable. As of the date hereof, Sam's has not commenced construction or operation of a retail business on the Sam's Tract and no announcement has been made with respect to the timing of any development on the Sam's Tract. Consequently, potential investors should assume that no Sam's will be constructed on the Sam's Tract.

The Branson Shoppes Project includes additional development attached to the Kohl's Building and seven outlots. During the development process, the Developer marketed the additional retail space and outparcels.

Required Covenants. As a condition to any lease or sale, tenants and other transferees are required to agree that their operations will not directly compete with the business of Wal-Mart, Sam's or Kohl's. The specific non-compete language that is imposed is contained in the ECR (as defined herein) and Kohl's Lease. Further, each tenant or other transferee is required to comply with the provisions of the ECR, including the use and operation provisions that prohibit specific types of businesses or practices (*e.g.*, gas stations, surplus or second-hand stores, warehouse operations, incineration of garbage, auction houses, bowling alleys, movie theaters, veterinary hospitals, mortuaries, sale of pornographic or obscene materials, etc.) that are not compatible with the operation of a first-class retail shopping center.

Status of Development. The Developer completed construction of Redevelopment Project II and Redevelopment Project III in accordance with the Redevelopment Agreement (see the caption "**Redevelopment Agreement with the City – Development Schedule**" below).

The Developer has sold almost all of the real property in the Redevelopment Project Areas and no longer owns any of the real property within the Redevelopment Project Area upon which operating businesses are located. Ownership was transferred to third parties as follows:

- Wal-Mart and Sam's acquired the Wal-Mart Tract and the Sam's Tract as described above.
- On March 9, 2012 and August 15, 2012, affiliates of Inland Diversified Real Estate Trust, Inc. acquired title to the real property within the Redevelopment Project Areas, other than Wal-Mart Tract, the Sam's Tract, the portion owned by the CID and Outlots 4 and 6.

- Outlot 4, on which a Mattress Firm is located, and Outlot 6, on which an Aspen Dental is located, were sold by the Developer to Agree Limited Partnership, a Delaware limited liability company, on October 2, 2015 and October 23, 2015, respectively.

The Developer currently owns undeveloped property within the boundaries of the Redevelopment Project Areas of approximately 5 acres and a pad ready site of approximately 1.25 acres located next to the McDonald's. In addition, an affiliate of the Developer owns two pad ready sites that are within the boundaries of the CID but outside the Redevelopment Project Areas, one of approximately 3 acres located next to the Target and one of approximately 1.7 acres located next to The Home Depot

**Redevelopment Agreement with the City**

The Developer and the City entered into the Redevelopment Agreement to provide for the acquisition and construction by the Developer of the Branson Shoppes Project.

Development Schedule. Pursuant to the Redevelopment Agreement, the Developer agreed that development activities for implementation of the projects be substantially commenced and completed on or before the dates set forth below (the “**Development Schedule**”):

<u>Description of Activity</u>	<u>Date</u>
Commence construction of Redevelopment Project II	November, 2006
Complete construction of Redevelopment Project II	March, 2013
Commence construction of Redevelopment Project III	November, 2006
Complete construction of Redevelopment Project III	March, 2012

The Developer completed construction of Redevelopment Project II and Redevelopment Project III in accordance with the Redevelopment Agreement.

Sales Tax Information. The Developer agreed to cause all assignees, purchasers, tenants, subtenants, or any other entity acquiring property or occupancy rights relating to the land or buildings in the Redevelopment Project Areas to be obligated by written contract or by such other means approved by the City Attorney, to provide to the City simultaneously with submission to the relevant governmental authority for collection of such taxes, the monthly sales tax returns for their facilities in the Redevelopment Project Areas of such assignees, purchasers, tenants, subtenants, or any other entity acquiring property or occupancy rights. To the extent it may legally do so, such information shall be kept confidential by the City. The Developer agreed to fully enforce such obligation against any such assignee, purchaser, tenant, or subtenant acquiring an interest in the Redevelopment Project Areas.

Required Lease Provisions. The Developer, or any third party, agreed to insert in any lease of property within Redevelopment Project Areas the following language, or language that is approved by the City Attorney, and agreed to have such lease signed by the lessee indicating acknowledgment and agreement to the following provision:

Economic Activity Taxes: Tenant acknowledges that the Leased Premises are a part of a Tax Increment Financing district (“**TIF District**”) created by the City and that certain taxes generated by Tenant’s economic activities, including sales taxes, will be applied toward the costs of improvements for the development. Tenant agrees to forward to the City copies of Tenant’s State of Missouri sales tax returns for its property located in the TIF District when and as they are filed with the Missouri Department of Revenue, and, upon request, agrees to provide such other reports and returns regarding other local taxes generated by Tenant’s economic activities in the TIF District as the TIF Commission and/or the City agrees to require, all in the format prescribed by them.

The Developer agreed to enforce said provision to the maximum extent permitted by law.

Agreement to Pay Real Estate Taxes. The Developer agreed that to the extent it is obligated to pay any portion of the real estate tax bills for the Redevelopment Project Areas it would pay such taxes promptly on or before the due date of such tax bills. The Developer or its successors agreed to have the right to pay said taxes under protest in accordance with applicable law. The Developer and any other owners of real property in the Redevelopment Project Areas agreed to promptly notify the City in writing of protest of real estate taxes or valuation of the Developer's property by the County Assessor. The Financing Agreement specifies that this is solely an obligation running with the land.

City Expenses. The City may withhold an administrative service fee from the Special Allocation Fund to cover the actual costs incurred by the City during the duration of the Redevelopment Plan. The administrative service fee shall not to exceed two percent (2%) of the annual Payments in Lieu of Taxes, Economic Activity Taxes and the CID Portion of the CID Revenues.

Amendment. The Redevelopment Agreement, and any exhibits attached thereto, may be amended only by the mutual consent of the parties, by the adoption of an ordinance of the City approving said amendment, as provided by law, and by the execution of said amendment by the parties or their successors in interest.

Covenant Running With the Land and Recordation of Agreement. The provisions of the Redevelopment Agreement shall be covenants running with the land and shall remain in effect for the duration of the Redevelopment Plan and any renewal period or periods of the Redevelopment Plan, at the end of which time they shall cease. They shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and be enforceable by, the City, its successors and assigns, against the Developer, its successors and assigns, and every successor in interest to the real property in the Redevelopment Project Areas, or any part of it or any interest in it and any party in possession or occupancy of such real property or any part thereof.

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## Businesses in the Redevelopment Project Areas

The table below shows the current operating businesses and vacant space within the Redevelopment Project Areas as of December 31, 2016.

<u>Tenant</u>	<u>Tenant Type</u>	<u>Square Feet</u>
<u>Outlot 1</u>		
Arby's	Fast Food Restaurant	3,032
GameStop	Retail	1,400
A.J. Elite Nails	Nail Salon	1,413
Cricket Wireless	Wireless Telecommunications Retailer	1,400
<u>Outlot 2</u>		
Wireless Lifestyle (Sprint)	Wireless Telecommunications Retailer	1,412
Pearle Vision	Eyecare and Eyewear Retailer	3,031
<u>Outlot 4</u>		
Mattress Firm	Mattress Retailer	5,000
<u>Outlot 5</u>		
Freddy's Frozen Custard	Fast Food Retailer	3,331
<u>Outlot 6</u>		
Aspen Dental	Dental Office	3,500
<u>Outlot 7</u>		
McDonald's	Fast Food Retailer	5,000
<u>Lot 4 and 4A</u>		
Best Buy	Electronics Retailer	30,000
Books-A-Million	Book Retailer	15,500
Petco Supplies & Fish	Pet Supplies Retailer	14,500
Maurice's	Clothing Retailer	5,000
Shoe Carnival	Shoe Retailer	6,000
Dress Barn	Clothing Retailer	7,500
MC Sports <sup>(1)</sup>	Sporting Goods Retailer	15,114
Michaels	Hobby & Craft Supply Retailer	16,957
Bed Bath & Beyond	Home Goods Retailer	25,000
Ulta Salon	Beauty Salon & Retailer	10,312
Pier 1 Imports	Home Store Retailer	8,500
Kohl's	Clothing & Home Goods Retailer	68,725
<u>Wal-Mart Tract</u>		
Wal-Mart	Discount Retailer	203,000

Source: Developer continuing disclosure filing as of December 31, 2016 with respect to the Series 2006 Bonds.

<sup>(1)</sup> In February 2017, the parent company of MC Sports declared bankruptcy under Chapter 11 of the US Bankruptcy Code and announced that it would close all of its retail stores, including the store located in the Redevelopment Project Areas. The MC Sports location in the Redevelopment Areas closed in May, 2017.

In addition to the operating businesses described above, the Developer's continuing disclosure filing as of December 31, 2016 reported 7,302 square feet of vacant space in the building located on Outlot 2 and 4,800 square feet of vacant space in the in-line building attached to Kohl's.

On April 3, 2017, Cato Fashions, a women's clothing and accessories retailer, opened a retail location in the vacant 4,800 square foot space in the in-line building attached to Kohl's.

Following the closing the MC Sports location discussed in the footnote above, there is an additional 15,114 square feet of vacant space in the Redevelopment Project Areas.

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## Historical Collections of Net Revenues

The chart below reflects data on the amount of Net Revenues deposited with the trustee for the Series 2006 Bonds for calendar years 2009 through 2016 and for the current calendar year through July 31<sup>st</sup>. Such data is included in this Official Statement for illustrative purposes to provide information on potential future Net Revenues. None of the Authority, the City, the CID, the Developer or the Underwriter make any representation regarding the receipt of Net Revenues in the future. See the caption “**BONDOWNERS’ RISKS**” in this Official Statement.

<u>Year</u>	<u>Payments in Lieu of Taxes</u>	<u>Economic Activity Tax Revenues</u>	<u>CID Revenues</u>	<u>Total</u>
2007	\$ 0.00	\$ 1,175.89	\$ 40,349.06	\$ 41,524.95
2008	0.00	674,001.80	76,233.82	750,235.62
2009	172,064.64	2,108,334.07	240,593.63	2,520,992.34
2010	406,375.75	2,427,441.53	319,625.00	3,153,442.28
2011	435,160.27	2,549,309.26	327,698.38	3,312,167.91
2012	433,475.50	2,727,901.99	383,721.64	3,545,099.13
2013	451,441.84	2,692,015.48	292,382.83	3,435,840.15
2014	467,263.50	2,859,701.59	423,877.17	3,750,842.26
2015	494,776.07	3,013,790.11	375,218.41	3,883,784.59
2016	455,018.59	3,083,341.61	400,289.04	3,938,649.24
2017 <sup>(1), (2)</sup>	473,823.63	1,771,743.30	200,729.62	2,446,296.55

Source: Account statements and reports provided by the trustee for the Series 2006 Bonds.

Note : Net Revenues are included in the calendar year received by the trustee for the Series 2006 Bonds. The reflected amounts differ from the amount set forth in the City’s continuing disclosure filings undertaken in connection with the Series 2006 Bonds due to timing differences between the City’s receipt of such funds and their receipt by the trustee for the Series 2006 Bonds and accounting adjustments.

<sup>(1)</sup> Net Revenues received by the trustee for the Series 2006 Bonds through July 31, 2017.

<sup>(2)</sup> The MC Sports retail location located in the Redevelopment Project Areas closed in May, 2017. See the footnote to the table under the subcaption “**Businesses in the Redevelopment Project Areas**” above and the caption “**BONDOWNERS’ RISKS - Reliance on Tenants and Property Owners**” in this Official Statement.

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## STRUCTURE OF THE SERIES 2017A BONDS

### Introduction

The following discussion describes the assumptions (the “**Structuring Assumptions**”) used to calculate the projected average life of the Series 2017A Bonds pursuant to the special mandatory redemption provisions under the various scenarios described below. Potential investors are cautioned that the information in this section of the Official Statement represents “forward-looking statements.”

### Structuring Assumptions

General. The Structuring Assumptions were prepared using historical information as described herein and are believed to be reasonable. However, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur. Therefore, actual results achieved will vary from the results based on the Structuring Assumptions, and the variations may be material. If actual results are materially different from those assumed, it will have a material effect on the projections set forth under this caption.

Assumptions Regarding Available Net Revenues. For purposes of this section, the Net Revenues available to pay debt service on the Bonds in each of the indicated years is assumed to be equal to \$3,851,610, which is equal to the Net Revenues deposited with the trustee for the Series 2006 Bonds in calendar year 2016 (\$3,938,649.24) with no growth in any future year and reductions (as described below) for the closure of the MC Sports retail store located in the Redevelopment Areas and the payment of the fees and expenses of the Trustee.

Assumptions Regarding Sales Taxes. For purposes of this section, all current sales taxes and rates have been assumed to remain in place at the current rates during the term of the Series 2017A Bonds, including any sales taxes that are scheduled to expire prior the final maturity date of the Series 2017A Bonds. See the captions “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A Bonds – Pledged Revenues**” and “**BONDOWNERS’ RISKS – Reduction in State and Local Tax Rates**” in **this Official Statement**” for additional information relating to the current sales taxes, tax rates and expiration dates.

MC Sports Closure. Because information on the actual retail sales for the MC Sports retail store located in the Redevelopment Areas is not available, the loss of such sales and the impact on Net Revenues resulting from the closure of the MC Sports retail store located in Redevelopment Area has been estimated based on an average sales per square foot \$204.68 (based on publicly available sales data for other full-line sporting goods retailers). Given the 15,114 square feet in the former MC Sports store, the loss in total annual sales from the closure of the MC Sports location is estimated to be \$3,093,541.10, resulting in a reduction in Net Revenues of \$83,138.92 per calendar year.

Assumed Annual Fees and Expenses. Fees and expenses of the CID and the City have been assumed to have been retained by the CID and the City prior to deposit of any funds with the trustee for the Series 2006 Bonds and that the retention of such funds in the future will not reduce Net Revenues below the amount deposited with the trustee for the Series 2006 Bonds in 2016 (subject to adjustments described elsewhere in this section). The fees and expenses of the Trustee have been assumed to be retained from Net Revenues in the amount of \$3,900 per calendar year.

Assumed Investment Earnings. The amounts on deposit in the funds and accounts under the Indenture are assumed to earn interest at the rate of 0%.

## Projected Scheduled Debt Service Coverage on the Series 2017A Bonds

The following table was prepared based on the Structuring Assumptions as described above. The table shows projected debt service coverage on the scheduled debt service of the Series 2017A Bonds without any special mandatory redemption of the 2029 Term Bonds (see the caption “**THE SERIES 2017A BONDS – Redemption Provisions – Special Mandatory Redemption**” in this Official Statement).

Calendar Year	Projected Net Revenues <sup>(1)</sup>	Scheduled Debt Service Payments <sup>(2)</sup>	Projected Debt Service Coverage Ratio*
2017	\$ 949,236	\$ 175,685	5.40
2018	3,851,610	2,961,831	1.30
2019	3,851,610	2,961,113	1.30
2020	3,851,610	2,961,938	1.30
2021	3,851,610	2,961,188	1.30
2022	3,851,610	2,963,425	1.30
2023	3,851,610	2,963,000	1.30
2024	3,851,610	2,962,163	1.30
2025	3,851,610	2,965,538	1.30
2026	3,851,610	2,964,538	1.30
2027	3,851,610	2,963,500	1.30
2028	3,851,610	2,964,750	1.30
2029	3,851,610	2,962,575	1.30

<sup>(1)</sup> Years 2018 and thereafter reflect the assumed Net Revenues available to pay debt service on the Bonds, as described above under the caption “**Structuring Assumptions**”. 2017 Projected Net Revenues are prorated to show one month of collections, plus money held in the Revenue Fund on the day of closing for the Series 2017A Bonds.

<sup>(2)</sup> Assumes no redemption of Series 2017A Bonds prior to maturity. Preliminary; subject to change.

\* Preliminary; subject to change.

## Projected Average Life of the Series 2017A Bonds

The following tables were prepared based on the Structuring Assumptions as described above. The tables show projected redemptions as a result of Net Revenues (based upon the assumptions described above) applied as provided in the Indenture and the cases described below. **THERE IS NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE ASSUMPTIONS MADE. NO GUARANTEE OR ASSURANCES MAY BE MADE THAT SUCH PROJECTIONS WILL CORRESPOND WITH THE RESULTS ACHIEVED IN THE FUTURE.**

Case I. Assumes that Net Revenues will be received in the amounts described above and applied to pay debt service on the Series 2017A Bonds, with surplus amounts applied to the special mandatory redemption of the 2029 Term Bonds (see the caption “**THE SERIES 2017A BONDS – Redemption Provisions – Special Mandatory Redemption**” in this Official Statement). Any additional surplus amounts beyond the amounts needed to satisfy the special mandatory redemption of the 2029 Term Bonds will be applied towards payment of the Junior Lien Bonds (see the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS – Indenture Funds and Accounts – Revenue Fund**” in this Official Statement).

Case II. Assumes that Net Revenues will be received at 77% of the amounts described above and applied to pay debt service on the Series 2017A Bonds without any special mandatory redemption of the 2029

Term Bonds (see the caption “**THE SERIES 2017A BONDS – Redemption Provisions – Special Mandatory Redemption**” in this Official Statement).

Year	Case I			Case II		
	Scheduled Principal Payment <sup>*, (1)</sup>	Special Mandatory Redemption <sup>*, (2)</sup>	Total Principal Payment*	Scheduled Principal Payment <sup>*, (1)</sup>	Special Mandatory Redemption*	Total Principal Payment*
2017	\$ 0	\$ 500,000	\$ 500,000	\$ 0	\$ 0	\$ 0
2018	1,925,000	500,000	2,425,000	1,925,000	0	1,925,000
2019	1,970,000	500,000	2,470,000	1,970,000	0	1,970,000
2020	2,025,000	500,000	2,525,000	2,025,000	0	2,025,000
2021	2,085,000	500,000	2,585,000	2,085,000	0	2,085,000
2022	2,155,000	500,000	2,655,000	2,155,000	0	2,155,000
2023	2,230,000	500,000	2,730,000	2,230,000	0	2,230,000
2024	2,310,000	500,000	2,810,000	2,310,000	0	2,310,000
2025	2,400,000	500,000	2,900,000	2,400,000	0	2,400,000
2026	2,495,000	500,000	2,995,000	2,495,000	0	2,495,000
2027	2,600,000	550,000	3,150,000	2,600,000	0	2,600,000
2028	–	–	–	2,715,000	0	2,715,000
2029	–	–	–	2,835,000	0	2,835,000
Total	<u>\$ 22,195,000</u>	<u>\$ 5,550,000</u>	<u>\$ 27,745,000</u>	<u>\$ 27,745,000</u>	<u>\$ 0</u>	<u>\$ 27,745,000</u>
Average Life*	5.801 years for Series 2017A Bonds 5.948 years for 2029 Term Bond			7.095 years for Series 2017A Bonds 11.680 years for 2029 Term Bond		

\* Preliminary; subject to change.

(1) Includes scheduled maturities and mandatory sinking fund redemptions (see the caption “**THE SERIES 2017A BONDS – Redemption Provisions – Mandatory Sinking Fund Redemption**” in this Official Statement).

(2) Assumes Net Revenues are available to pay the special mandatory redemptions on 2029 Term Bonds (see the caption “**THE SERIES 2017A BONDS – Redemption Provisions – Mandatory Sinking Fund Redemption**” in this Official Statement).

## THE SERIES 2017A BONDS

*The following is a summary of certain terms and provisions of the Series 2017A Bonds. Reference is hereby made to the Series 2017A Bonds and the provisions with respect thereto in the Indenture for the detailed terms and provisions thereof.*

### Authorization; Description of the Series 2017A Bonds

The Series 2017A Bonds are being issued pursuant to the Constitution and statutes of the State, including particularly the IDA Act. The Series 2017A Bonds will be issuable as fully-registered bonds. Purchases of the Series 2017A Bonds will be made in book-entry form only (as described below) in denominations of \$5,000 or any integral multiple in excess thereof. Purchasers of the Series 2017A Bonds will not receive certificates representing their interests in the Bonds purchased. The Series 2017A Bonds will be dated as of the date of initial issuance and delivery thereof, and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. The Series 2017A Bonds will bear interest at the rates per annum set forth on the inside cover page hereof, which interest will be payable semiannually on May 1 and November 1 in each year, beginning on November 1, 2017.

## Registration, Transfer and Exchange of Bonds

Any Bond may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Authority shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new fully registered Bond or Bonds, registered in the name of the transferee, in any Authorized Denomination. Any Bond, upon surrender thereof at the principal corporate trust office of the Trustee or such other office as the Trustee shall designate, together with an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for Bonds of the same maturity, of any Authorized Denomination, bearing interest at the same rate, and registered in the name of the Owner.

The Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, and such charge shall be paid before any such new Bond shall be delivered. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose 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 Trustee from amounts otherwise payable to such Registered Owner under the Indenture or under the Bonds.

## Redemption Provisions

Optional Redemption.\* The Series 2017A Bonds are subject to optional redemption by the Authority at the direction of the City on or after \_\_\_\_\_ 1, 20\_\_\_\_, in whole or in part at any time at a redemption price equal to 100% of the principal amount to be redeemed, together with interest accrued to the date fixed for redemption, without premium.

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\* Preliminary; subject to change.

Special Mandatory Redemption.\* The Series 2017A Bonds maturing on November 1, 2029\* (the “**2029 Term Bonds**”), are subject to special mandatory redemption and payment prior to the stated maturity thereof, in whole or in part on any Interest Payment Date in inverse order of maturity, including Mandatory Sinking Fund Redemptions with respect to Term Bonds, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, solely from amounts on deposit in the Redemption Account of the Debt Service Fund pursuant to subparagraph *Seventh* (see the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS – Indenture Funds and Accounts – Revenue Fund**” in this Official Statement) but in no event in excess of the cumulative redemption amounts shown below:

Term Bond Maturing <u>November 1, 2029*</u>	
Year <u>(November 1)*</u>	Cumulative Principal <u>Amount*</u>
2017	\$ 500,000
2018	1,000,000
2019	1,500,000
2020	2,000,000
2021	2,500,000
2022	3,000,000
2023	3,500,000
2024	4,000,000
2025	4,500,000
2026	5,000,000
2027 and thereafter	5,550,000

\* Preliminary; subject to change

Mandatory Sinking Fund Redemption.\* The 2029 Term Bonds are subject to mandatory sinking fund redemption and payment prior to the stated maturity thereof, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, in the amounts and on each November 1 in the following years:

Term Bond Maturing <u>November 1, 2029*</u>	
Year <u>(November 1)*</u>	Principal <u>Amount*</u>
2028	\$2,715,000
2029**	2,835,000

\* Preliminary; subject to change

\*\* Final Maturity

The Trustee shall make timely selection of the 2029 Term Bonds (solely for purposes of this paragraph, the “**Term Bonds**”) or portions thereof to be so redeemed in Authorized Denominations of principal amount in such equitable manner as the Trustee may determine and shall give notice thereof without further instructions from the Authority. At the option of the Authority at the direction of the City, to be exercised on or before the 45<sup>th</sup> day next preceding each mandatory redemption date, the Authority or the City may: (1) deliver Term Bonds to the Trustee for cancellation in the aggregate principal amount

desired; or (2) furnish to the Trustee moneys, together with appropriate instructions, for the purpose of purchasing any Bonds from any owner thereof in the open market, to the extent practical, at a price not in excess of 100% of the principal amount thereof, whereupon the Trustee shall use its reasonable efforts to expend such funds for such purposes; or (3) elect to receive a credit in respect to the mandatory redemption obligation under the Indenture for any Term Bonds of the same maturity which prior to such date have been redeemed (other than through the operation of the requirements of the Indenture) and cancelled by the Trustee and not theretofore applied as a credit against any redemption obligation under the Indenture. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation to redeem Term Bonds on the next mandatory redemption date applicable to Term Bonds that is at least 45 days after receipt by the Trustee of such instructions from the Authority or the City, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds in chronological order or such other order as the City may designate, and the principal amount of Term Bonds to be redeemed on such future mandatory redemption dates by operation of the requirements of the Indenture shall be reduced accordingly. If the Authority intends to exercise any option granted by the provisions of clauses (1), (2) or (3) of this paragraph as directed by the City, the Authority will, on or before the 45<sup>th</sup> day next preceding the applicable mandatory redemption date, furnish or cause the City to furnish the Trustee a certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with in respect to such mandatory redemption payment.

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds or portions of Bonds to be redeemed shall be selected in Authorized Denominations by the Trustee in such equitable manner as it may determine.

In the case of a partial redemption of Bonds when Bonds of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each Authorized Denomination unit of face value shall be treated as though it was a separate Bond of the denomination of the minimum Authorized Denomination. If one or more, but not all, of the minimum Authorized Denomination units of principal amount represented by any Bond are selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination unit or units, the Owner of such Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the interest to the date fixed for redemption) of the minimum Authorized Denomination unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination fails to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination unit or units of principal amount called for redemption (and to that extent only) and shall cease to accrue interest on the principal amount so called for redemption.

Notice of Redemption of Bonds. In the case of Bonds called for redemption under the provisions of the Indenture, the Trustee shall call Bonds for redemption and payment as herein provided and shall give notice of redemption as provided below upon receipt by the Trustee at least 45 days prior to the redemption date of a written request of the Authority, given at the direction of the City, which written request shall specify the maturities of the Bonds to be redeemed as directed by the City. Unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of any Bond shall be given by the Trustee on behalf of the Authority by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Register. The foregoing provisions shall not apply in the case of any mandatory redemption of Bonds under the Indenture, and the Trustee shall call Bonds for redemption and shall give notice of redemption pursuant to such mandatory redemption requirements

without the necessity of any action by the Authority and whether or not the Trustee shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

All official notices of redemption shall be dated and shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all Outstanding Bonds are to be redeemed, the identification number and maturity date(s) and, in the case of a partial redemption of any Bonds, the respective principal amounts of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the payment office of the Trustee.

In addition to the foregoing notice, the Trustee shall also comply with any requirements or guidelines published by the Securities and Exchange Commission relating to providing notices of redemption. The failure of the Trustee to comply with any such requirements shall not affect or invalidate the redemption of said Bonds.

The failure of any Owner to receive notice given as heretofore provided or any defect therein shall not invalidate any redemption.

Effect of Call for Redemption. On or prior to the date fixed for redemption, the Authority shall deposit moneys or Government Securities with the Trustee as provided in the Indenture to pay the Bonds called for redemption and accrued interest thereon to the redemption date. Upon the happening of the above conditions, and notice having been given as provided in the Indenture, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price are on deposit at the place of payment at the time, and shall no longer be entitled to the protection, benefit or security of the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

### **Payment and Discharge Provisions**

When the principal of and interest on all the Bonds have been paid in accordance with their terms or provision has been made for such payment, as provided in the Indenture, and provision also is made for paying all other sums payable under the Indenture, including the fees and expenses of the Trustee and the Paying Agent to the date of payment of the Bonds, then the right, title and interest of the Trustee under the Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release the Indenture and shall execute, acknowledge and deliver to the Authority such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of the Indenture, and shall assign and deliver to the Authority any property at the time subject to the Indenture which may then be in the Trustee's possession, except funds or securities in which such moneys are invested and held by the Trustee for the payment of the principal of and interest on the Bonds.

## Defeasance Provisions

Bonds shall be deemed to be paid within the meaning of the Indenture when payment of the principal on such Bonds, plus premium, if any, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (1) has been made or caused to be made in accordance with the terms of the Indenture, or (2) provision therefor has been made by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) non callable Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and, if payment is to be made more than 90 days after deposit thereof with the Trustee, the Trustee shall have received an Opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such deposit will not cause the interest on such Bonds to be included in gross income for purposes of federal income taxation. If the entire amount necessary to pay Outstanding Bonds has not been deposited with the Trustee, the Trustee shall receive a verification report of a firm of independent certified public accountants that the moneys and Government Securities deposited with the Trustee are sufficient to pay when due the principal or redemption price, if any, and interest on the Bonds on or prior to the applicable redemption or maturity date. At such time as a Bond is deemed to be paid under the Indenture, such Bond shall no longer be secured by or be entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Government Securities.

## Book-Entry Only System

*The following information concerning DTC and DTC's book-entry system has been obtained from DTC. The Authority takes no responsibility for the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.*

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 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](http://www.dtcc.com).

Purchases of Ownership Interests. Purchases of 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 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC 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 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 documents. For example, Beneficial Owners of 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 registrar and request that copies of notices be provided directly to them.

Redemption notices will 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 Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority 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 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 Authority 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, the Authority or the Paying Agent, 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 Authority 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 depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

Participants holding a majority position in the outstanding Bonds 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 and delivered to DTC.

## **SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS**

### **Limited Obligations; Sources of Payment**

The Series 2017A Bonds and the interest thereon are special, limited obligations of the Authority, payable solely from the Pledged Revenues held by the Trustee as provided in the Indenture, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Series 2017A Bonds, as provided in the Indenture. The “**Trust Estate**” consists of all right, title and interest of the Authority in the Financing Agreement and in the Pledged Revenues pledged to the Authority by the City (excluding the Authority’s right to payment of its fees and expenses and to be indemnified in certain events) and all other moneys and securities from time to time held by the Trustee under the Indenture (except payments required to be made to meet the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended, whether or not held in the Rebate Fund).

The Financing Agreement. Pursuant to the Financing Agreement, the City has pledged to the Authority, as security for the payment of the Series 2017A Bonds, all of its rights and interests in (1) the Payments in Lieu of Taxes generated in the Redevelopment Project Areas, (2) subject to annual appropriation by the City, the Economic Activity Tax Revenues generated in the Redevelopment Project Areas, and (3) subject to annual appropriation by the CID, the CID Portion of CID Revenues, and has covenanted to make monthly transfers of such funds to the Trustee. The City covenants in the Financing Agreement that the City officer responsible for formulating the City budget will be directed to include in the budget proposal submitted to the Board of Aldermen each fiscal year that the Bonds are outstanding a request for an appropriation of Economic Activity Tax Revenues on deposit in the Special Allocation Fund.

No Mortgage or General Obligation. The Series 2017A Bonds are not secured by a mortgage on any property in the Redevelopment Project Areas. However, under the TIF Act, Payments in Lieu of Taxes that are due and owing constitute a lien against the real estate in the Redevelopment Project Areas from which they are derived. Upon a default in the payment of any Payments in Lieu of Taxes on real property in the Redevelopment Project Areas, the lien for such unpaid Payments in Lieu of Taxes may be enforced, as provided by Missouri law. See the caption “**TAX INCREMENT FINANCING IN MISSOURI — Assessments and Collections of Ad Valorem Taxes**” in this Official Statement.

**THE SERIES 2017A BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY, THE CITY, THE CID, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY, THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.**

**NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2017A BONDS. THE ISSUANCE OF THE SERIES 2017A BONDS SHALL NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY FORM OF TAXATION THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE AUTHORITY HAS NO TAXING POWER.**

Prospective investors are advised that none of the property comprising the Branson Shoppes Project is pledged as security for the Series 2017A Bonds and none of the Developer, any owner of property within the Redevelopment Project Areas or any affiliate of such entities or any partner, officer, director, agent or representative of any such entities, has pledged its credit or assets or has provided any guaranty, surety or undertaking of any kind, moral or otherwise, to pay the principal of, premium, if any, and interest on the Series 2017A Bonds.

No recourse shall be had for the payment of the principal of or interest on any of the Series 2017A Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture, the Financing Agreement, or the Redevelopment Agreement contained, against any past, present or future elected official of the Authority or the City or any trustee, officer, official, employee or agent of the Authority or the City, as such, either directly or through the Authority or the City or any successor to the Authority or the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise.

#### **Debt Service Reserve Fund**

The Indenture establishes the Debt Service Reserve Fund to be held by the Trustee as additional security for the Series 2017A Bonds, which will be funded from proceeds of the Series 2017A Bonds. The Debt Service Reserve Fund will initially be funded in an amount equal to the Debt Service Reserve Requirement, which is \$\_\_\_\_\_\*. The Indenture provides that moneys in the Debt Service Reserve Fund be used to make up any deficiency in the Debt Service Fund. See the caption “**SUMMARY OF THE INDENTURE – Debt Service Reserve Fund**” in **Appendix A** to this Official Statement.

#### **Pledged Revenues**

Pursuant to the TIF Act, the City has established a Special Allocation Fund that the City shall maintain and administer solely for the purposes provided in the Financing Agreement and in the Indenture until such time as the Indenture has been discharged pursuant to the terms thereof. Pursuant to the Financing Agreement, the City has pledged to the Authority, as security for the payment of the Series 2017A Bonds, all of its rights and interests in (1) the Payments in Lieu of Taxes generated in the Redevelopment Project Areas, (2) subject to annual appropriation by the City, the Economic Activity Tax Revenues generated in the Redevelopment Project Areas and (3) subject to annual appropriation by the Board of Directors of the CID, the CID Portion of CID Revenues. The City has covenanted in the Financing Agreement to transfer, and under the Indenture the Authority has also agreed to cause to be transferred, on the tenth calendar day of each month (or the next Business Day thereafter, if the tenth is not a Business Day) to the Trustee (1) for deposit to the Pilots Account of the Revenue Fund, all Payments in Lieu of Taxes on deposit in the Special Allocation Fund as of the last day of the preceding month, (2) subject to annual appropriation by the City, for deposit to the Economic Activity Tax Account of the Revenue Fund, all Economic Activity Tax Revenues on deposit in the Special Allocation Fund as of the last day of the preceding month, and (3) for deposit into the

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\* Preliminary; subject to change.

CID Revenues Account of the Revenue Fund, the CID Portion of CID Revenues which have been received by the City as the last day of the preceding month .

Pursuant to the Indenture, the Series 2017A Bonds are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate in favor of the Owners of the Series 2017A Bonds. Under the Indenture, the Authority assigns to the Trustee, as security for the payment of the Series 2017A Bonds and the interest thereon, all “Pledged Revenues” held by the Trustee.

“**Pledged Revenues**” means:

(a) all “**Net Revenues**” which means (a) all moneys on deposit in the Pilots Account of the Special Allocation Fund, (b) all Economic Activity Tax Revenues on deposit in the Economic Activity Tax Account of the Special Allocation Fund that have been appropriated to the repayment of the Bonds and (c) subject to annual appropriation by the Board of Directors of the CID, all of the CID Portion of CID Revenues received by the City, reduced by an amount not to exceed 2% of the amounts described in (a) plus (b) plus (c) above which may be retained by the City for its collection of Payments in Lieu of Taxes, Economic Activity Tax Revenues or the CID Portion of CID Revenues pursuant to the Financing Agreement. Net Revenues do not include (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum, or (iii) reimbursement to any district providing emergency services within the Redevelopment Areas, to the extent required by Section 99.847 or 99.848 of the TIF Act or, in lieu thereof, such amount as may be set forth in a cooperative agreement between the City and any such district; and

(b) all moneys held in the Revenue Fund, the Debt Service Fund and the Debt Service Reserve Fund under the Indenture, together with all investment earnings thereon, but excluding payments required to be made to meet the requirements of Section 148(f) of the Code (whether or not held in the Rebate Fund). The funds in the Special Allocation Fund are intended to be sufficient to pay, when due, the principal of and interest on the Series 2017A Bonds.

“**Payments in Lieu of Taxes**” means those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the TIF Act), if any, attributable to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Project Areas over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project Areas, as provided for by Section 99.845 of the Act. The Payments in Lieu of Taxes generated within the Redevelopment Project Areas have been irrevocably pledged by the City under the Financing Agreement to the payment of the Series 2017A Bonds. See the caption “**TAX INCREMENT FINANCING IN MISSOURI**” in this Official Statement and the caption “**BRANSON SHOPPES PROJECT – Historical Collections of Net Revenues**” in this Official Statement.

“**Economic Activity Tax Revenues**” means, subject to annual appropriation by the City, 50% of the total additional revenues from taxes which are imposed by the City or any other taxing district (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Redevelopment Project Areas over (i) the amount of such taxes generated by economic activities within the Redevelopment Project Areas in the calendar year ending December 31, 2005, and (ii) economic activity taxes generated by any Relocated Retail Establishment in the calendar year prior to its relocation to the Redevelopment Project Areas, (subject to annual appropriation by the City as provided in the TIF Act), but excluding therefrom any taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments, other than payments in lieu of taxes, and personal property taxes and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, and amounts reimbursed to any district providing emergency services within the

Redevelopment Area, to the extent required by Section 99.847 or 99.848 of the TIF Act or, in lieu thereof, such amount as may be set forth in a cooperative agreement between the City and any such district, to the extent that such sum is not paid from the Pilots Account. See the caption “**TAX INCREMENT FINANCING IN MISSOURI**” in this Official Statement and the caption “**BRANSON SHOPPES PROJECT – Historical Collections of Net Revenues**” in this Official Statement.

“**CID Revenues**” means the revenues derived by the CID from the imposition of a sales tax within the CID less (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) such amount as is retained by the State of Missouri for collecting the CID Sales Tax, and (iii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum.

“**CID Portion of CID Revenues**” means all moneys (including investment earnings thereon) received by the City from the CID, subject to annual appropriation by the Board of Directors of the CID, from proceeds of the CID sales tax, less (i) the TIF Portion of CID Revenues, (ii) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (iii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum, and (iv) the amount set forth in the CID Agreement which is retained by the CID for paying its administrative costs. Pursuant to the terms of the CID Agreement Amendment executed in connection with the issuance of the Series 2017 Bonds, the CID has agreed to limit the amount of administrative costs to a cap of \$30,000 per fiscal year.

“**TIF Portion of CID Revenues**” means the portion of CID Revenues constituting Economic Activity Tax Revenues and which are required by the TIF Act and the Redevelopment Plan to be deposited in the Special Allocation Fund maintained by the City less (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer and (ii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum.

The application of Economic Activity Tax Revenues to the payment of the Series 2017A Bonds is subject to annual appropriation by the City. There can be no assurance that the City will appropriate such revenues in any year and the Financing Agreement does not obligate the City to do so. However, pursuant to the Financing Agreement, the City covenants that a request for appropriations will be included in each annual budget.

The application of the CID Portion of CID Revenues to the payment of the Series 2017A Bonds is subject to annual appropriation by the Board of Directors of the CID. There can be no assurance that the Board of Directors will appropriate such revenues in any year and the CID is not a party to the Financing Agreement. Only certain costs are eligible for financing with the CID Portion of CID Revenues.

Because the TIF Act provides that 23 years is the maximum amount of time for the retirement of obligations incurred to finance redevelopment project costs, the obligation of the City to transfer Economic Activity Tax Revenues and Payments in Lieu of Taxes to the Trustee for the repayment of the Bonds terminates on November 21, 2029 whether or not the principal amount thereof or interest thereon has been paid in full. Thereafter, the revenues available for repayment of the Bonds, subject to appropriation by the CID's board of directors, will consist solely of revenues from the CID Sales Tax which terminates on June 30, 2030.

<u>Source of Revenues</u>	<u>Start Date</u>	<u>End Date</u>
Payments in Lieu of Taxes, Economic Activity Tax Revenues and the TIF Portion of CID Revenues	November 22, 2006	November 21, 2029
CID Sales Taxes <sup>(1)</sup>	July 1, 2005	June 30, 2030

<sup>(1)</sup> Prior to November 21, 2029, the CID Sales Tax will include only the CID Portion of CID Revenues unless the Redevelopment Plan is terminated earlier than the termination date under the TIF Act. From and after November 21, 2029 or any earlier termination, the CID Sales Tax will include all of the revenues from the CID Sales Tax, less (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum, and (iii) the amount set forth in the CID Agreement which is retained by the CID for paying its administrative costs. Pursuant to the terms of the CID Agreement Amendment executed in connection with the issuance of the Series 2017 Bonds, the CID has agreed to limit the amount of administrative costs to a cap of \$30,000 per fiscal year.

The following chart sets forth the local sales tax rates that are expected to be included in Economic Activity Tax Revenues and, if applicable, the expiration date for such sales tax:

<u>Local Sales Tax</u>	<u>Tax Rate</u>	<u>Current Expiration Date</u>
City – General Revenue	1.000%	None
City – Transportation	0.500%	None
City – Tourism Enhancement (Food) <sup>(1)</sup>	0.500%	None <sup>(1)</sup>
BLATCED – Tourism Marketing <sup>(2)</sup>	1.000%	September 30, 2025
County – General Revenue	0.500%	None
County – Sewer District <sup>(1)</sup>	0.500%	September 30, 2023
County – Road & Bridge	0.500%	December 31, 2038
County – Ambulance District	0.250%	None
County – Jail <sup>(1)</sup>	0.125%	December 31, 2022
CID Sales Tax	<u>0.500%</u>	June 30, 2030
Total Tax Rate	<u>5.375%</u>	

<sup>(1)</sup> See the caption “**BONDOWNERS’ RISKS – Reduction in State and Local Tax Rates**” in this Official Statement.

<sup>(2)</sup> The Branson/Lakes Area Tourism Community Enhancement District (“**BLATCED**”) was established by a Taney County ordinance in 2001. Voters within the BLATCED approved a 1% sales tax to be utilized for marketing the area in November 2005.

## Indenture Funds and Accounts

Revenue Fund. On the tenth (10<sup>th</sup>) calendar day of each month (or the next Business Day thereafter if the tenth (10<sup>th</sup>) is not a Business Day) while the Bonds are Outstanding, the Authority shall cause the City to transfer (i) all Net Revenues as of the last day of the preceding month consisting of Payments in Lieu of Taxes to the Trustee and shall direct the Trustee in writing to deposit such sums into the Pilots Account of the Revenue Fund, (ii) all Net Revenues as of the last day of the preceding month consisting of Economic Activity Tax Revenues to the Trustee and shall direct the Trustee in writing to deposit such sums into the Economic Activity Tax Account of the Revenue Fund and (iii) all Net Revenues as of the last day of the preceding month consisting of the CID Portion of CID Revenues to the Trustee and shall direct the Trustee in writing to deposit such sums into the CID Revenues Account of the Revenue Fund.

Moneys in the Revenue Fund (*first* drawing from the CID Revenues Account (but only with respect to deposits under subparagraphs *First*, *Second*, *Third* and *Fourth* below), then from the Pilots Account and then from the Economic Activity Tax Account) on the 40<sup>th</sup> day, except as otherwise provided below (or if such day is not a Business Day, the immediately preceding Business Day), prior to each Interest Payment Date shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows:

*First*, transfer to the appropriate account of the Rebate Fund, when necessary, an amount sufficient to pay rebate, if any, to the United States, owed under Section 148 of the Code, as directed in writing by the Authority in accordance with the Tax Compliance Agreement;

*Second*, for payment to the Trustee or any Paying Agent, an amount sufficient for payment of any fees and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the City, on behalf of the Authority, of an invoice for such amounts;

*Third*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the interest due on the Parity Lien Bonds on the next succeeding Interest Payment Date;

*Fourth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the principal due on the Parity Lien Bonds by their terms on the next succeeding November 1;

*Fifth*, transfer to the appropriate account of the Debt Service Reserve Fund such amount as may be required to restore any deficiency in the applicable Debt Service Reserve Fund if the amount on deposit in the Debt Service Reserve Fund is less than the applicable Debt Service Reserve Requirement for Bonds;

*Sixth*, [reserved];

*Seventh*, if the 2029 Term Bonds, or any portion thereof, are Outstanding, transfer all remaining amounts to the Redemption Account of the Debt Service Fund as may be required to redeem the maximum amount of Bonds pursuant to the provisions set forth under the caption “**THE SERIES 2017A Bonds – Redemption Provisions – Special Mandatory Redemption**” in this Official Statement, which shall be applied to the payment of the principal of and accrued interest on all or any portion of the 2029 Term Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the special mandatory redemption requirements for the Series 2017A Bonds; provided, however, that in no event shall any redemption result in a cumulative redemption of 2029 Term Bonds in excess of the amounts shown under the caption “**THE SERIES 2017A Bonds – Redemption Provisions – Special Mandatory Redemption**” in this Official Statement, and further provided that any amounts on deposit in the Redemption

Account of the Debt Service Fund which will not be used for the redemption of Bonds on the next Interest Payment Date shall be used as provided in paragraphs *Eighth*, *Ninth* and *Tenth* hereof;

*Eighth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the interest due, if any, on the Junior Lien Bonds on the next succeeding Interest Payment Date;

*Ninth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund all remaining amounts to pay the outstanding principal, if any, of the Junior Lien Bonds on the next succeeding Interest Payment Date; and

*Tenth*, transfer to the appropriate subaccount of the Redemption Account of the Debt Service Fund all remaining moneys to be held therein until such amounts can be used to redeem Bonds then subject to optional redemption, provided that such moneys may be applied prior to any Interest Payment Date to paragraphs *First* through *Sixth* to fully fund the obligations described in such paragraphs.

Upon the payment in full of the principal of and interest due on the Bonds (or provision has been made for the payment thereof as specified in the Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under the Indenture, all amounts remaining on deposit in the Pilots Account and the Economic Activity Tax Account of the Revenue Fund shall be paid to the City for deposit into the Special Allocation Fund and all amounts remaining on deposit in the CID Revenues Account of the Revenue Fund shall be paid to the City for application in accordance with the CID Agreement.

To the extent that moneys are not sufficient to fund the obligations for each Outstanding series of Parity Lien Bonds or Junior Lien Bonds, such moneys will be applied at each such level on a proportionate basis based upon the outstanding principal amounts of each series of Parity Lien Bonds or Junior Lien Bonds.

Debt Service Fund. Except as otherwise provided in the Indenture, all amounts paid and credited to the applicable account of the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds as the same mature and become due or upon the redemption thereof.

Debt Service Reserve Fund. Except as otherwise provided in the Indenture, amounts in the accounts of the Debt Service Reserve Fund are to be used to pay the principal of and interest on the applicable series of Bonds to the extent of any deficiency in the applicable account of the Debt Service Fund and to retire the last Outstanding Bonds.

Costs of Issuance Fund. Except as otherwise provided in the Indenture, all amounts paid and credited to the Costs of Issuance Fund are to be used to pay the costs of issuing the Bonds as provided in the Indenture. At such time as the Trustee is notified in writing by the City that all costs of issuance have been paid, and in any case not later than six months from the issue date of the Bonds, the Trustee shall transfer any moneys remaining in the Costs of Issuance Fund to the Debt Service Fund.

### **Additional Bonds**

Additional Bonds which have the same Interest Payment Dates and the same dates for payment of principal as the Series 2017A Bonds may be issued under and equally and ratably secured by the Indenture on a parity (except as otherwise provided in the Indenture) with the Series 2017A Bonds and any other Parity Lien Bonds at any time and from time to time, upon compliance with the conditions set forth in the Indenture for any purpose authorized under the Act.

Before any Additional Bonds are issued under the provisions of the Indenture, (1) the Authority shall adopt a resolution (a) authorizing the issuance of such Additional Bonds, fixing the Maturity Amount or principal amount thereof, as applicable, and describing the purpose or purposes for which such Additional Bonds are being issued, (b) authorizing the Authority to enter into a Supplemental Indenture for the purpose of issuing such Additional Bonds and establishing the terms and provisions of such series of Additional Bonds and the form of such series of Additional Bonds, and (c) providing for such other matters as are appropriate because of the issuance of the Additional Bonds, which matters, in the judgment of the Authority, are not prejudicial to the owners of the Parity Lien Bonds previously issued, (2) the City shall adopt an ordinance authorizing the issuance of such Additional Bonds, and (3) there shall then be no Event of Default, or event or condition which, with the giving of notice or the passage of time or both, would constitute an Event of Default, occurring and continuing under the Indenture or the Financing Agreement or other agreements or certificates executed in connection with the issuance of the Bonds.

Such Additional Bonds shall have the same general title as the Series 2017A Bonds, except for an identifying series letter or date, and shall be dated, shall mature on such dates, shall be numbered, shall bear interest at such rates not exceeding the maximum rate then permitted by law payable at such times, and shall be redeemable at such times and prices (subject to the redemption provisions of the Indenture), all as provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds (other than Junior Lien Bonds) shall be on a parity with and shall be entitled to the same benefit and security of the Indenture as the Series 2017A Bonds and any other Parity Lien Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds issued on a parity with the Junior Lien Bonds shall be on a parity with and shall be entitled to the same benefit and security of the Indenture as the Series 2017B Bonds and any other Junior Lien Bonds.

Such Additional Bonds shall be executed in the manner set forth in the Indenture and shall be deposited with the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of such Additional Bonds by the Trustee, and as a condition precedent thereto, there shall be filed with the Trustee the following:

- (1) A certified copy of the resolution the Authority approving the issuance of the Additional Bonds and authorizing the execution of a Supplemental Indenture related thereto.
- (2) A copy of the ordinance authorizing the issuance of the Additional Bonds, certified by the City Clerk.
- (3) An original executed counterpart of the Supplemental Indenture.
- (4) An original executed counterpart of the Supplemental Financing Agreement relating to the Additional Bonds.
- (5) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that the Additional Bonds constitute valid and legally binding obligations of the Authority and, if applicable, that the interest on the Additional Bonds is excludable from gross income of the Owners thereof for federal income tax purposes.
- (6) A copy of any amendment to the Plan, certified by the City Clerk.
- (7) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that the Additional Bonds are exempt from registration under the Securities Act of 1933, as

amended, and the Indenture, as supplemented by the Supplemental Indenture, is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(8) A request and authorization to the Trustee on behalf of the Authority, executed by an Authorized Authority Representative, to authenticate the Additional Bonds and deliver said Additional Bonds to or upon the order of the purchaser upon payment, for the account of the Authority, of the purchase price therefor. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name of the purchaser and the amount of such purchase price.

(9) A certificate of the Authority (i) stating that no event of default under the Indenture has occurred and is continuing and that no event has occurred and is continuing which, with the lapse of time or giving of notice, or both, would constitute such an event of default, and (ii) stating the purpose or purposes for which such Additional Bonds are being issued.

(10) The delivery to the Authority and the Trustee of a certificate signed by the Authorized City Representative demonstrating that the Historical Pro Forma Debt Service Coverage Ratio for the most recent full twelve months was not less than 1.35x, provided, however, that this subsection (10) shall not apply in the case of Refunding Bonds issued to provide net present value savings as determined by the City.

(11) Only so long as the Developer owns 100% of the Junior Lien Bonds and only in the event of issuance of Additional Bonds other than Refunding Bonds described in the preceding subsection (10), the written consent of the Developer, which shall not be unreasonably withheld.

(12) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that all requirements for the issuance of such Additional Bonds have been met, that such Additional Bonds constitute valid and legally binding obligations of the Authority and the issuance of such Additional Bonds will not result in the interest on any Parity Lien Bonds then Outstanding and originally issued as exempt from federal income taxes becoming subject to federal income taxes then in effect.

(13) Such other certificates, statements, opinions, receipts and documents or as the Authority or the Trustee shall reasonably require for the delivery of the Additional Bonds.

When the documents specified above have been filed with the Trustee, and when such Additional Bonds have been executed and authenticated as required by the Indenture, the Trustee shall deliver such Additional Bonds to or upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of such Additional Bonds. The proceeds of the sale of such Additional Bonds, including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee and shall be deposited and applied by the Trustee as provided in the Indenture and in the Supplemental Indenture authorizing the issuance of such Additional Bonds.

Except as provided in the Indenture, the Authority will not otherwise issue any Additional Bonds but the Authority may issue Bonds and other obligations on a parity with Junior Lien Bonds which are specifically subordinate and junior to the Parity Lien Bonds with respect to payment from Pledged Revenues and the Trust Estate upon satisfaction of the conditions listed in paragraphs (1) through (9) and (11) through (13) above. No such Bonds shall be issued without the prior written consent and direction of the City.

## TAX INCREMENT FINANCING IN MISSOURI

### Overview

Tax increment financing is a procedure whereby cities and counties encourage the redevelopment of designated areas. The theory of tax increment financing is that, by encouraging redevelopment projects, the value of real property in a redevelopment area should increase. When tax increment financing is adopted for a redevelopment area, the assessed value of real property in the redevelopment area is frozen for tax purposes at the current base level prior to the construction of improvements. The owners of the property continue to pay property taxes at the base level. As the property is improved, the assessed value of real property in the redevelopment area should increase above the base level. By applying the tax rate of all taxing districts having taxing power within the redevelopment area to the increase in assessed valuation of the improved property over the base level, a “tax increment” is produced. The tax increments, referred to as “payments in lieu of taxes” or “Pilots,” are paid by the owners of property in the same manner as regular property taxes. The Pilots are transferred by the collecting agency to the treasurer of the city or county and deposited in a “special allocation fund.” All or a portion of the moneys in the fund are used to pay directly for redevelopment project costs or to retire bonds or other obligations issued to pay such costs.

### The Act

The Act was enacted in 1982 and was amended in subsequent years. The constitutional validity of the Act (prior to the amendments) was upheld by the Missouri Supreme Court in *Tax Increment Financing Commission of Kansas City, Missouri v. J.E. Dunn Construction Co., Inc.*, 781 S.W.2d 70 (Mo. 1989) (en banc). The Act authorizes cities and counties to provide long-term financing for redevelopment projects in “blighted” and “conservation” areas (as defined in the Act) through the issuance of bonds and other obligations. Such obligations are payable solely from payments in lieu of taxes within the redevelopment area and from 50% of the increase in certain other tax revenues generated by economic activities within the redevelopment area. Such other taxes are referred to herein as “economic activity taxes.” The validity of certain portions of the Act relating to the capture of economic activity taxes was upheld by the Missouri Supreme Court in *County of Jefferson v. QuikTrip Corporation*, 912 S.W.2d 487 (Mo. 1995) (en banc).

Although Pilots may be irrevocably pledged to the repayment of bonds, economic activity taxes are subject to annual appropriation by the governing body of the city or county, and there is no obligation on the part of the governing body to appropriate economic activity taxes in any year. See the captions “**BONDOWNERS’ RISKS – Risk of Non-Appropriation**” and “**– Factors Affecting Sales Tax Revenues**” herein.

### Assessments and Collections of Ad Valorem Taxes

The City is located in the County. On or before September 1 in each year, each political subdivision located within the County which imposes ad valorem taxes (the “**Taxing Districts**”) estimates the amount of taxes that will be required during the next succeeding fiscal year to pay interest falling due on general obligation bonds issued and the principal of bonds maturing in such year and the costs of operation and maintenance plus such amounts as shall be required to cover emergencies and anticipated tax delinquencies. The Taxing Districts certify the amount of such taxes which shall be levied, assessed and collected on all taxable tangible property in the County to the County Assessor by September 1.

All taxes levied must be based upon the assessed valuation of land and other taxable tangible property in the County as shall be determined by the records of the County Assessor and must be collected and remitted to the Taxing Districts. All the laws, rights and remedies provided by the laws of the State for the collection of State, county, city, school and other ad valorem taxes are applicable to the collection of taxes authorized to be collected in the Redevelopment Area.

The Missouri Constitution requires uniformity in taxation of real property by directing such property to be subclassed as agricultural, residential or commercial and permitting different assessment ratios for each subclass. Residential property is currently assessed at 19% of true value in money, commercial property is assessed at 32% of true value in money, and agricultural property is assessed at 12% of true value in money. The phrase “true value in money” has been held to mean “fair market value” except with respect to agricultural property.

Real property within the County is assessed by the County Assessor. The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The Board of Equalization has the authority to question and determine the proper values of real property and then adjust and equalize individual properties appearing on the tax rolls. The County Collector collects taxes for all Taxing Districts within the County limits. The County Collector deducts a commission for his services. After such collections and deductions of commission, taxes are distributed according to the Taxing District’s pro rata share.

Taxes are levied on all taxable property based on the equalized assessed value thereof determined as of January 1 in each year. Under Missouri law, each property must be reassessed every two years (in odd-numbered years). The County Collector prepares the tax bills and mails them to each taxpayer in September. Payment is due by December 31, after which they become delinquent and accrue a penalty of one percent per month. In the event of an increase in the assessed value of a property, notice of such increase must be given to the owner of the affected property, which notice is generally given in April.

Valuation of Real Property. The County Assessor must determine the assessed value of a property based upon the State law requirement that property be valued at its true value in money. For agricultural land, true value is based on its productive capability. As to residential and commercial property, true value in money is the fair market value of the property on the valuation date. The fair market value is arrived at by using the three universally recognized approaches to value: cost approach, the sales comparison approach and the income approach.

The cost approach is typically applied when a property is newly constructed and is based on the principle of substitution. This principle states that no informed buyer will pay more for a property than the cost to reproduce or replace the property. Value is determined under the cost approach by adding the estimated land value to the replacement or reproduction cost reduced by estimated depreciation. Courts have held, however, that construction cost alone is not a proper basis for determining true value in money and that all factors which affect the use and utility of the property must be considered.

The sales comparison approach determines value based upon recent sales prices of comparable properties. Comparable sales are adjusted for differences in properties by comparing such items as sales price per square foot and net operating income capitalization rates.

The income approach estimates market value by discounting to present value a stream of estimated net operating income. First, the property’s gross potential income is estimated based on gross rents being generated at the property. A vacancy allowance is then deducted to arrive at effective gross income. Next, allowable operating expenses are deducted to arrive at an estimate of the property’s net operating income. Finally, the net operating income is divided by an appropriate capitalization rate to arrive at the estimated present value of the income stream.

Appeal of Assessment. State statutes set up various mechanisms for a property owner to appeal the assessment of a tax on its property. Typically, there are four issues that can be raised in property tax appeals including overvaluation, uniformity, misclassification and exemption. Overvaluation appeals are the most common appeals presented by taxpayers. An overvaluation appeal requires the taxpayer to prove that the true value in money of the property is less than that determined by the assessor. Uniformity appeals are

based on the assertion that other property in the same class and county as the subject property is assessed at a lower percentage of value than the subject property. A misclassification appeal is based on an assertion that assessing authorities have improperly subclassed a property. Exemption appeals are based on claims that the property in question is exempt from taxation.

Overvaluation appeals, for the most part, must be made administratively, first to the Board of Equalization and then to the State Tax Commission within prescribed time periods following notice of an increase in assessment. Appeals to the Board of Equalization must be filed with the County Assessor on or before the third Monday in June of each year. Appeals to the State Tax Commission must be filed by the later of August 15 and 30 days after the date of the final decision of the Board of Equalization. Where valuation is not an issue, appeals must be taken directly to the State circuit court rather than the State Tax Commission. If an appeal is pending on December 31, the due date for the payment of taxes, State statute provides a procedure for the payment of taxes under protest. If taxes are paid but not under protest, the taxpayer cannot recover the amount paid unless those taxes have been mistakenly or erroneously paid. Application for a refund of mistakenly or erroneously paid taxes must be made within one year after the tax in dispute was paid. Typically, only that portion of the taxes being disputed is identified as being paid under protest, unless a claim of exemption is being asserted. The portion of the tax paid under protest is required to be held in an interest bearing account. Unless an appeal before the Board of Equalization or State Tax Commission is pending, suit must be brought by the taxpayer to resolve the dispute within 90 days, or the escrowed funds will be released to the Collector of Revenue and distributed to the Taxing Districts.

Reassessment and Tax Rate Rollback. As previously stated, a general reassessment of all property in the State is required to be conducted every two years. When, as a result of such reassessment, the assessed valuation within a Taxing District increases by more than an allowable percentage, the Taxing District is required to roll back the rate of tax within the Taxing District so as to produce substantially the same amount of tax revenue as was produced in the previous year increased by an amount called a “preceding valuation factor.” A “preceding valuation factor” is a percentage increase or decrease based on the average annual percentage changes in total assessed valuation of the County over the previous three or five years, whichever is greater, adjusted to eliminate the effect of boundary changes, changes from State to County assessed property, general reassessment and State ordered changes.

The Hancock Amendment. A Constitutional amendment limiting taxation and government spending was approved by Missouri voters on September 4, 1980, and went into effect with the 1981–82 fiscal year. The amendment (Article X, Section 22(a) of the State Constitution and popularly known as the Hancock Amendment) limits the rate of increase and the total amount of taxes that shall be imposed in any fiscal year, and provides that the limit shall not be exceeded without voter approval. Provisions are included in the Hancock Amendment for rolling back tax rates to produce an amount of revenues equal to that of the previous year if the definition of the tax base is changed or if property is reassessed. The tax levy on the assessed valuation of new construction is exempt from this limitation in the initial year of new construction.

## **Tax Delinquencies**

All real estate upon which taxes or Pilots remain unpaid on the first day of January, annually, are delinquent, and the Taney County Collector of Revenue (the “**County Collector**”) is empowered to enforce the lien of the taxing jurisdictions thereon. Whenever the County Collector is unable to collect any taxes on the tax roll, having diligently endeavored and used all lawful means to do so, it is required to compile lists of delinquent collectible tax bills. All lands and lots on which taxes are delinquent and unpaid are subject to suit to collect delinquent tax bills or suit for foreclosure of the tax liens. Upon receiving a judgment, the Taney County Sheriff’s Office must advertise the sale of the land, fixing the date of sale within 30 days after the first publication of the notice. Delinquent taxes, with penalty, interest and costs, may be paid to the County Collector at any time before the property is sold therefor. No action for recovery of delinquent taxes shall be valid unless initial proceedings therefor are commenced within five years after delinquency of such taxes.

## Economic Activity Taxes

The economic activity taxes that will be pledged to the payment of the Bonds, subject to annual appropriation, are 50% of the total additional revenue from taxes imposed by the City or other Taxing Districts which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in calendar year 2005, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees, special assessments and Pilots (as described and determined in accordance with the Act).

Retail businesses are required to collect the sales tax from purchasers at the time of sale, and pay said amounts to the Missouri Department of Revenue (the “**Department of Revenue**”) with the filing of returns, except for the sales tax on motor vehicles, trailers, boats and outboard motors, which is due at the time application is made for title and registration. The sales volume of a retail business determines the frequency of payments made to the Department of Revenue. In most cases, the retail businesses in the City make monthly payments to the Department of Revenue, which are due on the twentieth day of each calendar month for sales taxes collected in the preceding calendar month if such preceding calendar month is either the first or second month of a calendar quarter, or on the last day of the month for sales taxes collected in the preceding calendar month if such preceding calendar month is the end of a calendar quarter. Retail businesses located in the City submit applications to the City for a merchant’s license and an occupancy permit, and before such license and permit are awarded verification of a tax identification number from the State is made by the City. In the event of a failure by a retail business to remit sales taxes, interest and penalties, the unpaid amount may become a lien in the nature of a judgment lien against the delinquent taxpayer. In the event of overpayment by any retail business as a result of error or duplication, provision is made under State law for refunds.

Pursuant to the State law, taxpayers who promptly pay their sales taxes are entitled to retain 2% of the amount of taxes owed.

Within 30 days of receipt of sales taxes by the Department of Revenue, the Director of the Department of Revenue remits to the State Treasurer for deposit in a special trust fund for the benefit of each political subdivision entitled to a sales tax distribution the amount of such sales tax receipts less 1% of such amount which constitutes a fee paid to the State for collecting and distributing the tax. The State Treasurer then distributes moneys on deposit in the special trust fund on behalf of each such political subdivision to such political subdivision on a monthly basis.

## PLAN OF FINANCING

### Sources and Uses of Funds

Following is a summary of the anticipated sources and uses of funds in connection with the issuance of the Series 2017A Bonds:

#### Sources of Funds:

Net Proceeds of the Series 2017A Bonds.....	\$ _____
Series 2006A Bonds Debt Service Reserve Fund.....	_____
Prior Indenture Revenue Fund.....	_____
Prior Indenture Business Interruption Revenue Fund.....	_____
Total sources of funds.....	\$ _____

#### Uses of Funds:

Deposit to the Escrow Fund.....	\$ _____
Deposit to Debt Service Reserve Fund.....	_____
Deposit to the Revenue Fund.....	_____
Underwriting Discount.....	_____
Other Costs of Issuance.....	_____
Total uses of funds.....	\$ _____

### The Refunding

On the date of issuance of the Series 2017 Bonds, the Trustee will transfer a portion of the proceeds of the Series 2017A Bonds to the trustee for the Series 2006A Bonds to be applied, along with funds on deposit in the debt service reserve fund and the business interruption reserve fund for the Series 2006A Bonds, for (i) the redemption in full of the Series 2006A Bonds on or about October 2, 2017\* (the “**Redemption Date**”) at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date and (ii) the redemption of \$\_\_\_\_\_ \* in aggregate principal amount of the Series 2006B Bonds on the date of issuance of the Series 2017 Bonds at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of issuance of the Series 2017 Bonds.

On the date of issuance of the Series 2017 Bonds, the Series 2017B Bonds will be issued to the Developer in exchange for a portion of the Series 2006B Bonds not refunded with proceeds of the Series 2017A Bonds. Any remaining Series 2006B Bonds not refunded with proceeds of the Series 2017A Bonds or exchanged for Series 2017B Bonds will be cancelled.

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\* Preliminary; subject to change.

## **BONDOWNERS' RISKS**

*The following is a discussion of certain risks that could affect payments to be made with respect to the Series 2017A Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Series 2017A Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein and in the Appendices hereto, copies of which are available as described herein.*

### **Nature of Obligations**

The Series 2017A Bonds are special, limited obligations of the Authority and are payable solely from and secured by the Pledged Revenues. See the captions “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS**” and “**BRANSON SHOPPES PROJECT – Historical Collections of Net Revenues**” in this Official Statement.

The realization of such revenues is dependent upon, among other things, the capabilities of the retailers within the boundaries of the Redevelopment Project Areas and the CID and future changes in economic and other conditions that are unpredictable and cannot be determined at this time.

### **Risk of Non-Appropriation**

The application of any Economic Activity Tax Revenues to the payment of the principal of and interest on the Series 2017A Bonds is subject to annual appropriation by the City. Although the City has covenanted in the Financing Agreement that the appropriation of the Economic Activity Tax Revenues to the Special Allocation Fund will be included in the budget submitted to the Board of Aldermen for each fiscal year, there can be no assurance that such appropriation will be made by the Board of Aldermen, and the Board of Aldermen is not legally obligated to make any such appropriation.

The application of the CID Portion of CID Revenues to the payment of the principal of and interest on the Series 2017A Bonds is subject to annual appropriation by the Board of Directors of the CID. There can be no assurances that such appropriation will be made by the Board of Directors of the CID. The CID is not a party to the Financing Agreement.

### **Reliance on Tenants and Property Owners**

The payment of debt service on the Series 2017A Bonds will be dependent (regardless of occupancy) on the owners of the real property in the Redevelopment Project Areas to provide the payment of Payments in Lieu of Taxes for deposit into the Special Allocation Fund.

Bondowners will be dependent on current and future managers and owners of the Branson Shoppes Project to maintain occupancy in order to assure that Economic Activity Tax Revenues are generated and to maintain assessed valuation in order that Payments in Lieu of Taxes will be generated.

Leases for the Branson Shoppes Project are expected to provide that each tenant is responsible for its pro rata share of any real estate taxes (including Payments in Lieu of Taxes) and certain other common expenses. If any tenant defaults in paying its pro rata share of such taxes or other common expenses, the owner of the real property will be responsible for such payments, although such owner may have the right to declare a default under the tenant's lease if the tenant failed to pay such amounts.

A tenant may cease operations but continue to pay rent to the owner. Under such circumstances, no Economic Activity Tax Revenues or CID Revenues would be generated by the tenant with respect to the Branson Shoppes Project. In addition, the property owners have no obligation to lease or sell space at the

Branson Shoppes Project solely to entities that generate Economic Activity Tax Revenues or CID Revenues, and the owner may modify, demolish, redevelop or change the Branson Shoppes Project in such manner as they may determine.

As noted above in this Official Statement under the caption “**THE BRANSON SHOPPES PROJECT – Business in the Redevelopment Project Areas,**” MC Sports closed its retail location in the Redevelopment Project Areas in May 2017, and after such date, no Economic Activity Tax Revenues or CID Revenues will be generated with respect to that portion of the development until the current owner is able to relet the space. No guarantees can be made that the current owner will be able to relet such space or, if relet, the new tenant will conduct its business in a manner that results in the collection of Economic Activity Tax Revenues or CID Revenues sufficient to replace those lost by closing of the MC Sports location.

### **No Information Regarding Lease Terms**

The Developer has sold its interest in the real property located within the Redevelopment Area upon which operating businesses are located and, therefore, neither the Developer nor the City have any information relating to the current scheduled termination dates of any leases. No assurances can be given that any tenant operating within the Branson Shoppes Project is obligated pursuant to its existing lease to continue occupying its respective retail space and operating its business through the final maturity date of the Series 2017A Bonds or that any tenant will not cancel its lease.

### **No Mortgage**

Payment of the principal of and interest on the Series 2017A Bonds is not secured by any deed of trust, mortgage or other lien on the Shopping Center or any portion thereof. The Series 2017A Bonds are payable solely from Pledged Revenues.

### **Limitations on Remedies**

The remedies available to the Bondowners upon a default under the Indenture are in many respects dependent upon judicial action, which is often subject to discretion and delay under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code. The various legal opinions to be delivered concurrently with delivery of the Series 2017A Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, now or hereafter in effect; to usual equity principles which shall limit the specific enforcement under laws of the State of Missouri as to certain remedies; to the exercise by the United States of the powers delegated to it by the United States Constitution; and to the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies, in the interest of serving an important public purpose.

### **Loss of Premium Upon Early Redemption**

Any person who purchases a Bond at a price in excess of its principal amount or who holds such Bond trading at a price in excess of par should consider the fact that the Series 2017A Bonds are subject to redemption prior to maturity at the redemption prices described in this Official Statement. See the caption “**THE SERIES 2017A BONDS – Redemption Provisions**” in this Official Statement.

### **Factors Affecting Sales Tax Revenues**

Economic Activity Tax Revenues and CID Revenues are contingent and may be adversely affected by a variety of factors, including without limitation economic conditions within boundaries of the Redevelopment Project Areas or the CID, as applicable, and the surrounding trade area and competition

from other retail businesses, rental rates and occupancy rates in private developments in the area, suitability of retailers within the Redevelopment Project Areas or the CID for the local market, local unemployment, availability of transportation, neighborhood changes, crime levels in the area, vandalism and rising operating costs, interruption or termination of retail operations within the Redevelopment Project Areas or the CID as a result of fire, natural disaster, strikes or similar events, among many other factors. As a result of all of the above factors, it is difficult to predict with certainty the expected amount of Economic Activity Tax Revenues or CID Revenues which will be available to pay the principal of and interest on the Series 2017A Bonds.

The retail sales industry is highly competitive. Existing retail businesses outside of the Redevelopment Project Areas and the CID, the future development of retail businesses outside of the Redevelopment Project Areas or the CID and competition from online retailers, such as Amazon and many others, which are competitive with retail businesses in the Redevelopment Project Areas or the CID, may exist or may be developed after the date of this Official Statement.

In addition to the foregoing, the partial or complete destruction of any retailer within the Redevelopment Project Areas or the CID, as a result of fire, natural disaster or similar casualty event or the temporary or permanent closing of one or more retail establishments in Redevelopment Project Areas or the CID due to strikes or failure of the business would adversely affect the Economic Activity Tax Revenues and the CID Revenues and thereby adversely affect the revenues available to pay the Series 2017A Bonds and the interest thereon. Any insurance maintained by a retailer for such casualty or business interruption is not likely to include coverage for sales taxes that otherwise would be generated by the establishment.

#### **Risk of Failure to Maintain Levels of Assessed Valuations**

There can be no assurance that the assessed value of the Branson Shoppes Project will equal or exceed the current assessed value throughout the term of the Series 2017A Bonds. If at any time during the term of the Series 2017A Bonds the actual assessed value is less than the current levels, the amount of the Payments in Lieu of Taxes will be likely less than forecasted and there may not be sufficient Payments in Lieu of Taxes paid into the Revenue Fund to meet the obligations on the Series 2017A Bonds.

Even if the County Assessor's determination of the assessed value of the Branson Shoppes Project equals or exceeds the forecasted assessed value, the owners of property have the right to appeal such determination. If any such appeal is not resolved prior to the time when real estate taxes and Payments in Lieu of Taxes are due, the taxpayer may pay the taxes and Payments in Lieu of Taxes under protest. In such event, that portion of taxes and Payments in Lieu of Taxes being protested will not be available for deposit into the special allocation fund until the appeal has been concluded. If the appeal is resolved in favor of the taxpayer, the assessed value of the Branson Shoppes Project will be reduced, in which event the Payments in Lieu of Taxes may be reduced. See the caption "**TAX INCREMENT FINANCING IN MISSOURI – Assessments and Collections of Ad Valorem Taxes**" in this Official Statement.

#### **Exempt Properties; Tax Abatement or Rebate**

Missouri law exempts certain uses and property owners from the payment of real property taxes, including the payment of Payments in Lieu of Taxes. There is no obligation on the part of the property owner to lease any space within the Branson Shoppes Project to entities that are not exempt from such taxes. If the property owner leases space within the Branson Shoppes Project to entities that are exempt from paying such taxes, the Pledged Revenues may be less than would have otherwise been available to pay debt service on the Series 2017A Bonds.

## **Reduction in State and Local Tax Rates**

Any taxing district in the Redevelopment Project Areas or the CID could lower its tax rate, which would have the effect of reducing the Pledge Revenues. Such a reduction in rates could be as a result of a desire of the governing body of the taxing district to lower tax rates, taxpayer initiative, or in response to state or local litigation or legislation affecting the broader taxing structure within the taxing district, such as litigation or legislation affecting the primary reliance on ad valorem property taxes to fund elementary and secondary education in the State.

The imposition of certain sales taxes currently being collected in the Redevelopment Projects Areas are scheduled to expire during the term of the Series 2017A Bonds as follows:

(i) The 1/2 of 1% sales tax imposed by the County to fund the Taney County Regional Sewer District is scheduled to expire on September 30, 2023. Municipalities within the County receive 25% of the revenue generated from this sales tax, with the remainder going to the County to support the Taney County Regional Sewer District's capital improvement projects in unincorporated areas of the County.

(ii) The 1/8 of 1% law enforcement sales tax imposed by the County is scheduled to expire on December 31, 2022. The law enforcement sales tax was authorized by County voters in 2005 to fund the construction, equipping, improvement, operation and maintenance of a county jail and law enforcement center.

(iii) The 1% sales tax imposed by the BLATCED is scheduled to expire on September 30, 2025. The BLATCED sales tax was authorized originally by voters within the BLATCED in 2005 to fund marketing efforts for the area and was last renewed in 2014, with approximately 77% of voters approving the renewal.

No assurance can be made that any expiring sales taxes will be renewed or extended or if renewed or extended, such sales taxes will continue at the current rates.

The City's 0.50% tourism sales tax applicable to food and beverage sales is collected on food and beverages sales occurring within the Redevelopment Project Areas, 50% of which is included in Economic Activity Tax Revenues. The City has issued various revenue and other bonds secured by a pledge of the City's tourism sales tax revenues. The final maturity date of the bonds currently outstanding is January 1, 2022, at which time it is possible that, absent additional action by the City, the tourism tax will no longer be imposed and collected. The City could issue additional bonds or take other actions that would continue the tourism tax beyond such date; however, no assurances can be given that the tourism tax will be continued or renewed.

## **Development of Property within the Redevelopment Project Areas and the CID**

There can be no assurance that the undeveloped property in the Redevelopment Project Areas will be further developed, or if it is further developed, at what schedule or with what end uses or values. Prospective investors should evaluate the likelihood of further development and what effects further development will have on the ability of the Branson Shoppes Project or the CID to generate Pledged Revenues.

## **Debt Service Reserve Fund**

At the time of issuance of the Series 2017A Bonds, the Debt Service Reserve Fund will be funded in the amount of \$\_\_\_\_\_\* (the “**Debt Service Reserve Requirement**”). See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS – Indenture Funds and Accounts**” in this Official Statement. There can be no assurance that the amounts on deposit in the Debt Service Reserve Fund will be available if needed for payment of the Series 2017A Bonds in the full amount of the Debt Service Reserve Requirement because (1) of fluctuations in the market value of the securities deposited therein and/or (2) if funds are transferred to the Debt Service Fund, sufficient revenues may not be available in the Revenue Fund to replenish the Debt Service Reserve Fund to the Debt Service Reserve Requirement.

## **Determination of Taxability**

The Series 2017A Bonds are not subject to redemption, nor is the interest rate on the Series 2017A Bonds subject to adjustment, in the event of a determination by the Internal Revenue Service (the “**Service**”) or a court of competent jurisdiction that the interest paid or to be paid on any Series 2017A Bond is or was includible in the gross income of the Owner of a Series 2017A Bond for federal income tax purposes. Such determination may, however, result in a breach of the Authority’s tax covenants set forth in the Indenture which may constitute an event of default under the Indenture. It may be that Owners would continue to hold their Series 2017A Bonds, receiving principal and interest as and when due, but would be required to include such interest payments in gross income for federal income tax purposes.

## **Additional Bonds**

The Authority may issue Additional Bonds on a parity basis with the Series 2017A Bonds upon satisfaction of certain conditions provided in the Indenture. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS – Additional Bonds**” in this Official Statement.

## **Absence of Rating**

No rating as to the creditworthiness of the Series 2017A Bonds has been requested from any organization engaged in the business of publishing such ratings. Typically, unrated bonds lack liquidity in the secondary market in comparison with rated bonds. The Series 2017A Bonds should not be purchased by any investor who, because of financial condition, investment policies or otherwise, does not desire to assume, or have the ability to bear, the risks inherent in an investment in the Series 2017A Bonds.

## **Risk of Audit**

The Service 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. No assurance can be given that the Service will not commence an audit of the Series 2017A Bonds. Owners of the Series 2017A Bonds are advised that, if an audit of the Series 2017A Bonds were commenced, in accordance with its current published procedures, the Service would likely treat the Authority as the taxpayer, and the Owners of the Series 2017A 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 Series 2017A Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

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\* Preliminary; subject to change.

## **Secondary Market for the Series 2017A Bonds**

There is no assurance that a secondary market will develop for the purchase and sale of the Series 2017A Bonds. 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 operating performance of the entities operating the facilities subject to the municipal securities. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

## **Defeasance Risks**

When any or all of the Series 2017A Bonds or the interest payments thereon have been paid and discharged, then the requirements contained in the Indenture and the pledge of revenues made thereunder and all other rights granted thereby shall terminate with respect to the Series 2017A Bonds so paid and discharged. Series 2017A Bonds shall be deemed to be paid within the meaning of the Indenture when payment of the principal on such Series 2017A Bonds, plus premium, if any, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (a) has been made or caused to be made in accordance with the terms of the Indenture, or (b) provision therefor has been made by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (1) moneys sufficient to make such payment or (2) non-callable Government Securities maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment and the Trustee shall have received an opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such deposit of interest on any Series 2017A Bonds will not result in the interest on any Series 2017A Bonds then Outstanding and exempt from taxation for federal income tax purposes becoming subject to federal income taxes then in effect and that all conditions precedent to the satisfaction of the Indenture have been met. Any money and non-callable Government Securities that at any time shall be deposited with the Trustee by or on behalf of the City, for the purpose of paying and discharging any of the Series 2017A Bonds or the interest payments thereon, shall be assigned, transferred and set over to the Trustee in trust for the respective Owners of the Series 2017A Bonds, and such moneys shall be irrevocably appropriated to the payment and discharge thereof. Non-callable Government Securities include, in addition to cash and obligations pre-refunded with cash, bonds, notes, certificates of indebtedness, treasury bills and 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. 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 any rating of the Series 2017A Bonds defeased with Government Securities to the extent the Government Securities have a change or downgrade in rating.

## **ABSENCE OF LITIGATION**

### **The Authority**

There is no litigation, controversy or other proceeding of any kind pending, or to the Authority's knowledge, threatened in which any matter is raised or may be raised questioning, disputing, challenging or affecting in any way the legal organization of the Authority, the right or title of any of the Authority's officers to their respective offices, the Indenture, the Financing Agreement, the legality of any official act taken in connection with the issuance of the Series 2017A Bonds or the legality of any of the proceedings had or documents entered into in connection with the authorization, issuance or sale of the Series 2017A Bonds.

### **The City**

There is no litigation, controversy or other proceeding of any kind pending or, to the City's knowledge, threatened in which any matter is raised or may be raised questioning, disputing, challenging or

affecting in any way the legal organization of the City or its boundaries, the right or title of any of the City's officers to their respective offices, the Redevelopment Plan, the Branson Shoppes Project or the Redevelopment Project Areas, the constitutionality or validity of the Series 2017A Bonds, the legality of any official act taken in connection with the execution and delivery of the Financing Agreement or the legality of any of the proceedings had or documents entered into in connection with the authorization, execution and delivery of the Financing Agreement.

## LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Series 2017A Bonds are subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, whose approving opinion will be delivered with the Series 2017A Bonds. The expected form of such opinion is attached as **Appendix B** to this Official Statement. Certain legal matters will be passed upon for the Authority by Gilmore & Bell, P.C., Kansas City, Missouri; for the City by its City Attorney; for the Developer by Armstrong Teasdale LLP, St. Louis, Missouri; and for the Underwriter by Bryan Cave LLP, Kansas City, Missouri.

## TAX MATTERS

*The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Series 2017A 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 Series 2017A 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 Series 2017A 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 Series 2017A Bonds.*

### Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority, under the law existing as of the issue date of the Series 2017A Bonds:

Federal and Missouri Tax Exemption. The interest on the Series 2017A 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. Interest on the Series 2017A Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Bank Qualification. The Series 2017A Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

Bond Counsel's opinions are provided as of the date of the original issue of the Series 2017A Bonds, subject to the condition that the Authority and the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2017A Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Authority and the City

have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2017A Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Series 2017A Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2017A Bonds but has reviewed the discussion under the heading “**TAX MATTERS.**”

### **Other Tax Consequences**

Original Issue Discount. For federal income tax purposes, original issue discount (“**OID**”) is the excess of the stated redemption price at maturity of a Series 2017A Bond over its issue price. The issue price of a Bond is the first price at which a substantial amount of the Series 2017A Bonds of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Section 1288 of the Code, OID on tax-exempt bonds accrues on a compound basis. The amount of OID that accrues to an owner of a Series 2017A Bond during any accrual period generally equals (1) the issue price of that Series 2017A Bond, plus the amount of OID accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2017A 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 Series 2017A Bond during that accrual period. The amount of OID 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 Series 2017A Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of OID.

Original Issue Premium. If a Series 2017A Bond is issued at a price that exceeds the stated redemption price at maturity of the Series 2017A Bond, the excess of the purchase price over the stated redemption price at maturity constitutes “premium” on that Series 2017A Bond. Under Section 171 of the Code, the purchaser of that Series 2017A Bond must amortize the premium over the term of the Series 2017A Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Series 2017A Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner. This 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 Series 2017A 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 Series 2017A Bonds. Upon the sale, exchange or retirement (including redemption) of a Series 2017A Bond, an owner of the Series 2017A 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 Series 2017A Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Series 2017A Bond. To the extent a Series 2017A 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 Series 2017A 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 Series 2017A Bonds, and to the proceeds paid on the sale of the Series 2017A 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 Series 2017A Bonds should be aware that ownership of the Series 2017A 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 Series 2017A Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2017A 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 Series 2017A Bonds, including the possible application of state, local, foreign and other tax laws.

## CONTINUING DISCLOSURE

The City will execute a Continuing Disclosure Agreement (the “**Continuing Disclosure Agreement**”) in accordance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. The City will agree to provide certain information regarding the Redevelopment Project Areas and to provide notice of the occurrence of certain specified events, if material. The form of the Continuing Disclosure Agreement is contained in **Appendix D** to this Official Statement.

Prior Compliance with Continuing Disclosure Undertakings. The City has previously entered into continuing disclosure undertakings for other bond issues similar to the Continuing Disclosure Agreement, to provide to the national information repositories (presently, only the Municipal Securities Rulemaking Board) the audited financial statements of the City and updates of certain operating data.

The City failed to comply with its prior undertakings during the past five years in the following respects:

- Certain project-specific operating data for the fiscal years 2013-2016 was not included in the annual reports filed for those years, as described in the annual reports for those years.
- Prior to 2013, the City filed quarterly reports required by certain of its prior undertakings late in multiple instances, ranging from approximately one week to three months late. The City failed to file any required quarterly reports in 2013 and 2014. The City filed the missing quarterly reports in February, 2015, and has since timely filed the required quarterly reports.

These materials are available at [www.emma.msrb.org](http://www.emma.msrb.org).

## UNDERWRITING

The Series 2017A Bonds are being purchased for reoffering by Piper Jaffray & Co. (the “**Underwriter**”). The Underwriter has agreed to purchase the Series 2017A Bonds at an aggregate purchase price of \$\_\_\_\_\_ (which is equal to the aggregate principal amount of the Series 2017A Bonds, plus reoffering premium of \$\_\_\_\_\_, less original discount of \$\_\_\_\_\_, less underwriter’s discount of \$\_\_\_\_\_), plus accrued interest, if any, to the date of delivery. The Bond Purchase Agreement with respect to the Series 2017A Bonds (the “**Bond Purchase Agreement**”) provides that the Underwriter will purchase all of the Series 2017A Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Series 2017A Bonds is subject to the various conditions of the Bond Purchase Agreement.

The Underwriter intends to offer the Series 2017A Bonds to the public initially at the offering prices set forth on the inside cover page of this Official Statement, which may subsequently change without any

requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2017A Bonds to the public. The Underwriter may offer and sell Series 2017A Bonds to certain dealers (including dealers depositing Series 2017A Bonds into investment trusts) at prices lower than the public offering prices. In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market price of the Series 2017A 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 Underwriter has entered into a distribution agreement (for purposes of this paragraph only, the “**Distribution Agreement**”) with Charles Schwab & Co., Inc. (“**CS&Co.**”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Series 2017A Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Series 2017A Bonds that CS&Co. sells.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City and the Authority, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority and/or the City.

#### **FINANCIAL ADVISOR**

Columbia Capital Management, LLC, Overland Park, Kansas (the “**Financial Advisor**”), a registered municipal advisor, is serving as financial advisor to the City. The Financial Advisor is a financial and investment advisory and consulting organization and is not engaged in the underwriting, marketing or trading of municipal securities or other negotiable instruments. The Financial Advisor has assisted in various matters relating to the planning, structuring and issuance of the Series 2017A Bonds, but has not passed on the accuracy or completeness of the factual information contained in this Official Statement.

#### **NO RATINGS**

The Series 2017A Bonds are not rated by S&P Global Ratings, Moody’s Investors Services, Fitch Ratings or any other similar rating service, nor has any such rating been sought.

#### **CERTAIN RELATIONSHIPS**

Gilmore & Bell, P.C., Bond Counsel, has represented the Underwriter in transactions unrelated to the issuance of the Series 2017A Bonds, but is not representing the Underwriter in connection with the issuance of the Series 2017A Bonds.

#### **MISCELLANEOUS**

The references herein to the TIF Act, the CID Act, the Indenture, the Financing Agreement, the Redevelopment Plan, the Redevelopment Agreement and the CID Agreement are brief outlines of certain provisions of such documents and do not purport to be complete. Reference is made to the TIF Act, the CID Act and such documents for full and complete statements of their provisions. Copies of such

documents are on file at the offices of the Underwriter and following delivery of the Series 2017A Bonds will be on file at the office of the Trustee.

Any statements in this Official Statement involving matters of opinion or forecast, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority, the City, the CID, the Underwriter and the purchasers or owners of the Series 2017A Bonds.

The agreement of the Authority with the owners of the Series 2017A Bonds is fully set forth in the Indenture, and neither any advertisement of the Series 2017A Bonds nor this Official Statement is to be construed as constituting all agreement with the purchasers of the Series 2017A Bonds.

The information herein regarding the Branson Shoppes Project and the Branson Hills Project has been supplied by sources other than the City.

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

By: \_\_\_\_\_

**CITY OF BRANSON, MISSOURI**

By: \_\_\_\_\_

**APPENDIX A**

**DEFINITIONS AND SUMMARY OF THE PRINCIPAL DOCUMENTS**

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## APPENDIX A

### DEFINITIONS AND SUMMARY OF THE PRINCIPAL DOCUMENTS

#### 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 Indenture, the Financing Agreement and this Official Statement unless the context clearly otherwise requires.*

**“Act”** means the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended.

**“Additional Bonds”** means any Parity Lien Bonds, other than the Series 2017A Bonds, issued by the Authority pursuant to the Indenture that stand on a parity and equality under the Indenture with the Series 2017A Bonds.

**“Agreement”** means the second amended and restated redevelopment agreement between the City and the Developer described in the Indenture.

**“Authority”** means The Industrial Development Authority of the City of Branson, Missouri, and its successors and assigns.

**“Authorized Authority Representative”** means any person from time to time designated to act on behalf of the Authority as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Authority by its President or Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Authority Representative.

**“Authorized CID Representative”** means the Chair of the Board of Directors or such other person from time to time designated to act on behalf of the CID as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the CID by the Chair of its Board of Directors. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized CID Representative.

**“Authorized City Representative”** means the Mayor, the City Administrator, the Finance Director or such other person from time to time designated to act on behalf of the City as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the City by its Mayor, City Administrator or Finance Director. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized City Representative.

**“Authorized Denominations”** means, with respect to the Parity Lien Bonds, \$5,000 and integrals thereof, and with respect to any Junior Lien Bonds, \$100,000 and multiples of \$5,000 in excess thereof unless the par amount of Junior Lien Bonds held by any Owner may be redeemed by the Issuer to a par amount which is less than \$100,000, in which case the Authorized Denominations of Junior Lien Bonds will be \$5,000 and integral multiples thereof.

**“Beneficial Owner”** means any registered owner of any Series 2017A 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 Series 2017A Bonds (including persons holding Series 2017A Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017A Bonds for federal income tax purposes.

**“Bond”** or **“Bonds”** means the Series 2017A Bonds, the Series 2017B Bonds and any Additional Bonds or additional Junior Lien Bonds.

**“Bond Counsel”** means Gilmore & Bell, P.C. or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing and experienced in matters relating to the tax exemption of interest payable on obligations of states and their instrumentalities and political subdivisions, and which is selected by the Authority and acceptable to the Trustee.

**“Bond Ordinance”** means the Ordinance of the City, approving the issuance of Series 2017A Bonds and the Series 2017B Bonds pursuant to the Indenture and authorizing, among other things, the execution and delivery of the Financing Agreement.

**“Bond Resolution”** means the resolution adopted by the Board of Directors of the Authority, authorizing the issuance of the Series 2017 Bonds pursuant to the Indenture and authorizing the execution and delivery of the Indenture and the Financing Agreement.

**“Business Day”** means any day other than a Saturday, Sunday or any other day on which banking institutions in the city in which the principal corporate trust office of the Trustee is located are required or authorized by law to close.

**“CID Agreement”** means the First Amended and Restated Intergovernmental Cooperation Agreement dated as of November 1, 2006, as amended from time to time, between the City and the CID relating to the use of the CID Portion of CID Revenues for repayment of the Bonds.

**“CID Portion of CID Revenues”** means all moneys (including investment earnings thereon) received by the City from the CID from proceeds of the CID sales tax, less (i) the TIF Portion of CID Revenues, (ii) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (iii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum, and (iv) the amount set forth in the CID Agreement which is retained by the CID for paying its administrative costs, not exceed \$30,000 annually without the approval of the City and the Trustee.

**“CID Project”** means certain land acquisition, site work, utility improvements, bike path and traffic signal improvements described in the CID Agreement and as certified as described in the Indenture.

**“CID Revenues”** means the revenues derived by the CID from the imposition of a sales tax within the CID less (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) such amount as is retained by the State of Missouri for collecting the CID Sales Tax, and (iii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum.

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations, temporary regulations and proposed regulations thereunder.

**“Debt Service Fund”** means the fund by that name created in the Indenture.

**“Debt Service Requirements”** means (i) with respect to any Series 2017A Bonds for any period of time for which calculated, the aggregate of the scheduled payments to be made during such period in respect of principal (whether at maturity or otherwise) and interest on such Series 2017A Bonds; provided that such payments are excluded from Debt Service Requirements to the extent that cash or non-callable Government Securities are on deposit in an irrevocable escrow or trust account in accordance with the Indenture and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay principal or interest and are sufficient to pay such principal or interest when due; and (ii) with

respect to any Additional Bonds for any period of time for which calculated, the aggregate of the principal (whether at maturity or otherwise) and interest on such Additional Bonds; provided that such payments are excluded from Debt Service Requirements to the extent that cash or non-callable Government Securities are on deposit in an irrevocable escrow or trust account in accordance with the Indenture and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay such principal or interest and are sufficient to pay such principal or interest; and provided, further, that the Debt Service Requirements for any Additional Bonds which are subject to special mandatory redemption shall be the amounts, as set forth in a certificate of the underwriter of such Additional Bonds delivered to the Trustee, the Authority and the City for all remaining periods ending each year on May 1 (commencing on the first May 1 occurring at least 6 months after the proposed date of issuance of Additional Bonds) through and including the maturity date thereof.

**“Debt Service Reserve Fund”** means the fund by that name created in the Indenture.

**“Debt Service Reserve Fund Requirement”** means the amount set forth in the body of this Official Statement with respect to the Series 2017A Bonds, plus with respect to any series of Additional Bonds, the amount specified in the Supplemental Indenture authorizing such Additional Bonds.

**“Dissemination Agent”** means BOKF, N.A., acting in its capacity as Dissemination Agent under the Continuing Disclosure Agreement, or any successor Dissemination Agent designated in writing by the City.

**“Economic Activity Tax Revenues”** means 50% of the total additional revenues from taxes which are imposed by the City or any other taxing district (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Redevelopment Project Areas over (i) the amount of such taxes generated by economic activities within the Redevelopment Project Areas in the calendar year ending December 31, 2005, and (ii) economic activity taxes generated by any Relocated Retail Establishment in the calendar year prior to its relocation to the Redevelopment Project Areas, (subject to annual appropriation by the City as provided in the TIF Act), but excluding therefrom any taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments, other than payments in lieu of taxes, and personal property taxes and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, and amounts reimbursed to any district providing emergency services within the Redevelopment Area, to the extent required by Section 99.847 or 99.848 of the TIF Act or, in lieu thereof, such amount as may be set forth in a cooperative agreement between the City and any such district, to the extent that such sum is not paid from the PILOTS Account.

**“Escrow Agent”** means the Trustee, acting as Escrow Agent under the Escrow Agreement.

**“Escrow Agreement”** means the Letter of Instructions dated the date of delivery of the Series 2017A Bonds and the Series 2017B Bonds between the Authority, the City and the Escrow Agent, related to the refunding of the Refunded Bonds.

**“Escrow Fund”** means the fund by that name created under the Escrow Agreement.

**“Event of Default”** means any event or occurrence as defined in the Indenture.

**“Financing Agreement”** means the Financing Agreement dated as of August 1, 2017, by and among the Authority, the City and the Developer, as amended from time to time in accordance with the terms of the Indenture.

**“Fiscal Year”** means the fiscal year adopted by the City for accounting purposes, which as of the execution of the Indenture commences on January 1 and ends on December 31.

**“Government Securities”** means direct obligations of, or obligations the timely payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America (the “United States”) and backed by the full faith and credit thereof.

**“Historical Pro Forma Debt Service Coverage Ratio”** means the ratio determined by dividing (a) a numerator equal to the Net Revenues for that historical period of time, by (b) a denominator equal to the Debt Service Requirements of the Series 2017A Bonds for the same time period, plus the maximum annual Debt Service Requirements for any Additional Parity Lien Bonds then Outstanding and the Additional Parity Lien Bonds proposed to be issued.

**“Immediate Notice”** means notice given no later than the close of business on the date required by the provisions of the Indenture by electronic mail, telecopier or other telecommunication device to such phone numbers or addresses as are specified in the Indenture or such other phone number or address as the addressee shall have directed in writing, the receipt of which is confirmed by telephone, promptly followed by written notice by first-class mail postage prepaid to such addressees.

**“Indenture”** means the Trust Indenture dated as of August 1, 2017, by and between the Authority and the Trustee, as amended from time to time in accordance with the terms of the Indenture.

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

**“Investment Securities”** means any of the following securities purchased in accordance with the Indenture, if and to the extent the same are at the time legal for investment of the funds being invested:

(a) Government Securities or obligations of United States government agencies and instrumentalities secured by the full faith and credit of the United States;

(b) bonds, notes or other obligations of the State, or any political subdivision of the State, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;

(c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and have a market value, exclusive of accrued interest, at all times at least equal to 102% of the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the Authority;

(d) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;

(e) 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, including, without limitation, the Trustee or any of its affiliates, 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 such securities as are described above in clause (a) or (b), which shall have a market value, exclusive of accrued interest, at all times at least equal to 102% of the principal amount of such certificates of deposit or time deposits;

(f) money market mutual funds that are invested in Government Securities or agreements to repurchase Government Securities; and

(g) 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.

**“Junior Lien Bonds”** means the Series 2017B Bonds and any other notes or other obligations issued which are junior in lien under the Indenture to Parity Lien Bonds.

**“Listed Events”** means any of the events listed in the Continuing Disclosure Agreement.

**“Majority of Owners”** means Owners owning more than 50% of the aggregate principal amount of Parity Lien Bonds Outstanding.

**“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.

**“Net Revenues”** means (a) all moneys on deposit in the Pilots Account of the Special Allocation Fund, (b) all Economic Activity Tax Revenues on deposit in the Economic Activity Tax Account of the Special Allocation Fund that have been appropriated to the repayment of the Bonds and (c) all of the CID Portion of CID Revenues received by the City, reduced by an amount not to exceed 2% of the amounts described in (a) plus (b) plus (c) above which may be retained by the City for its collection of Payments in Lieu of Taxes, Economic Activity Tax Revenues or the CID Portion of CID Revenues pursuant to the Financing Agreement. Net Revenues do not include (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum, or (iii) reimbursement to any district providing emergency services within the Redevelopment Area, to the extent required by Section 99.847 of the TIF Act or, in lieu thereof, such amount as may be set forth in a cooperative agreement between the City and any such district.

**“Official Statement”** means this Official Statement relating the Series 2017A Bonds and, with respect to any Additional Bonds, the Official Statement or other similar documents relating to such Additional Bonds.

**“Opinion of Counsel”** means a written opinion of an attorney or firm of attorneys addressed to the Trustee, for the benefit of the Trustee and the Owners of the Bonds, who may be (except as otherwise expressly provided in the Indenture) counsel to the Authority, the City, the Owners of the Bonds or the Trustee, and who is acceptable to the Trustee.

**“Outstanding”** means when used with reference to Bonds, as of a particular date, all Bonds theretofore authenticated and delivered under the Indenture except:

(a) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds which are deemed to have been paid in accordance with the Indenture;

(c) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in the Indenture; and

(d) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to the Indenture.

**“Owner”** means the Person in whose name any Bond is registered on the Register.

**“Parity Lien Bonds”** means the Series 2017A Bonds and Additional Bonds issued as provided in the Indenture.

**“Paying Agent”** means the Trustee and any other bank or trust institution organized under the laws of any state of the United States or any national banking association designated by the Indenture as paying agent for the Bonds at which the principal of and interest on such Bonds shall be payable.

**“Payments in Lieu of Taxes”** means those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the TIF Act), if any, attributable to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Project Areas over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project Areas, as provided for by Section 99.845 of the Act.

**“Person”** means any natural person, firm, partnership, association, corporation, limited liability company or public body.

**“Plan”** means the “Branson Hills Tax Increment Financing Plan” as amended to date, as described in the recitals to the Indenture.

**“Pledged Revenues”** means all Net Revenues and all moneys held in the Revenue Fund, the Debt Service Fund and the Debt Service Reserve Fund, together with investment earnings thereon, but excluding payments required to be made to meet the requirements of Section 148(f) of the Code (whether or not held in the Rebate Fund).

**“Projected Debt Service Coverage Ratio”** means the ratio determined by dividing (a) a numerator equal to the projected Net Revenues for that projected period of time, by (b) a denominator equal to the Debt Service Requirements of Series 2017A Bonds, any Additional Bonds then Outstanding and the Additional Bonds proposed to be issued for the same time period. The projected revenues shall be determined by the delivery to the Authority, the City and the Trustee of a certificate of a planning consultant acceptable to the City and the Underwriter.

**“Rebate Fund”** means the fund by that name created in the Indenture.

**“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.

**“Redevelopment Area”** means the area legally described as such in the Plan.

**“Redevelopment Project I”** means the project described as such in the Plan.

**“Redevelopment Project II”** means the project described as such in the Plan.

**“Redevelopment Project III”** means the project described as such in the Plan.

**“Redevelopment Project Area I”** means Redevelopment Project Area I legally described in the Plan.

**“Redevelopment Project Area II”** means Redevelopment Project Area II legally described in the Plan.

**“Redevelopment Project Area III”** means Redevelopment Project Area III legally described in the Plan.

**“Redevelopment Project Areas”** means Redevelopment Project Area II and Redevelopment Project Area III.

**“Redevelopment Projects”** means Redevelopment Project II and Redevelopment Project III.

**“Refunded Bonds”** means, collectively, the Authority’s Tax Increment Revenue Bonds, Series 2006A (Branson Shoppes Redevelopment Project) originally issued in the principal amount of \$35,545,000, and Subordinate Tax Increment Revenue Bonds, Series 2006B (Branson Shoppes Redevelopment Project) issued in the original principal amount of not to exceed \$9,385,045.

**“Register”** means the registration books of the Authority kept by the Trustee to evidence the registration, transfer and exchange of Bonds.

**“Registrar”** means the Trustee when acting as such under the Indenture.

**“Relocated Retail Establishment”** means any retail establishment which relocates within one year from one facility within Taney County, Missouri to another facility within the Redevelopment Project Areas, which relocation has been found by the City to be a direct beneficiary of tax increment financing.

**“Revenue Fund”** means the fund by that name created in the Indenture.

**“Revenue Limitations”** means that, notwithstanding anything in the Indenture to the contrary, and subject to revision as provided in the Indenture, in no event shall moneys in the CID Revenues Account of the Revenue Fund be applied to the payment of more than the percentage of the principal of and interest on Bonds as shall be specified in a certificate of the Authorized City Representative, approved by the Authorized CID Representative, which shall be delivered to the Trustee from time to time as deemed necessary by the City and the CID to insure that the expenditure of such revenues complies with applicable law regarding the use of such revenues, but provided that the City and the CID will calculate the limitations described in the Indenture in a way that maximizes its ability to pay Bonds from funds that are legally available, and the Trustee shall retain in the CID Revenues Account any moneys in excess of the limitations calculated in the Indenture.

**“Series 2017 Bonds”** means, collectively, the Series 2017A Bonds and the Series 2017B Bonds.

**“Series 2017A Bonds”** means the Authority’s Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project).

**“Series 2017B Bonds”** means the Authority’s Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Shoppes Redevelopment Project).

**“Special Allocation Fund”** means the Branson Shoppes Special Allocation Fund created within the treasury of the City in accordance with Section 99.845 of the Act and the TIF Ordinance, and within the Special Allocation Fund a Pilots Account and an Economic Activity Tax Account.

**“Supplemental Financing Agreement”** means any financing agreement supplemental or amendatory to the Financing Agreement entered into by the Authority and the City pursuant to the Indenture.

**“Supplemental Indenture”** means any indenture supplemental or amendatory to the Indenture entered into by the Authority and the Trustee pursuant to the Indenture.

**“Tax Compliance Agreement”** means the Tax Compliance Agreement dated as of August 1, 2017, among the Trustee, the Authority and the City, as the same may be amended or supplemented in accordance with the provisions thereof.

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

**“TIF Ordinance”** means, collectively, Ordinance Nos. 2006-163 and 2006-164 of the City adopted on November 9, 2006, as amended by the ordinance authorizing the issuance of the Refunded Bonds, adopting tax increment financing related to the Redevelopment Projects.

**“TIF Portion of CID Revenues”** means the portion of CID Revenues constituting Economic Activity Tax Revenues and which are required by the TIF Act and the Redevelopment Plan to be deposited in the Special Allocation Fund maintained by the City less (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer and (ii) any sum received by the CID which is the subject of a suit or other claim communicated to the CID which suit or claim challenges the collection of such sum.

**“Trust Estate”** means the Trust Estate described in the granting clauses of the Indenture.

**“Trustee”** means BOKF, N.A., Kansas City, Missouri, and its successor or successors and any other association or corporation which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Indenture.

**“Unassigned Authority’s Rights”** means the Authority’s rights to receive notices, reports and other statements and its rights to consent to certain matters, including, but not limited to, any Supplemental Financing Agreements.

**“Underwriter”** means Piper Jaffray & Co., St. Louis, Missouri, the original purchaser of the Series 2017A Bonds.

## SUMMARY OF THE INDENTURE

*The following is a brief summary of the Indenture. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Indenture, copies of which are on file with the Authority and the Trustee.*

### Creation of Funds and Accounts

The following funds of the Authority are created and established with the Trustee:

- (a) Revenue Fund, which shall contain a Pilots Account, an Economic Activity Tax Account and a CID Revenues Account.
- (b) Debt Service Fund, which shall contain the following accounts, a Debt Service Account and a Redemption Account. Within each such account the Trustee shall establish a subaccount for each series of Bonds delivered under the Indenture.
- (c) Debt Service Reserve Fund, which shall contain a separate account for each series of Parity Lien Bonds delivered under the Indenture, and initially a Series 2017A Account.

- (d) Costs of Issuance Fund, which shall contain a separate account for each series of Parity Lien Bonds delivered under the Indenture, and initially a Series 2017A Account and any separate accounts that may be requested by the City regarding the issuance of Junior Lien Bonds.
- (e) Rebate Fund. Within each such account the Trustee shall establish a subaccount for each series of tax-exempt Bonds delivered under the Indenture.

Each fund shall be maintained by the Trustee as a separate and distinct trust fund and the moneys therein shall be held, managed, invested, disbursed and administered as provided in the Indenture. All moneys deposited in the funds shall be used solely for the purposes set forth in the Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and all disbursements therefrom.

### **Security for the Bonds**

The Bonds and the interest thereon shall be special, limited obligations of the Authority payable solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee as provided in the Indenture, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in the Indenture.

The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State or of any political subdivision thereof, but shall be payable solely from the funds provided for in the Financing Agreement and in the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. No breach by the Authority of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the City, the CID or the State or any charge upon their general credit or against their taxing power. The Authority has no taxing power.

### **Subordination of Liens**

Notwithstanding any other provision of the Indenture or the Financing Agreement to the contrary, the owners of Junior Lien Bonds covenant and agree that, upon the issuance of Junior Lien Bonds (including without limitation the Series 2017B Bonds), the lien and security for the payment of principal of and interest on Parity Lien Bonds shall for all purposes of the Indenture be superior to and constitute a priority with respect to all other payments on Junior Lien Bonds with respect to the use of Pledged Revenues and the Trust Estate. No payment of principal or interest, or any payment related to redemption under the Indenture, will be made on Bonds other than Parity Lien Bonds from the Pledged Revenues upon the occurrence and continuance of (1) any Event of Default under the Indenture, or (2) the Trustee being unable to make the deposits required by the Indenture into the Debt Service Fund related to the Parity Lien Bonds. Such limitation shall continue until such payment default is cured or the Trustee has made all required deposits under the Indenture, as the case may be.

Notwithstanding any other provision of the Indenture, notwithstanding the existence of any default (including payment defaults) on Junior Lien Bonds, prior to the acceleration of Parity Lien Bonds as provided in the Indenture, the owners of Junior Lien Bonds shall not take or threaten the taking of any of the following actions while the Parity Lien Bonds are Outstanding:

- (i) The commencement of foreclosure proceedings against the Trust Estate.
- (ii) The acceleration of any Junior Lien Bonds.

(iii) The commencement of any suit, action or proceeding to enforce or collect payment on money due with respect to any Junior Lien Bonds.

(iv) The commencement of a bankruptcy, reorganization or liquidation proceeding against the Authority or the City.

Upon any distribution to creditors of the City of moneys constituting Pledged Revenues in a liquidation or dissolution or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding, (i) the Owners of Parity Lien Bonds shall be entitled to receive indefeasible payment in full in cash of the principal of, premium, if any, and interest (including interest accruing after the commencement of such proceeding) to the date of payment on the Parity Lien Bonds before the owners of the Junior Lien Bonds shall be entitled to receive any payment of principal or interest thereon, and (ii) until the Parity Lien Bonds are paid indefeasibly in full in cash, any distribution of Pledged Revenues to which the Owners of the Junior Lien Bonds would be entitled but for these provisions shall be made to Owners of the Parity Lien Bonds.

No payment may be made of principal of or interest on Junior Lien Bonds if a default on the Parity Lien Bonds has occurred and is continuing. Junior Lien Bonds shall only be due and payable to the extent moneys are available therefor in accordance with the terms of the Indenture.

If a distribution is made to the Owner of Junior Lien Bonds that because of the provisions of the Indenture should not have been made, the Owner who receives such distribution shall hold it in trust for the Owners of the Parity Lien Bonds and shall promptly pay such distribution to the Trustee for the benefit of the Owners of Parity Lien Bonds.

These provisions shall be enforceable by the Trustee or the Owners of Parity Lien Bonds, or both of them acting together, in accordance with the provisions of the Indenture. No right of the Trustee or the Owners of Parity Lien Bonds to enforce these provisions shall be impaired in any way by any act or failure to act by either of them or by the failure of the City or the Authority to comply with the Indenture.

### **Additional Bonds**

Additional Bonds which have the same Interest Payment Dates and the same dates for payment of principal as the Series 2017A Bonds may be issued under and equally and ratably secured by the Indenture on a parity (except as otherwise provided in the Indenture) with the Series 2017A Bonds and any other Parity Lien Bonds at any time and from time to time, upon compliance with the conditions set forth in the Indenture for any purpose authorized under the Act.

Before any Additional Bonds are issued under the provisions of the Indenture, (1) the Authority shall adopt a resolution (a) authorizing the issuance of such Additional Bonds, fixing the Maturity Amount or principal amount thereof, as applicable, and describing the purpose or purposes for which such Additional Bonds are being issued, (b) authorizing the Authority to enter into a Supplemental Indenture for the purpose of issuing such Additional Bonds and establishing the terms and provisions of such series of Additional Bonds and the form of such series of Additional Bonds of such series, and (c) providing for such other matters as are appropriate because of the issuance of the Additional Bonds, which matters, in the judgment of the Authority, are not prejudicial to the owners of the Parity Lien Bonds previously issued, (2) the City shall adopt an ordinance authorizing the issuance of such Additional Bonds, and (3) there shall then be no Event of Default, or event or condition which, with the giving of notice or the passage of time or both, would constitute an Event of Default, occurring and continuing under the Indenture or the Financing Agreement or other agreements or certificates executed in connection with the issuance of the Bonds.

Such Additional Bonds shall have the same general title as the Series 2017A Bonds, except for an identifying series letter or date, and shall be dated, shall mature on such dates, shall be numbered, shall bear interest at such rates not exceeding the maximum rate then permitted by law payable at such times, and shall

be redeemable at such times and prices (subject to the provisions of the Indenture), all as provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds (other than Junior Lien Bonds) shall be on a parity with and shall be entitled to the same benefit and security of the Indenture as the Series 2017A Bonds and any other Parity Lien Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds issued on a parity with the Junior Lien Bonds shall be on a parity with and shall be entitled to the same benefit and security of the Indenture as the Series 2017B Bonds and any other Junior Lien Bonds.

Such Additional Bonds shall be executed in the manner set forth in the Indenture and shall be deposited with the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of such Additional Bonds by the Trustee, and as a condition precedent thereto, there shall be filed with the Trustee the following:

- (1) A certified copy of the resolution the Authority approving the issuance of the Additional Bonds and authorizing the execution of a Supplemental Indenture related thereto.
- (2) A copy of the ordinance authorizing the issuance of the Additional Bonds, certified by the City Clerk.
- (3) An original executed counterpart of the Supplemental Indenture.
- (4) An original executed counterpart of the Supplemental Financing Agreement relating to the Additional Bonds.
- (5) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that the Additional Bonds constitute valid and legally binding obligations of the Authority and, if applicable, that the interest on the Additional Bonds is excludable from gross income of the Owners thereof for federal income tax purposes.
- (6) A copy of any amendment to the Plan, certified by the City Clerk.
- (7) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that the Additional Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture, as supplemented by the Supplemental Indenture, is exempt from qualification under the Trust Indenture Act of 1939, as amended.
- (8) A request and authorization to the Trustee on behalf of the Authority, executed by an Authorized Authority Representative, to authenticate the Additional Bonds and deliver said Additional Bonds to or upon the order of the purchaser upon payment, for the account of the Authority, of the purchase price therefor. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name of the purchaser and the amount of such purchase price.
- (9) A certificate of the Authority (i) stating that no event of default under the Indenture has occurred and is continuing and that no event has occurred and is continuing which with the lapse of time or giving of notice, or both, would constitute such an event of default, and (ii) stating the purpose or purposes for which such Additional Bonds are being issued.
- (10) The delivery to the Authority and the Trustee of a certificate signed by the Authorized City Representative demonstrating that the Historical Pro Forma Debt Service Coverage Ratio for the most recent full twelve months was not less than 1.35x, provided, however, that this subsection (10) shall not apply in the case of Refunding Bonds issued to provide net present value savings as determined by the City.

(11) Only so long as the Developer owns 100% of the Outstanding Junior Lien Bonds and only in the event of issuance of Additional Bonds other than Refunding Bonds described in the preceding subsection (10), the written consent of the Developer, which shall not be unreasonably withheld.

(12) An opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that all requirements for the issuance of such Additional Bonds have been met, that such Additional Bonds constitute valid and legally binding obligations of the Authority and the issuance of such Additional Bonds will not result in the interest on any Parity Lien Bonds then Outstanding and originally issued as exempt from federal income taxes becoming subject to federal income taxes then in effect.

(13) Such other certificates, statements, opinions, receipts and documents or as the Authority or the Trustee shall reasonably require for the delivery of the Additional Bonds.

When the documents specified above have been filed with the Trustee, and when such Additional Bonds have been executed and authenticated as required by the Indenture, the Trustee shall deliver such Additional Bonds to or upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of such Additional Bonds. The proceeds of the sale of such Additional Bonds, including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee and shall be deposited and applied by the Trustee as provided in the Indenture and in the Supplemental Indenture authorizing the issuance of such Additional Bonds.

Except as provided above, the Authority will not otherwise issue any Additional Bonds but the Authority may issue Bonds and other obligations on a parity with Junior Lien Bonds which are specifically subordinate and junior to the Parity Lien Bonds with respect to payment from Pledged Revenues and the Trust Estate upon satisfaction of the conditions described in the Indenture. No such Bonds shall be issued without the prior written consent and direction of the City.

## **Revenue Fund**

On the tenth calendar day of each month (or the next Business Day thereafter if the tenth is not a Business Day) while the Bonds are Outstanding, the Authority shall cause the City to transfer (i) all Net Revenues as of the last day of the preceding month consisting of Payments in Lieu of Taxes to the Trustee and shall direct the Trustee in writing to deposit such sums into the Pilots Account of the Revenue Fund, (ii) all Net Revenues as of the last day of the preceding month consisting of Economic Activity Tax Revenues to the Trustee and shall direct the Trustee in writing to deposit such sums into the Economic Activity Tax Account of the Revenue Fund and (iii) all Net Revenues as of the last day of the preceding month consisting of the CID Portion of CID Revenues to the Trustee and shall direct the Trustee in writing to deposit such sums into the CID Revenues Account of the Revenue Fund.

Moneys in the Revenue Fund (first drawing from the CID Revenues Account (but only with respect to deposits under subparagraphs *first*, *second*, *third* and *fourth* below), then from the Pilots Account and then from the Economic Activity Tax Account) on the 40th day, except as otherwise provided below (or if such day is not a Business Day, the immediately preceding Business Day), prior to each Interest Payment Date shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows:

*First*, transfer to the appropriate account of the Rebate Fund, when necessary, an amount sufficient to pay rebate, if any, to the United States, owed under Section 148 of the Code, as directed in writing by the Authority in accordance with the Tax Compliance Agreement;

*Second*, for payment to the Trustee or any Paying Agent, an amount sufficient for payment of any fees and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the City, on behalf of the Authority, of an invoice for such amounts;

*Third*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the interest due on the Parity Lien Bonds on the next succeeding Interest Payment Date;

*Fourth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the principal due on the Parity Lien Bonds by their terms on the next succeeding November 1;

*Fifth*, transfer to appropriate account of the Debt Service Reserve Fund such amount as may be required to restore any deficiency in the applicable Debt Service Reserve Fund if the amount on deposit in the Debt Service Reserve Fund is less than the applicable Debt Service Reserve Requirement for Parity Lien Bonds;

*Sixth*, [reserved];

*Seventh*, if the Cumulative Redemption Term Bonds, or any portion thereof, are Outstanding, transfer all remaining amounts to the Redemption Account of the Debt Service Fund as may be required to redeem the maximum amount of Bonds pursuant to the provisions of the Indenture, which shall be applied to the payment of the principal of and accrued interest on all or any portion of the Cumulative Redemption Term Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture; provided, however, that in no event shall any redemption result in an annual or cumulative redemption of Cumulative Redemption Term Bonds in excess of the principal amounts determined in accordance with shown in the Indenture, and further provided that any amounts on deposit in the Redemption Account of the Debt Service Fund which will not be used for the redemption of Bonds on the next Interest Payment Date shall be used as provided in paragraphs Eighth, Ninth and Tenth) below;

*Eighth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund an amount sufficient to pay the interest due, if any, on the Junior Lien Bonds on the next succeeding Interest Payment Date;

*Ninth*, transfer to the appropriate subaccount of the Debt Service Account of the Debt Service Fund all remaining amounts to pay the outstanding principal, if any, of the Junior Lien Bonds on the next succeeding Interest Payment Date; and

*Tenth*, transfer to the appropriate subaccount of the Redemption Account of the Debt Service Fund all remaining moneys to be held therein until such amounts can be used to redeem Bonds then subject to optional redemption, provided that such moneys may be applied prior to any Interest Payment Date to paragraphs *First* through *Sixth* to fully fund the obligations described in such paragraphs.

Upon the payment in full of the principal of and interest due on the Bonds (or provision has been made for the payment thereof as specified in the Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under the Indenture, all amounts remaining on deposit in the Pilots Account and the Economic Activity Tax Account of the Revenue Fund shall be paid to the City for deposit into the Special Allocation Fund and all amounts remaining on deposit in the CID Revenues Account of the Revenue Fund shall be paid to the City for application in accordance with the CID Agreement.

To the extent that moneys are not sufficient to fund the obligations set for in the Indenture for each Outstanding series of Parity Lien Bonds or Junior Lien Bonds, such moneys will be applied at each such level on a proportionate basis based upon the outstanding principal amounts of each series of Parity Lien Bonds or Junior Lien Bonds.

**Notwithstanding anything in the Indenture to the contrary, in no event shall moneys be applied in such a manner that the Revenue Limitations are exceeded.**

### **Debt Service Fund**

Except as otherwise provided in the Indenture, all amounts paid and credited to the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds as the same mature and become due or upon the redemption thereof.

The Authority authorizes and directs the Trustee to withdraw sufficient moneys from the Debt Service Fund to pay the principal of and interest on the Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Bonds.

The Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Parity Lien Bonds Outstanding (and if no Parity Lien Bonds are Outstanding then Junior Lien Bonds) and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by the Indenture, so long as said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption. The Trustee, upon the written instructions from the City, signed by the Authorized City Representative, shall use moneys in the Debt Service Account or the Redemption Account of the Debt Service Fund on a best efforts basis for the purchase of Parity Lien Bonds (and if no Parity Lien Bonds are Outstanding then Junior Lien Bonds) in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

Subject to the provisions of the Indenture, if the moneys in the Debt Service Fund are insufficient to pay all accrued interest on the Bonds on any Interest Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the Persons entitled thereto without any discrimination or privilege, and any unpaid portion shall accrue to the next Interest Payment Date, with interest thereon at the rate or rates specified in the Bonds to the extent permitted by law. If the moneys in the Debt Service Fund are insufficient to pay the principal of the Bonds on the maturity or redemption date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

After payment in full of the principal of and interest on the Bonds (or provision has been made for the payment thereof as specified in the Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under the Indenture, (i) all amounts remaining in the CID Revenues Subaccount of the Debt Service Account shall be paid to the City for application as provided by law and the CID Agreement, and (ii) all amounts remaining in any other account of the Debt Service Fund shall be paid to the City for deposit into the Special Allocation Fund.

The Trustee shall use any moneys in the Redemption Account of the Debt Service Fund to redeem all or part of the Cumulative Redemption Term Bonds Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by the Indenture, so long as said moneys are in excess of the amount required for payment of the Cumulative Redemption Term Bonds, or portions thereof, theretofore matured or called for redemption.

## **Debt Service Reserve Fund**

Except as otherwise provided in the Indenture, moneys in the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the Bonds if moneys otherwise available for such purpose as provided in the Indenture are insufficient to pay the same as they become due and payable. In the event the balance of moneys in the Debt Service Fund is insufficient to pay principal of or interest on the Bonds when due and payable, moneys in the Debt Service Reserve Fund shall be transferred into the Debt Service Fund in an amount sufficient to make up such deficiency; provided, however, moneys in an account of the Debt Service Reserve Fund shall only be available to fund a deficiency in the Debt Service Fund with respect to the related series of Parity Lien Bonds. Subject to such limitation, the Trustee may use moneys in the Debt Service Reserve Fund for such purpose whether or not the amount in the Debt Service Reserve Fund at that time equals any applicable Debt Service Reserve Requirement. Such moneys shall be used first to make up any deficiency in the payment of interest and then principal. Moneys in any account of the Debt Service Reserve Fund shall also be used to pay the last Bonds secured by such accounts becoming due unless such Bonds and all interest thereon be otherwise paid. The amount on deposit in the Debt Service Reserve Fund shall be valued by the Trustee 45 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) and the Trustee shall give Immediate Notice to the Authority if such amount is less than the Debt Service Reserve Requirement. For the purpose of determining the amount on deposit in the Debt Service Reserve Fund, the value of any investments shall be valued at their fair market value on the date of valuation. Moneys in the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement shall be deposited by the Trustee without further authorization in the Debt Service Fund.

## **Rebate Fund**

There shall be deposited by the Trustee in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. Subject to the transfer provisions provided in the Indenture below, all money at any time deposited in the Rebate Fund and any income earned thereon shall be held in trust, to the extent required to pay arbitrage rebate to the federal government of the United States, and neither the Authority nor the Owner of any Bonds 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 Indenture and by the Tax Compliance Agreement.

## **Separation of CID Revenues**

In making the allocations and transfers of funds provided in the Indenture, the CID Portion of CID Revenues and the moneys on deposit in the CID Account of the Revenue Fund shall be used to pay the portion of the principal of and interest on any series of Bonds issued to pay or refinance the costs of the CID Project. The Trustee shall establish separate subaccounts within the Funds and Accounts or otherwise segregate moneys within such Funds and Accounts, on a book-entry basis or in such other manner as the Trustee may deem necessary or convenient, for each separate series of Bonds issued under the Indenture and to separately account for the CID Portion of CID Revenues.

## **Non-Presentation of Bonds**

If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof, and provided the Trustee is holding sufficient funds for the payment thereof, all liability of the Authority to the Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on such Owner's part under the Indenture or on, or with respect to, said Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within four years after the date on which the same have become due shall be paid by the Trustee to the City without liability for interest thereon, free from the trusts created by the Indenture. Thereafter, Owners shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid by the Trustee. The City shall not be liable for any interest on the sums paid to it pursuant to the Indenture and shall not be regarded as a trustee of such money.

### **Investment of Moneys**

Moneys in all funds and accounts under any provision of the Indenture shall be continuously invested and reinvested by the Trustee in Investment Securities at the written direction of the City given by the Authorized City Representative or, if such written directions are not received, then in Investment Securities described in subparagraph (f) of the definition thereof. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which may be deducted from income earned on investments. Moneys on deposit in all funds and accounts may be invested only in Investment Securities which mature or are subject to redemption at the option of the owner thereof prior to the date such funds are expected to be needed. The Trustee may make investments through its investment division or short-term investment department.

All investments and the interest earnings or profit therefrom shall constitute a part of the fund or account from which the moneys used to acquire such investments have come. The Trustee shall sell and reduce to cash a sufficient amount of investments in a fund or account whenever the cash balance therein is insufficient to pay the amounts required to be paid therefrom. The Trustee may transfer investments from any fund or account to any other fund or account in lieu of cash when required or permitted by the provisions of the Indenture. In determining the balance in any fund or account, investments shall be valued at the lower of their original cost or their fair market value on the most recent Interest Payment Date. The Trustee shall not be liable for any loss resulting from any investment made in accordance with the terms of the Indenture.

### **Events of Default**

If any one or more of the following events occur, it is defined in the Indenture as and declared to be and to constitute an "Event of Default:"

(a) If any payment of interest, principal or redemption price of any Parity Lien Bond is not made or, at such time as no Parity Lien Bonds remain Outstanding under the Indenture, if any payment of interest, principal or redemption price of any Junior Lien Bond is not made when due and payable;

(b) Default in the performance or observance of any of the covenants, agreements or conditions on the part of the Authority in the Indenture, the Financing Agreement or in the Bonds contained, and the continuance thereof for a period of 30 days after written notice thereof has been given (i) to the Authority by the Trustee, or (ii) to the Trustee (which notice of default the Trustee shall be required to accept) and the Authority by the Owners of not less than 25% in aggregate principal amount of Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, 100% in aggregate principal amount of Junior Lien Bonds); provided, however, if any default is such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the Authority within such period and diligently pursued until the default is corrected; or

(c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the City to carry on its operation, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with

creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of federal bankruptcy law, or under any similar acts which may thereafter be enacted.

The Trustee shall give written notice of any Event of Default to the Authority and the City as promptly as practicable after the occurrence of an Event of Default of which the Trustee has notice as provided in the Indenture.

### **Acceleration**

Subject to the subordination provisions of the Indenture, and the provisions of the Indenture related to the Rebate Fund, if an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of the Owners of a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding, by notice in writing delivered to the Authority and the City, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable.

In case of any rescission pursuant to the Indenture, the Trustee, the Authority, the City and the Owners shall be restored to their former positions and rights under the Indenture respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

### **Exercise of Remedies of the Trustee**

If an Event of Default has occurred and is continuing, the Trustee may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Authority as set forth in the Indenture

If an Event of Default has occurred and is continuing, and if requested so to do by the Owners of not less than 25% in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding then Junior Lien Bonds then Outstanding) and if indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, deems most expedient in the interests of the Owners; provided, however, that the Trustee shall not be required to take any action which in its good faith conclusion could result in personal liability to it for which it has not been indemnified as provided in the Indenture.

All rights of action under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owner, and any recovery or judgment shall, subject to the Indenture, be for the equal benefit of all the Owners of the Outstanding Bonds.

### **Limitation on Exercise of Remedies by Owners**

No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust under the Indenture or for the appointment of a receiver or any other remedy under the Indenture, unless:

- (i) a default has occurred of which the Trustee has notice as provided in the Indenture, and
- (ii) such default has become an Event of Default, and

(iii) the Owners of not less than 25% in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding then Junior Lien Bonds then Outstanding) shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, and shall have provided to the Trustee indemnity as provided in the Indenture, and

(iv) the Trustee shall thereafter fail or refuse to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name;

and such notification, request and indemnity are thereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture, it being understood and intended that no one or more Owners shall have any right in any manner whatsoever to affect, disturb or prejudice the Indenture by its, his or their action or to enforce any right under the Indenture except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and shall, subject to the Indenture, be for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in the Indenture, however, shall affect or impair the right of any Owner to payment of the principal of and interest on any Bond at and after its maturity or the obligation of the Authority to pay the principal of and interest on each of the Bonds to the respective Owners thereof at the time, place, from the source and in the manner in the Indenture and in such Bond expressed.

#### **Right of Owners to Direct Proceedings**

Any other provision in the Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding then Junior Lien Bonds then Outstanding) shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture, and provided, further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith determines that the proceeding so directed would involve it in personal liability for which the Trustee has not been indemnified as provided in the Indenture.

#### **Application of Moneys in Event of Default**

Upon an Event of Default, and the provisions of the Indenture, all moneys held or received by the Trustee pursuant to the Indenture, the Financing Agreement or pursuant to any right given or action taken under the Indenture shall, after payment of the reasonable fees, costs, advances and expenses of the Trustee and the proceedings resulting in the collection of such moneys (including without limitation attorneys' fees and expenses), be deposited in the Debt Service Fund. All moneys in the Debt Service Account of the Debt Service Fund, and the Revenue Fund shall be applied as follows:

(1) If the principal of all the Bonds has not become or has not been declared due and payable, all such moneys shall be applied:

*First* -- To the payment to the Owners entitled thereto of all installments of principal and interest then due and payable on the Parity Lien Bonds (including without limitation the maximum amount of Cumulative Redemption Term Bonds which may then be redeemed as set forth in the Indenture), in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Parity Lien Bonds

to the extent permitted by law, and, if the amount available is not sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege.

*Second* -- To the payment to the Owners entitled thereto of all installments of principal and interest then due and payable on the Junior Lien Bonds, in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Junior Lien Bonds to the extent permitted by law, and, if the amount available is not sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege.

(b) If the principal of all the Bonds has become due or has been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on all of the Bonds, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or privilege, provided that principal and interest on Parity Lien Bonds shall be paid in full prior to any payments of principal and interest on Junior Lien Bonds.

(c) If the principal of all the Bonds has been declared due and payable, and if such declaration thereafter is rescinded and annulled under the provisions of the Indenture, then, subject to the provisions of subsection (b) above in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) above.

Whenever moneys are to be applied pursuant to the Indenture, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future.

Whenever all of the Bonds and interest thereon have been paid under the Indenture, all obligations under the Indenture have been satisfied and all fees, expenses and charges of the Trustee and any other amounts required to be paid under the Indenture have been paid, any balance remaining in the funds created pursuant to the Indenture shall be paid to the CID or the City, as applicable, for application in accordance with the Indenture.

**Notwithstanding anything in the Indenture to the contrary, in no event shall moneys be applied in such a manner that the Revenue Limitations are exceeded.**

#### **Waivers of Events of Default**

The Trustee shall waive any Event of Default and its consequences and rescind any acceleration of maturity of principal upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee on account of any such Event of Default have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the City, the Trustee and the Owners shall be restored to their former positions, rights and obligations under the Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

### **Supplemental Indentures and Supplemental Financing Agreements Not Requiring Consent of Owners**

The Authority and the Trustee may from time to time, without the consent of or notice to any of the Owners, enter into such Supplemental Indenture or Supplemental Indentures as are not inconsistent with the terms and provisions of the Indenture, and the Authority and the City may from time to time, without the consent of or notice to any of the Owners, enter into Supplemental Financing Agreements as are not inconsistent with the terms and provisions thereof, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in the Indenture or the Financing Agreement or to release property from the Trust Estate which was included by reason of an error or other mistake;
- (b) to grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;
- (c) to subject to the Indenture or the Financing Agreement additional revenues, properties or collateral;
- (d) to modify, amend or supplement the Indenture or any indenture supplemental thereto in such manner as to permit the qualification of the Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute thereafter in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States;
- (e) to provide for the refunding of any Bonds in accordance with the terms of the Indenture;
- (f) to evidence the appointment of a separate trustee or the succession of a new trustee under the Indenture;
- (g) to make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Owners. In exercising such judgment the Trustee may rely on an Opinion of Counsel.

### **Supplemental Indentures and Supplemental Financing Agreements Requiring Consent of Owners**

In addition to Supplemental Indentures and Supplemental Financing Agreements permitted by the Indenture and subject to the terms and provisions contained in the Indenture, and not otherwise, with the consent of the Owners of not less than a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, with the consent of 100% in aggregate principal amount of Junior Lien Bonds the Outstanding), the Authority and the Trustee may from time to time enter into such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Authority for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture and the Authority and the City may from time to time enter into such other Supplemental Financing Agreement or Supplemental Financing Agreements as shall be deemed necessary and desirable by the Authority and the City for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Financing Agreement or in any Supplemental Indenture or Supplemental Financing Agreement; provided, however, that nothing in the Indenture contained shall permit or be construed as permitting:

- (a) an extension of the maturity of the principal of, any change in the mandatory redemption of or the scheduled date of payment of interest on any Bond;

- (b) a reduction in the principal amount, redemption premium or any interest payable on any Bond;
- (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds;
- (d) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture; or
- (e) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee.

If at any time the Authority requests the Trustee to enter into any such Supplemental Indenture or the City or the Authority advise the Trustee of their desire to enter into any such Supplemental Financing Agreement for any of the purposes of the Indenture, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture or Supplemental Financing Agreement to be mailed by first-class mail to each Owner. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture or Supplemental Financing Agreement and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as shall be prescribed by the Authority following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture or Supplemental Financing Agreement have consented to and approved the execution thereof as provided in the Indenture, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Authority or the City from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture or Supplemental Financing Agreement as permitted in the Indenture and provided, the Indenture or the Financing Agreement, as applicable shall be and be deemed to be modified and amended in accordance therewith.

### **Resignation or Removal of Trustee**

The Trustee and any successor Trustee may at any time resign from the trusts under the Indenture created by giving 30 days' written notice to the Authority, the City and the Owners. If at any time the Trustee ceases to be eligible in accordance with the provisions of the Indenture, it shall resign immediately in the manner provided in the Indenture. The Trustee may be removed for cause or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and signed by the Owners of a majority in aggregate principal amount of Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, 100% in aggregate principal amount of Junior Lien Bonds). If no Event of Default has occurred and is continuing, or no condition exists which will become an Event of Default as provided in the Indenture, the Trustee may be removed for cause (including the failure of the Trustee and the City to agree on the reasonableness of the fees and expenses of the Trustee under the Indenture) or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the Owners and signed by an Authorized Authority Representative or an Authorized City Representative. The Authority, the City or the Owners of a majority in aggregate principal amount of the Parity Lien Bonds then Outstanding (or if no Parity Lien Bonds are Outstanding, 100% in aggregate principal amount of Junior Lien Bonds) may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee. No resignation or removal of the Trustee shall become effective until a successor Trustee has accepted its appointment under the Indenture.

### **Appointment of Successor Trustee**

If the Trustee under the Indenture resigns or is removed, or otherwise becomes incapable of acting thereunder, or if it is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed by the Owners of a majority in aggregate principal amount of

Bonds then Outstanding, by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy the Authority, by an instrument executed and signed by the Authorized Authority Representative, with the consent of the City, may appoint a temporary Trustee to fill such vacancy until a successor Trustee is appointed by the Owners in the manner above provided; and any such temporary Trustee so appointed by the Authority shall immediately and without further acts be superseded by the successor Trustee so appointed by such Owners. If a successor Trustee or a temporary Trustee has not been so appointed and accepted such appointment within 30 days of a notice of resignation or removal of the current Trustee, the retiring Trustee may petition a court of competent jurisdiction for the appointment of a successor Trustee to act until such time, if any, as a successor has so accepted its appointment. No resignation or removal of the Trustee shall become effective until a successor Trustee has accepted its appointment under the Indenture.

### **Qualifications of Trustee and Successor Trustees**

The Trustee and every successor Trustee appointed under the Indenture shall be a trust institution or commercial bank with its principal corporate trust office located in the State, shall be in good standing and qualified to accept such trusts, shall be subject to examination by a federal or state bank regulatory authority, and shall have a reported capital and surplus of not less than \$25,000,000. If such institution publishes reports of condition at least annually pursuant to law or regulation, then for the purposes of the Indenture the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

## **THE FINANCING AGREEMENT**

*The following is a brief summary of the Financing Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Financing Agreement, copies of which are on file with the Authority and the Trustee.*

### **Payment**

On the tenth calendar day of each month (or the next Business Day thereafter if the tenth is not a Business Day) while the Bonds are Outstanding, the City shall transfer to the Trustee pursuant to the Indenture (a) all Payments in Lieu of Taxes, (b) subject to appropriation, all Economic Activity Tax Revenues and (c) the CID Portion of CID Revenues which have been received by the City.

The City pledges to the Authority, for the benefit of the Owners of the Bonds, as security for the payment of the principal of and redemption premium, if any, and interest on the Bonds, all of its right, title and interest in, to and under, and grants to the Authority a lien upon and security interest in, (a) the Payments in Lieu of Taxes and (b) the Pilots Account of the Special Allocation Fund, and all proceeds of the foregoing.

### **Covenant to Request Appropriations**

The City covenants and agrees that the officer of the City at any time charged with the responsibility of formulating budget proposals is directed to include in the budget proposal submitted to the Board of Aldermen of the City for each Fiscal Year that the Bonds are Outstanding a request for an appropriation of the Net Revenues on deposit in the Economic Activity Tax Account of the Special Allocation Fund for transfer to the Trustee for deposit in the Revenue Fund at the times and in the manner provided in the Indenture. Any funds appropriated as the result of such a request shall be transferred by the City to the Revenue Fund at the times and in the manner provided in the Indenture.

## **Collection of Revenues**

The City shall, at the expense of the Trust Estate, (a) take all lawful action within its control to cause the County Assessor of Taney County, Missouri to assess the real property and improvements within the Redevelopment Area at the times and in the manner required by the TIF Act and (b) take such lawful action within its control as may be required to cause the Collector of Revenue of Taney County, Missouri and all other Persons to pay all Economic Activity Tax Revenues which are due to the City under the TIF Act. The City shall take such lawful action within its control to collect CID Revenues which are due to the CID in accordance with the CID Agreement. Notwithstanding the provisions of the Financing Agreement, the obligation to pay real estate taxes related to land in the Redevelopment Project Areas described therein is strictly an *in rem* obligation.

## **Enforcement of the Agreement and CID Agreement**

The City shall enforce the provisions of the Agreement and the CID Agreement in such manner as the City deems prudent and advisable in its good faith discretion. The City may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Agreement or the CID Agreement, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

The City shall notify the Trustee in writing as to any material failure of performance under either the Agreement or the CID Agreement and at the time of such notification the City shall also advise the Trustee what action the City proposes to take in enforcing available remedies. If, in the judgment of the Trustee, being advised by counsel, such action is less likely to be effective than some other or additional action, the Trustee shall so advise the City promptly in writing. If, within 30 days following advice by the Trustee that some additional or other action would be more effective, the City has not taken such other or additional action, and the Trustee has not, after consultation with the City, withdrawn such advice, upon receipt of indemnification satisfactory to it, the Trustee is authorized under the Financing Agreement to take such action, whether the action was suggested by the Trustee or otherwise, as the Trustee, being advised by counsel, may deem most expedient and in the interest of the Owners of the Bonds. In furtherance of the rights granted to the Trustee by the Financing Agreement, the City assigns to the Trustee all of the rights it may have in the enforcement of the Agreement and the CID Agreement, further authorizing the Trustee in its own name or in the name of the City to bring such actions, employ such counsel, execute such documents and do such other things as may in the judgment of the Trustee be necessary or appropriate under the circumstance at the expense of the Trust Estate.

The City shall not modify, amend or waive any provision of the Agreement or the CID Agreement in a manner which may, in the sole judgment of the City, being advised by counsel, materially adversely affect the security for the Bonds or the interest of the owners thereof or adversely affects the exclusion of interest on the Bonds from gross income of the Owners thereof for federal income tax purposes.

## **Waiver and Release of Claims**

As a condition of and consideration for the execution of the Financing Agreement and the issuance of the Series 2017 Bonds, the Developer, on behalf of itself and all related entities and affiliates, does in the Financing Agreement release any and all claims whether past, present or future against the City, the Authority, the Trustee, the Purchaser and the officers, directors, employees, agents, consultants and representatives thereof in any way related to the approval of the Redevelopment Projects, the issuance of the Refunded Bonds or the issuance of the Series 2017 Bonds.

## **Events of Default Defined**

The term "Event of Default" shall mean any one or more of the following events:

(a) Failure by the City to timely transfer revenues to the Trustee pursuant to the Financing Agreement.

(b) Failure by the City to observe and perform any covenant, condition or agreement on the part of the City under the Financing Agreement, other than as referred to in the preceding subparagraph (a), for a period of 30 days after written notice of such default has been given to the City, during which time such default is neither cured by the City nor waived in writing by the Trustee, provided that, if the failure stated in the notice cannot be corrected within said 30-day period, the Trustee may consent in writing to an extension of such time prior to its expiration if corrective action is instituted by the City within the 30-day period and diligently pursued to completion and if such consent, in the judgment of the Trustee, does not materially adversely affect the interests of the Owners of the Bonds.

(c) Any representation or warranty by the City in the Financing Agreement or in any certificate or other instrument delivered under or pursuant to the Financing Agreement or the Indenture or in connection with the refinancing of the Redevelopment Project shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Trustee or cured by the City within 30 days after notice thereof has been given to the City.

(d) Failure by the Developer to observe and perform any covenant, condition or agreement on the part of the Developer under the Financing Agreement for a period of 30 days after written notice of such default has been given to the Developer, during which time such default is neither cured by the Developer nor waived in writing by the Trustee, provided that, if the failure stated in the notice cannot be corrected within said 30-day period, the Trustee may consent in writing to an extension of such time prior to its expiration if corrective action is instituted by the Developer within the 30-day period and diligently pursued to completion and if such consent, in the judgment of the Trustee, does not materially adversely affect the interests of the Owners of the Bonds.

(e) Any representation or warranty by the Developer in the Financing Agreement or in any certificate or other instrument delivered under or pursuant to the Financing Agreement or the Indenture or in connection with the refinancing of the Redevelopment Projects or the CID Project shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Trustee or cured by the Developer within 30 days after notice thereof has been given to the Developer.

(f) An Event of Default under the Indenture.

## **Remedies on an Event of Default**

Whenever any Event of Default has occurred and is continuing, the Trustee, as the assignee of the Authority, may take any one or more of the remedial steps set forth in the Indenture; provided that if the principal of all Bonds then Outstanding and the interest accrued thereon have been declared immediately due and payable pursuant to the provisions of the Indenture, the Trustee may immediately proceed to take whatever other action at law or in equity is necessary and appropriate to exercise or to cause the exercise of the rights and powers set forth in the Financing Agreement or in the Indenture, as may appear necessary or desirable to collect the amounts payable pursuant to the Financing Agreement then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the City or the Developer under the Financing Agreement or the Indenture.

Any amount collected pursuant to action taken under the Financing Agreement shall be paid to the Trustee and applied, first, to the payment of any reasonable costs, expenses and fees incurred by the Trustee as a result of taking such action and, next, any balance shall be transferred to the Revenue Fund and applied in accordance with the Indenture.

Notwithstanding the foregoing, the Trustee shall not be obligated to take any step that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until indemnity satisfactory to it has been furnished to the Trustee at no cost or expense to the Trustee, except as otherwise provided in the Indenture.

#### **No Remedy Exclusive**

No remedy in the Financing Agreement conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Financing Agreement or now or thereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in the Financing Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in the Financing Agreement.

#### **No Pecuniary Liability**

Notwithstanding the language or implication of any provision, representation, covenant or agreement to the contrary, no provision, representation, covenant or agreement contained in the Financing Agreement or in the Indenture, the Bonds, or any obligation in the Financing Agreement or therein imposed upon the Authority or the City, or the breach thereof, shall constitute or give rise to or impose upon the Authority or the City a pecuniary liability (except to the extent of any Net Revenues actually received by the City and, with respect to Economic Activity Tax Revenues, appropriated to the payment of the Bonds). No provision of the Financing Agreement shall be construed to impose a charge against the general credit of the Authority or the City or any personal or pecuniary liability upon any director, officer, agent or employee of the Authority or the City.

#### **Extent of Covenants of the Authority and the City; No Personal or Pecuniary Liability**

All covenants, obligations and agreements of the Authority and the City contained in the Financing Agreement and the Indenture shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future director, officer, agent or employee of the Authority or the City in other than his official capacity, and no official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, obligations or agreements of the Authority or the City contained in the Financing Agreement or in the Indenture. No provision, covenant or agreement contained in the Financing Agreement, the Indenture or the Bonds, or any obligation in the Financing Agreement or therein imposed upon the Authority, or the breach thereof, shall constitute or give rise to or impose upon the Authority a pecuniary liability or a charge.

## THE REDEVELOPMENT AGREEMENT

*The following is a brief summary of the Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Agreement, copies of which are on file with the Authority and the Trustee.*

Capitalized words used in the Agreement and under this caption shall have following meanings:

“CID” means the Branson Hills Community Improvement District, a political subdivision of the State of Missouri.

“City Code” means the current City Code of Ordinances of the City, including, without limitation, building codes and other codes and ordinances of the City related to construction and development of land.

“City Expenses” means those expenses and fees described in the Agreement.

“City Representative” means the City Administrator, or Mayor of the City, and such other person or persons at the time designated to act on behalf of the City in matters relating to the Agreement.

“Developer Representative” means Art King, and such other person or persons at the time designated to act on behalf of the Developer in matters relating to the Agreement as evidenced by a written certificate furnished to the City containing the specimen signature of such person or persons and signed on behalf of the Developer.

“Development Schedule” means the development schedule for the Projects described in the Agreement.

“Event of Default” means any event or occurrence as defined in the Agreement.

“Project(s)” means the Improvements described in the Redevelopment Plan as Redevelopment Project I, Redevelopment Project II, and Redevelopment Project III excluding any street improvements associated with Branson Hills Parkway as otherwise described in the Plan.

“Reimbursable Project Costs” means the aggregate total of all Redevelopment Project I Reimbursable Costs, Redevelopment Project II Reimbursable Costs and Redevelopment Project III Reimbursable Costs or any Debt Service associated with Obligations or Private Loans used to pay for such costs.

“Reimbursable Project Costs Cap” means the aggregate principal total of all Redevelopment Project I Reimbursable Costs, Redevelopment Project II Reimbursable Costs and Redevelopment Project III Reimbursable Costs not to exceed the aggregate principal total of those reimbursable amounts set forth in an exhibit to the Agreement (i.e. \$47,823,826 plus any actual Financing Costs and City Expenses as defined in the Agreement).

“Redevelopment Project I Reimbursable Costs” means all actual costs incurred by the Developer associated with the reimbursable costs categories set forth in an exhibit to the Agreement or any Debt Service associated with Obligations or Private Loans used to pay for such costs.

“Redevelopment Project II Reimbursable Costs” means all actual costs incurred by the Developer associated with the reimbursable costs categories set forth in an exhibit to the Agreement or any Debt Service associated with Obligations or Private Loans used to pay for such costs.

“Redevelopment Project III Reimbursable Costs” means all actual costs incurred by the Developer associated with the reimbursable costs categories set forth in attachments to the Agreement or any Debt Service associated with Obligations or Private Loans used to pay for such costs.

“Site Plan” means the preliminary site plan attached as an exhibit to the Agreement, and any such amendments thereto as approved by the City in connection with the zoning process.

“Site Plan Approvals” means the approvals of the Site Plan granted by the City pursuant to the City Code.

“Zoning Approvals” means the zoning approvals granted by the City pursuant to the City Code.

### **Reimbursable Project Costs**

In consideration of Developer’s agreement to commence development of the Projects pursuant to the Redevelopment Plan, the City agrees upon Developer’s full and timely compliance with the Agreement and the Redevelopment Plan, as it relates to the Projects, to reimburse Reimbursable Project Costs incurred by the Developer as set forth in the Agreement.

### **Preconditions to Reimbursement and Issuance of Obligations**

Phase 1. The parties agree that as a precondition to using the Economic Activity Taxes and Payments in Lieu of Taxes derived from Redevelopment Project Area 1 to pay Reimbursable Project Costs related to Redevelopment Project Area I, under the Agreement and as a precondition to the issuance of Obligations, the City must receive the following (or the following to be delivered into irrevocable escrow with the only condition being the issuance of Obligations):

a. A copy of a signed lease and/or real estate contracts with Target Corporation and Home Depot U.S.A., Inc. said agreements (or other such agreements with each) containing language in substantially the form set forth an exhibit to the Agreement without any other material conditions on such retailers’ obligations to open their respective stores in the Redevelopment Area, or any modifications to such language and conditions thereto deemed acceptable to the underwriter of any Obligations; or

b. A copy of a signed lease and/or real estate contract from Wal-Mart to locate a facility of no less than 150,000 square feet in the Redevelopment Area, which agreement contains language in substantially the form set forth in an exhibit to the Agreement without any other material conditions on such retailers’ obligations to open its respective stores, or any modifications to such language and conditions thereto deemed acceptable to the underwriter of any Obligations; and

c. Copies of the construction contracts for improvements to be undertaken by Developer in connection with the Target and Home Depot facilities or the Wal-Mart facility which include the requirement of acquisition of a payment and performance bond before construction commences.

Phases 2 and 3. The parties agree that as a precondition to using the Economic Activity Taxes and Payments in Lieu of Taxes derived from Redevelopment Project Area II and Redevelopment Project Area III to pay Reimbursable Project Costs related to Redevelopment Project II and Redevelopment Project III, under the Agreement and as a precondition to the issuance of Obligations to pay for such Reimbursable Project Costs, the City must receive the following (or the following to be delivered into irrevocable escrow with the only condition being the issuance of Obligations):

a. A copy of a signed lease and/or real estate contracts with Wal-Mart Stores East, L.P. (“Wal-Mart”) and Kohl’s Department Stores, Inc. (“Kohl’s”) said agreements (or other such agreements with each) containing language in substantially the form set forth in an exhibit to the Agreement without any other material conditions on such retailers’ obligations to open their respective stores in the Redevelopment Area, or any modifications to such language and conditions thereto deemed acceptable to the underwriter of any Obligations; and

b. Copies of the construction contracts for improvements to be undertaken by Developer in connection with the Wal-Mart and Kohl’s facilities which include the requirement of acquisition of a payment and performance bond before construction commences.

D. Termination. If the Developer is unable to deliver the leases and/or contracts described above related to Phases 2 and 3 within eighteen (18) months from the date of the Agreement, the City may terminate the Agreement upon sixty (60) days written notice to the Developer and the First Amended Original Agreement shall be in full force and effect.

### **Procedures for Certification of Expenditures**

For Certifications of Expenditures to be made in connection with the any Reimbursable Project Costs:

1. The Developer shall submit to the City and the issuer of Obligations a written request in the form of an exhibit to the Agreement setting forth the amount for which certification is sought and identification of the Reimbursable Project Costs with respect thereto.

2. The request for Certification of Expenditure shall be accompanied by such bills, contracts, invoices, or other evidence as the City and the issuer of Obligations shall reasonably require to document appropriate payment pursuant to the Redevelopment Plan and the Agreement.

3. The City reserves the right to have its engineer or other agents or employees inspect all work in respect of which a request is submitted, to examine the Developer’s and other’s records relating to all Reimbursable Project Costs to be paid, and to obtain from such parties such other information as is reasonably necessary for the City to evaluate compliance with the terms of the Agreement.

4. The City shall have fifteen (15) calendar days after receipt of any request under the Agreement to review and respond to any such request by written notice to the Developer. If the submitted documentation demonstrates that: (a) the request relates to Reimbursable Project Costs; (b) the expense was incurred; (c) Developer is not in default under the Agreement; and (d) there is no fraud on the part of the Developer, then the City shall approve the request. Upon approval, the City shall immediately so notify the party responsible for making disbursement from proceeds resulting from the issuance of Obligations or where no Obligations have been issued, the City shall make, or cause to be made, reimbursement within five (5) days of the certification from the Special Allocation Fund provided that sufficient funds are on deposit in the Special Allocation Fund to make such reimbursement. If the City disapproves the request, the City shall notify the Developer in writing of the reason for such disapproval within such fifteen (15) calendar-day period after receipt of the subject reimbursement from Developer, and the reason for disapproval must be supported by competent evidence or, if the reason for disapproval is lack of adequate documentation submitted by the Developer, the same will be stated in the notification along with a detailed description of the inadequacy being relied upon by the City to withhold approval. Approval of Developer’s requests for reimbursement of Reimbursable Project Costs will not be unreasonably withheld. If the City fails to respond to Developer request for reimbursement with the requisite fifteen (15) days, such request shall be deemed approved.

In the event the request is approved or deemed to be approved, the City shall take such further action as is necessary to have Developer promptly reimbursed or payment to be made from the Special Allocation Fund, provided that the City shall in no event be required to make reimbursements in excess of the amount then on deposit in the Special Allocation Fund related to each respective Project(s). In the event that the amount on deposit in the Special Allocation Fund related to the Project(s) is insufficient to make any reimbursement in full, then such unreimbursed amounts will be carried forward and reimbursed from the next available moneys in the Special Allocation Fund related to the Project(s). To the extent the City approves a request or the same is deemed to be approved and the City fails to facilitate the process of making and/or directing payment the City shall pay any delay damages or late fees incurred by Developer.

In the event that Obligations are issued to fund Reimbursable Project Costs, reimbursement shall be made from the proceeds of such Obligations pursuant to the procedures set forth in the documents authorizing the issuance of the Obligations and in the Agreement, said documents to be consistent the Agreement.

### **Right to Inspect**

The Developer agrees that up to one year after completion of each Redevelopment Project, the City, with reasonable advance notice and during normal business hours, shall have the right and authority to review, audit, and copy, from time to time, all the Developer's books and records relating to the Reimbursable Project Costs paid from TIF revenues (including all general contracts, subcontracts, material purchase orders, waivers of lien, paid receipts, and invoices).

### **Sales Tax Information**

The Developer agrees to cause all assignees, purchasers, tenants, subtenants, or any other entity acquiring property or occupancy rights relating to the land or buildings in the Redevelopment Area to be obligated by written contract, a form of which is attached as an exhibit to the Agreement, or by such other measure as is approved by the City Attorney, to provide to the City simultaneously with submission to the relevant governmental authority for collection of such taxes, the monthly sales tax returns for their facilities in the Redevelopment Area of such assignee, purchasers, tenants, subtenants, or any other entity acquiring property or occupancy rights. To the extent it may legally do so, such information shall be kept confidential by the City. Developer agrees to fully enforce such obligations against any such assignee, purchaser, tenant, or subtenant acquiring an interest in the Redevelopment Area.

### **Removal of Blight**

By construction of the Projects, the Developer shall clear the blighting influences, or eliminate the physical blight existing in the Redevelopment Area, or make adequate provisions reasonably satisfactory to the City for the clearance of such blighting influences. The parties acknowledge and agree that construction of the Projects in accordance with the Plan fully satisfies such Developer's obligations.

### **Lease of Project Property**

Except as otherwise restricted by the Agreement, the Developer may lease real property within the Redevelopment Area. The Developer, or any third party, shall insert in any such lease the following language, or language that is approved by the City Attorney, and shall have such lease signed by the lessee indicating acknowledgment and agreement to the following provision:

**Economic Activity Taxes:** Tenant acknowledges that the Leased Premises are a part of a Tax Increment Financing district ("TIF District") created by Branson, Missouri (the "City") and that certain taxes generated by Tenant's economic activities, including sales taxes, will be applied toward the costs of improvements for the development. Tenant shall forward to the City copies of Tenant's State of Missouri sales tax returns for its property

located in the TIF District when and as they are filed with the Missouri Department of Revenue, and, upon request, shall provide such other reports and returns regarding other local taxes generated by Tenant's economic activities in the TIF District as the TIF Commission and/or the City shall require, all in the format prescribed by them.

Developer shall enforce said provision to the maximum extent permitted by law. At least five (5) days prior to its execution, the Developer shall provide a certification to the City, signed by Developer and each such tenant, confirming that the lease includes the provisions satisfying the Developer's obligation as set forth in the Agreement. Failure of the Developer to require that such restrictions be placed in any such lease shall in no way modify, lessen, or diminish the obligations and restrictions set forth in the Agreement relating to the Redevelopment Area or any Project and the City's rights of enforcement and remedies under the Agreement and the Act.

### **Plan Approval; Additional Redevelopment Area Development Approval**

The Developer will cause to be submitted to the City all required applications for Zoning Approvals and Site Plan Approvals and all other approvals required by the City Code relating to Projects, and the City shall consider the Site Plans relating to such development and the related site work. The construction plans for Projects shall be submitted in accordance with the City's generally accepted requirements for the consideration of such plans and must satisfy the requirements set forth in the Zoning Approvals and the City Code. The City shall review said construction plans to determine if such plans satisfy the Zoning Approvals and City Code in accordance with its normal practice and procedures and issue any requested permits as provided in the Agreement. In any event, to the extent the City has received the plans and other information and verified that such plans and information satisfy the City Code related to the Projects, the City shall, issue permits no later than ten (10) business days thereafter.

### **Insurance and Hold Harmless**

The Developer agrees to cause insurance coverage of the type and in amounts as set forth on an exhibit to the Agreement, with only such changes as shall be approved in writing by the City Attorney, to be secured with respect to construction of the Projects. The Developer shall deliver or cause to be delivered to the City certificates evidencing the required minimum liability insurance policies with provisions for not less than thirty (30) days' notification to the City in the event of cancellation.

Developer agrees to defend, and save the City harmless from and against all claims, suits and action of every description, brought against the City and from all damage and costs by reason or on account of any injuries or damages received or sustained by any person or persons, or their property, by Developer, its servants, agents, contractors or subcontractors in the construction of the Projects, or by any negligence or carelessness in the performance of same, or on account of any act or omission of Developer its servants, agents, or subcontractors.

### **Building, Subdivision Codes**

The Developer shall comply or cause those with whom it contracts to comply with all federal, state, and City building codes, subdivision, zoning, environmental, and other developmental regulations and the Projects shall be constructed in compliance with all such codes and regulations.

### **Redevelopment Plan**

The Developer shall complete the construction to be undertaken by Developer, in accordance with the Zoning Approvals and City Code, the Agreement and the Redevelopment Plan, as it may be modified or revised from time to time with the Developer's consent.

The Developer shall use good faith efforts to develop the Projects expeditiously and in accordance with the Development Schedule. However, delay in commencing, constructing, or operating all or a portion of the Projects within the time frames set forth in the Agreement for any reason other than Excusable Delay (as defined below) may constitute a breach of the Agreement by the Developer and a breach of the Developer's obligations under the Redevelopment Plan.

### **Excusable Delay**

For the purposes of any of the provisions of the Agreement, neither the City nor Developer, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations under the Agreement in the event of any delay caused by damage, destruction by fire or other casualty, strike, shortage of material, adverse weather condition such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or quantity for an abnormal duration, tornadoes or cyclones, failure of the Developer to secure all necessary governmental approvals and other events or conditions beyond the reasonable control of the party affected which, in fact, interferes with the ability of such party to discharge its respective obligations under the Agreement ("Excusable Delay").

### **Modifications**

The Projects may be modified or revised by the Developer, with the City's written approval, to provide for other improvements consistent with the Redevelopment Plan and the requirements set forth on the Site Plan. Substantial changes may require the Redevelopment Plan to be amended in accordance with the TIF Act.

### **Utilities and Fees**

The City agrees that the Developer shall have the right to connect to any and all sanitary and storm sewer lines and City utility lines constructed in the vicinity of the Redevelopment Project Areas subject to compliance with the City's codes and procedures for such connections. The City agrees that the Developer shall be obligated to pay, in connection with the development, only those water, sanitary and storm sewer, building permit, engineering, inspection, and other fees of general applicability. The Developer acknowledges: that the City is not the provider of water or electric service in the Redevelopment Area; and (ii) that the City does not control the fees, charges and capacity availability of such providers.

The City shall take all steps and execute all documents required to authorize the location, construction, maintenance, or use by Developer, in accordance with plans and specifications approved by the City, of surface drainage ways and installations and underground drainage conduits and appurtenances for drainage purposes on, under and along designated drainage easements.

The City shall take all steps and execute all documents required to authorize the location, construction, maintenance, or use by Developer, in accordance with plans and specifications approved by the City, of conduits, for all and any purpose, water, gas and sewer mains, poles, wires, anchors and appurtenances thereto, or any or all of them on, under and along designated utility easements.

### **Assistance to Developer**

The City agrees to use reasonable efforts without hindrance or delay in helping the Developer, its agents, contractors, and subcontractors, tenants or land purchasers, with respect to obtaining building permits from the City, and any permits or approvals required from any governmental agency, whenever reasonably requested to do so.

### **Public Improvements**

All public improvements, if any, undertaken by Developer under the Agreement, shall be constructed to City specifications and shall be subject to customary City plan review, inspection, performance bond, and similar requirements. Developer shall convey title of all public improvements constructed in connection with the Projects to the City at no cost to the City if required by the City. The Developer shall comply with all laws regarding the payment of prevailing wages to contractors or subcontractors of the Developer, as applicable. Developer shall indemnify the City for any damage resulting to it from failure of either the Developer or any contractor or subcontractor to pay prevailing wages pursuant to applicable laws and the costs related thereto will be Reimbursable Project Costs subject to the limitations in the Agreement.

### **Agreement to Pay Taxes**

The Developer agrees that to the extent it is obligated to pay any portion of the real estate tax bills for the Redevelopment Project Areas it shall pay such taxes promptly on or before the due date of such tax bills. Developer or its successors shall have the right to pay said taxes under protest in accordance with applicable law.

### **Notice of Protest**

The Developer and any other owners of real property in the Redevelopment Area shall promptly notify the City in writing of protest of real estate taxes or valuation of the Developer's property by the County Assessor.

### **Events of Default**

The following events shall constitute an Event of Default under the Agreement:

A. Failure by the Developer to observe and perform any covenant, condition, or agreement on the part of the Developer under the Agreement, for a period of sixty (60) days after written notice of such default has been given to the Developer by the City during which time such default is neither cured by the Developer nor waived in writing by the City, provided that, if the failure stated in the notice cannot be corrected within said sixty (60) day period, the City may consent in writing to an extension of such time prior to its expiration and the City will not unreasonably withhold their consent to such an extension if corrective action is instituted within the sixty (60) day period and diligently pursued to completion and if such consent, in their judgment, does not materially adversely affect the interests of the City.

B. Failure by City to observe and perform any covenant, condition, or agreement under the Agreement, for a period of sixty (60) days after written notice of such default has been given to the City by the Developer during which time such default is neither cured by the City nor waived in writing by the Developer, provided that, if the failure stated in the notice cannot be corrected within said sixty (60) day period, the Developer may consent in writing to an extension of such time prior to its expiration and the Developer will not unreasonably withhold their consent to such an extension if corrective action is instituted within the sixty (60) day period and diligently pursued to completion and if such consent, in their judgment, does not materially adversely affect the interests of the Developer.

### **Remedies on Developer's Default**

Whenever any Event of Default by Developer shall have occurred and be continuing after notice of same has been provided to the Developer and the opportunity to cure has been exhausted by Developer in accordance with the Agreement, the City may exercise its remedies otherwise available at law or equity.

Notwithstanding the remedies set forth above, under no circumstances shall the City- refuse to reimburse the Developer for any reimbursement for valid Reimbursable Project Costs incurred by Developer on or before the date of any Event of Default in question.

### **Remedies on City Default**

Whenever any Event of Default by City shall have occurred, all remedies at equity and at law shall be available to the Developer.

### **Agreement to Pay Attorneys' Fees and Expenses**

In connection with any Event of Default by the Developer or the City to perform its obligations under the Agreement, if either party employs attorneys or incurs other expenses for the enforcement of the performance or observance of any covenants or agreements on the part of the other party contained in the Agreement, the non-prevailing party agrees that it will, on demand therefore, pay to the prevailing party the reasonable fees of such attorneys and such other reasonable expenses so incurred.

### **City Expenses**

*TIF District Expenses.* Subject to the successful issuance of Obligations to pay for the Reimbursable Project Costs, the Developer shall reimburse the City for all reasonable documented, out-of-pocket expenses incurred in connection with the Redevelopment Area, the Redevelopment Plan, the Agreement, and the issuance of the Obligations including attorney's fees, postage, mileage, copying costs, recording costs, and similar expenses. Said reimbursements to the City shall be deemed Reimbursable Project Costs. As soon as the Obligations are issued and proceeds are made available, the Developer shall have no further obligation to pay administrative costs under the Agreement.

*TIF Administrative Service Fee.* The City may withhold an administrative service fee from the Special Allocation Fund to cover the actual costs incurred by the City during the duration of the Redevelopment Plan. The administrative service fee shall be an amount not to exceed two percent (2%) of the annual Payments in Lieu of Taxes and Economic Activity Taxes. The administrative service fee may be paid semi-annually from the Special Allocation Fund prior to the reimbursement of other accrued Reimbursable Project Costs except in the case where Obligations are issued in which case, such fee may be subordinate to the debt service associated with any such Obligations.

### **Immunity of Officers, Employees and Members of the City**

No recourse shall be had for the payment of the principal of or interest on the costs of the Project or for any claim based thereon or upon any representation, obligation, covenant, or agreement in the Agreement contained against any past, present or future official, officer, employee or agent of the City, under any rule of law or equity, statute, or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such official, officer, employee, or agent as such is expressly waived and released as a condition of and consideration for the execution of the Agreement.

### **Covenant Running With the Land and Recordation of Agreement.**

Developer shall record the Agreement with the Recorder of Deeds of Taney County, Missouri, and provide proof of recording to the City. The provisions of the Agreement shall be covenants running with the land and shall remain in effect for the duration of the Redevelopment Plan and any renewal period or periods of the Redevelopment Plan at the end of which time they shall cease. They shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and be enforceable by, the City, its successors and assigns, against the Developer, its successors and assigns, and every successor in interest to the

subject real property, or any part of it or any interest in it and any party in possession or occupancy of the real property or any part thereof.

**APPENDIX B**

**FORM OF OPINION OF BOND COUNSEL**

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APPENDIX B

FORM OF OPINION OF BOND COUNSEL

August \_\_\_\_, 2017

The Industrial Development Authority  
of the City of Branson, Missouri  
Branson, Missouri

Piper Jaffray & Co.  
Leawood, Kansas

City of Branson, Missouri  
Branson, Missouri

BOKF, N.A., as Trustee  
Kansas City, Missouri

Re: \$\_\_\_\_\_ The Industrial Development Authority of the City of Branson, Missouri,  
Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes  
Redevelopment Project)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The Industrial Development Authority of the City of Branson, Missouri (the "Authority") of the above-captioned Bonds (the "Bonds"), pursuant to a Trust Indenture dated as of August 1, 2017, (the "Indenture") by and between the Authority and BOKF, N.A., as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Indenture.

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 and subject to the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Authority and are valid and legally binding special obligations of the Authority, payable solely from Pledged Revenues and other funds held by the Trustee and pledged under the Indenture as security for the Bonds. The Bonds and interest thereon do not constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State or of any political subdivision thereof, but shall be payable solely from the funds provided for in the Financing Agreement and in the Indenture. The issuance of the Bonds will not, directly, indirectly or contingently, obligate the State or any political subdivision of the State to levy any form of taxation or to make any appropriation for the payment of the Bonds.

2. The Indenture has been duly authorized, executed and delivered by the Authority and constitutes the valid and legally binding agreement of the Authority enforceable against the Authority in accordance with the provisions thereof.

3. 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 not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are subject to the condition that the Authority and the City comply 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 to preserve the exclusion of the interest on the Bonds from gross income for federal income tax purposes. The Authority and the City have covenanted to comply with each such requirement. 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. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. The interest on the Bonds is exempt from income taxation by the State of Missouri.

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 the perfection or priority of the lien on the Trust Estate pledged under the Indenture or 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 of the Bonds, the Indenture, the Tax Compliance Agreement and the Financing Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

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,

**APPENDIX C**

**INFORMATION REGARDING THE CITY OF BRANSON, MISSOURI**

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## INFORMATION CONCERNING THE CITY OF BRANSON, MISSOURI

The Series 2017A Bonds are not a general obligation of the City and are payable solely from the revenues described in the Official Statement. The information regarding the City contained in this Appendix C is provided as general background information only and should not be construed as an indication that the Series 2017A Bonds are payable from any source other than such revenues as described in this Official Statement. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS” in the forepart of the Official Statement.

### General

The City of Branson is the economic center of the Branson/Lakes Area located in the heart of the Ozark Mountains, 35 miles south of Springfield in southwest Missouri. The Branson/Lakes Area encompasses three lakes: Table Rock Lake, Lake Taneycomo and Bull Shoals Lake. These lakes collectively include 1,507 miles of shoreline and cover 116,420 acres and are known for prize-winning fishing and recreational activities. Tourism is the Branson/Lakes Area’s chief industry. Situated in the heart of America and within an eight hour drive of nearly 33% of the U.S. population, Branson and the Tri-Lakes Area host millions of visitors annually who contributed over a billion dollars into the local economy.

Factors which contribute to the economy of the Branson/Lakes Area, both directly and indirectly, include the following:

1. Branson is currently the home to approximately 34 theaters with more than 40,000 seats offering more than 100 shows throughout the day – breakfast shows, matinees and evening performances round out a full day of great entertainment. Country, pop, swing, rock-n roll, gospel, classical and Broadway style music and productions join comedy and magic shows to provide visitors a wide array of entertainment choices.
2. The Branson/Lakes Area is home to three scenic lakes offering fishing, boating, parasailing, jet skiing, scuba diving and swimming. While the lakes all offer great fishing for novice and professional anglers, each has its specialty. Table Rock Lake offers world-class bass fishing. Lake Taneycomo, with its cold waters, offers superb trout fishing. Bull Shoals Lake is also an angler’s paradise, especially for tournament bass fishing.
3. Three area theme parks draw millions of visitors. These parks provide a venue for visitors of all ages. They feature crafters and artists, rides and amusements, live comedy and drama, many dining places, musicians and music shows, and water attractions such as water rides and wave pools.
4. Antique shops, craft villages and arts and crafts malls offer hand-crafted works, while malls, shopping centers and the City’s Historic downtown provide a full range of contemporary goods.
5. Over 15,000 rooms are available in Branson motels, hotels, resorts and bed and breakfast inns. There are 111 lodging facilities, excluding condominiums, time shares, and campgrounds. The Branson Area hosts approximately 185 hotels and motels with 16,500 rooms.
6. The City has consistently been voted a top motor coach destination by the American Bus Association (ABA). However, with the opening of the Branson Airport in 2009, more visitors are now flying into the area each year. The City was named in the top ten great U.S. destinations to discover by the Travelers’ Choice Family Award. The Midwest Traveler

magazine announced that Branson was named the “Best Small City for a Weekend”. The City was also recognized as being one of the top ten best holiday light displays in the U.S.

7. The City is also known as a top community for retired persons. *Where to Retire* magazine selected Branson as a top retirement spot because of its scenic beauty and low cost-of-living.
8. The latest addition to the tourism industry is zip-lining. You can zip at speeds exceeding 50 mph from the top of Inspirational Tower at Shepherd of the Hills; see the Branson sights from tree-top heights right in the heart of Branson, or take an eco-adventure tour of the Ozark Mountains north of Branson right off Highway 65.

**Size and Location**

The City has an incorporated boundary of over 21 square miles and is located approximately 35 miles south of Springfield, Missouri via U.S. Highway 65 in Taney County.

The following table sets forth a history of the population of the City:

<u>Year</u>	<u>City Population</u> <sup>1</sup>	<u>% Increase from Prior Decade</u>
1970	2,175	n/a
1980	2,550	17%
1990	3,706	45
2000	6,050	63
2010	10,520	74

<sup>1</sup> U.S. Census Bureau, Missouri Department of Economic Development and City

**Government and Organization of the City**

The City was organized on April 1, 1912, and is operated as a council/administrator form of government. The governing body of the City is the Board of Aldermen which is comprised of six Aldermen and a Mayor. Aldermen are each elected to two year terms and the Mayor is elected for a term of two years.

<u>Name</u>	<u>Position</u>
Karen Best	Mayor
Mike Booth	Alderman
Bob Simmons	Alderman
Rick Castillion	Alderman
Kirsten Hart	Alderman
Betsy Seay	Alderman
Rick Todd	Alderman

Among the City administrative officers are Interim City Administrator Stan Dobbins, Finance Director Jamie Rouch, City Attorney William Duston, and City Clerk Lisa Westfall.

**Educational Facilities**

The Branson R-IV School District encompasses the entire City. The School District currently is accredited by the State Department of Elementary and Secondary Education. The School District currently has five elementary schools, one junior high school and one high school. The current total enrollment of the School District is approximately 4,600 students.

The College of the Ozarks, a private four year college operated by the Presbyterian Church, is located adjacent to the City and has an enrollment of approximately 1,400 students per semester. Additionally, Drury University and Evangel University which are located in Springfield, Missouri, approximately 35 miles from the City. Missouri State University is also located in Springfield, Missouri, and has an enrollment of approximately 26,000 students.

### **Medical Services**

Cox Medical Center Branson (formerly known as Skaggs Regional Medical Center) is a 165-bed not-for-profit institution located in the City, which provides services in the areas of family practice, internal medicine, general practice, general surgery, emergency, neurology, radiology, ophthalmology, orthopedic surgery, cardiac surgery, oncology, urology and pathology.

Nursing and long term care centers located in the area include Golden Living Center, Rolling Hills Nursing Center, Pointe Lookout Health Care Center, Rose House, Table Rock Health Care Center and Culpepper Place Assisted Living. Oaks Retirement Community is a retirement home, not a nursing home; however medical care is available seven days a week through a home health care company.

Ambulance service is provided for the City by the Taney County Ambulance District, which is a separate taxing jurisdiction supported by its own county-wide sales tax.

### **Transportation**

U.S. Highway 65, a north-south highway, is the main route to the City with over 70% of motorists coming from the north. Highway 65 is a divided four-lane highway from Springfield, Missouri, to the Arkansas state line.

The Springfield/Branson National Airport (SGF) is 42 miles from Branson and provides service to southwest Missouri with four airlines offering daily non-stop jet service to ten major hubs throughout the United States.

The M. Graham Clark Downtown Airport, a general aviation airport with a 3,738-foot runway, is located one mile south of Branson.

The first privately financed and operated commercial airport in the country began operations in the Branson area in the spring of 2009. Branson Regional Airport, located south of the city, has a 7,140-foot runway to accommodate all types of commercial aircraft, making Branson even more accessible. Branson AirExpress and Buzz Airways offer flights from the airport. Enterprise Rent-a-Car, National and Alamo are the on-site providers for rental cars at the Branson Airport.

Union Pacific Railroad owns the railroad tracks in Branson, and makes one freight stop in the City each day. General passenger service is not available. A sightseeing passenger rail service provides passenger trips into the Ozark Mountains and is located downtown within the historic district and adjacent to Branson Landing.

### **Community Services**

City residents enjoy numerous municipal services, including the following:

**Parks and Recreation:** The City has a full time park director and staff maintaining 16 city parks, a state-of-the-art recreation complex and a fully equipped RV park. Some parks are lighted for evening softball, tennis or use of the playground equipment; others are acres of trees and grassy areas for quiet enjoyment. The RV park has approximately 160 full hookup sites, fishing docks, boat ramps, restrooms and

showers and is open year-round. Lakeside Forest Wilderness Area features 140 acres and overlooks Lake Taneycomo. Some of its features are trails, a waterfall and a cave. RecPlex is Branson's 42-acre state-of-the-art sports complex in Branson Hills which combines fitness, recreation, aquatics park and organized athletics at one convenient location. The 44,000 square foot recreation center features two gymnasiums, a fitness center, a 3-lane indoor track, locker rooms, community rooms, and a concession area. Outdoor facilities include a 12,250 square foot aquatic center featuring a zero-depth entry leisure pool, water slides, lap lanes, diving well and a shaded picnic area, soccer fields, baseball/softball complex, picnic pavilions a large playground and walking paths over the 40 acres.

***Golf Courses:*** Branson is home to nearly a dozen golf courses, with even more in outlying areas. Golfing is one of the fastest-growing interests of vacationers. Branson Creek was named a "Top 100 in America" by Golf Digest, and the newest course, the Payne Stewart Golf Club and is named for the late golf pro Payne Stewart.

***Police Protection and Service:*** The Branson Police Department is comprised of 36 full-time officers, 10 dispatchers, 3 office assistants, 1 parking control officer, 5 investigators, 1 chief, and 1 assistant chief. The department serves the community in all areas of investigations, patrol, traffic, jail, communications and records. All officers are certified under the Missouri Police Officers Training Act with a majority of the officers having been trained at the Missouri Highway Patrol Law Enforcement Academy.

***Fire Protection:*** The Branson Fire Department is comprised of 38 full-time career fire fighters operating out of three fire stations. A fourth fire station will open soon. Daily staffing consists of 11 fire personnel, four chief officers and a fire marshal. The fire department is also supported by community volunteers in a Community Emergency Response Team (CERT), Fire Corp, and Reserve Firefighter Programs. Each fire fighter is trained within the department and attends seminars in basic firefighting, hazardous chemical spills, L.P. gas emergencies, arson control, and investigation.

***Community Center:*** The Branson Community Center is used for the senior lunch program and a wide range of activities that include dancing, card playing, painting classes, quilting and club meetings. Classrooms and the large community hall are available to rent for private use such as wedding receptions, family reunions, dances and meetings. The Branson Senior Center and the Branson Arts Council both have office space in the Community Center.

***Libraries:*** The Taneyhills Community Library, a non-tax supported facility, is supported by fundraising efforts of the Friends of the Taneyhills Library through the used book store, thrift shop and voluntary contributions from area residents. The College of the Ozarks' Lyons Memorial Library is a vital part of the four-year liberal arts college education program and residents of the City may acquire a library card to the facility.

***Shopping:*** Visitors consistently rank shopping among the most popular activities of the area. The City boasts over 2 million square feet of retail space, including Historic Downtown Branson. Branson Landing, has retail shops that are combined with dining, luxury lodging, river walk, town square, marinas and nightlife in a waterfront setting. On the north edge of Branson the Branson Hills/Branson Shoppes development offers Kohl's, a Wal-Mart Super Center, Target, Home Depot, Best Buy and other stores and restaurants.

## Major Employers and Taxpayers

The following are the Branson/Lakes Area's ten largest employers by numbers of employees in 2016:

<u>Employers</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Kanakuk Kamps	Summer Camp	1,900
Herschend Family Entertainment	Theme Parks	1,710
Cox Health (Skaggs)	Hospital	1,081
Big Cedar Resort	Lodging	914
Branson R-IV Public Schools	Education	649
Wal-Mart (two stores)	Retail	444
College of the Ozarks	Education	366
City of Branson	Government	346
Westgate Resorts	Lodging	345
Taney County	Government	287

Source: City of Branson, Missouri Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2016

The following are the City's ten largest real property taxpayers according to the 2016 assessed valuation:

<u>Taxpayers</u>	<u>Product/Service</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Value</u>
Chateau on the Lake	Lodging	\$8,195,970	1.84%
Tanger Mall	Retail	6,855,170	1.54
Sight & Sound Theatre	Theater	6,217,210	1.40
Branson Landing Hotel	Lodging	4,950,080	1.11
Wal-Mart	Retail	3,492,300	0.79
Summit Natural Gas	Utilities	3,212,200	0.72
Branson Promenade Hotel/Condos	Lodging	2,951,790	0.66
Shoppes at Branson Hills	Retail	2,346,680	0.53
Mansion America Theater	Theater	2,258,660	0.51
Welk Resort	Lodging/Theater	<u>2,251,610</u>	<u>0.51</u>
Total		\$42,731,670	9.61%

Source: City of Branson, Missouri Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2016

## Unemployment Rate

The following is an estimate of the overall unemployment rates (not seasonally adjusted) in Taney County for the years indicated:

<u>Year</u>	<u>Taney County Unemployment Rate</u>
2012	10.3%
2013	8.9
2014	9.6
2015	7.9
2016	7.4
2017 <sup>(1)</sup>	5.5

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Source: MERIC (Missouri Economic Research and Information Center); Bureau of Labor Statistics

<sup>(1)</sup> As of May 2017.

**APPENDIX D**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

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## APPENDIX D

### FORM OF CONTINUING DISCLOSURE AGREEMENT

#### (FORM OF CONTINUING DISCLOSURE AGREEMENT)

**THIS CONTINUING DISCLOSURE AGREEMENT**, dated as of August 1, 2017 (the “**Continuing Disclosure Agreement**”), is executed and delivered by the **CITY OF BRANSON, MISSOURI** (the “**City**”), and **BOKF, N.A.**, a national banking association, as dissemination agent (the “**Dissemination Agent**”).

#### RECITALS

1. This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by The Industrial Development Authority of the City of Branson, Missouri (the “**Authority**”) of its Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) (the “**Series 2017A Bonds**”), pursuant to a Trust Indenture, dated as of August 1, 2017 (the “**Bond Indenture**”), between the Authority and BOKF, N.A., as trustee (the “**Bond Trustee**”).

2. The City and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Series 2017A Bonds. The City is entering into this Continuing Disclosure Agreement in order to assist the Participating Underwriter in complying with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The City is the only “obligated person” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the City and the Dissemination Agent covenant and agree as follows:

**Section 1. Definitions.** In addition to the definitions set forth elsewhere in this Continuing Disclosure Agreement and in the Bond Indenture, 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, collectively, the City Annual Report and the City Financial Statements.

“**Annual Report Date**” means June 30<sup>th</sup> of each year (or, if the City’s Fiscal Year should change, not later than the last day of the calendar month containing the 180<sup>th</sup> day following the end of the City’s Fiscal Year).

“**Beneficial Owner**” means any registered owner of any Series 2017A 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 Series 2017A Bonds (including persons holding Series 2017A Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017A Bonds for federal income tax purposes.

“**Bonds**” means the Series 2017A Bonds, the Series 2017B Bonds and any Additional Bonds or Junior Lien Bonds issued on a parity therewith pursuant to the Bond Indenture.

“**City Annual Report**” means a document or set of documents, in substantially the form attached as **Exhibit B** hereto, which contains updates (as of December 31 of each year) to the following information:

(a) the amount deposited into the following accounts of the Revenue Fund since the last City Annual Report:

- (i) the Pilots Account;
- (ii) the Economic Activity Tax Account
- (iii) CID Revenues Account; and
- (iv) any other amounts deposited to the Revenue Account;

(b) the principal amount of Series 2017A Bonds redeemed (whether by optional redemption, special redemption or on maturity) since the last City Annual Report;

(c) the aggregate principal amount of Series 2017A Bonds redeemed since the date of issuance of the Series 2017A Bonds and the outstanding principal amount of the Series 2017A Bonds;

(d) the principal amount of each series of Bonds (other than the Series 2017A Bonds) redeemed (whether by optional redemption, special redemption or on maturity) since the last City Annual Report;

(e) the aggregate principal amount of each series of Bonds (other than the Series 2017A Bonds) redeemed since the date of issuance of the such Bonds and the outstanding principal amount of such Bonds.

“**City Financial Statements**” means the audited financial statements of the City for the prior Fiscal Year, prepared in accordance with accounting principles generally accepted in the United States of America.

“**Dissemination Agent**” means BOKF, N.A., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City.

“**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](http://www.emma.msrb.org).

“**Fiscal Year**” means the 12-month period beginning on January 1 and ending on December 31 of each calendar year or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

“**Listed 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.

“**Official Statement**” means the Official Statement related to the Series 2017A Bonds.

“**Participating Underwriter**” means the original underwriter of the Series 2017A Bonds required to comply with the Rule in connection with offering of the Series 2017A Bonds.

“**Rule**” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**Section 2. Provision of Annual Reports.**

(a) The City shall, not later than the Annual Report Date, file with the MSRB, through EMMA, the following financial information and operating data:

- (i) The City Financial Statements.
- (ii) The City Annual Report for the preceding Fiscal Year.

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 City is an “obligated person” (as defined by the Rule), which have been filed with 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 City 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 City 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 City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under **Section 3** of this Continuing Disclosure Agreement.

(b) Not later than the date specified in subsection (a) for providing the Annual Report to the MSRB, the City shall either (1) provide the City Annual Report and the City Financial Statements to the Dissemination Agent, with written instructions to file the Annual Report as required by this Continuing Disclosure Agreement, or (2) provide written notice to the Dissemination Agent that the City has filed the Annual Report with the MSRB or will do so prior to the Annual Report Date.

(c) If the Dissemination Agent has not received either the City Annual Report and the City Financial Statements with filing instructions or a written notice from the City that it has filed the City Annual Report and the City Financial Statements with the MSRB by the Annual Report Date, the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as **Exhibit A**.

(d) The Dissemination Agent shall, unless the City has filed the City Annual Report and the City Financial Statements with the MSRB, promptly following receipt of such documents and instructions required in subsection (b) above, file the City Annual Report and the City Financial Statements with the MSRB and file a report with the City certifying that such documents have been filed pursuant to this Continuing Disclosure Agreement and stating the date it was filed with the MSRB.

(e) In addition to the foregoing requirements of this Section, the Dissemination Agent agrees to provide copies of the most recent Annual Report to any requesting bondowner or prospective bondowner, but only after the same have been delivered to the MSRB.

**Section 3. Reporting of Listed Events.**

(a) No later than 10 Business Days after the occurrence of any of the following events, the City 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 Series 2017A Bonds:

- (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 Series 2017A Bonds, or other material events affecting the tax status of the Series 2017A 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 Series 2017A Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the City;
- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Listed Event, contact the City Administrator, or his or her designee, or such other person as the City shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the City 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 City determines that the event does not constitute a Listed Event, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the City 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 City to report the occurrence of a Listed Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the City. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered owners of affected Series 2017A Bonds pursuant to the Bond Indenture.

**Section 4. Termination of Reporting Obligation.** The City's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment

in full of all of the Series 2017A Bonds. If the obligations of the City 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 City and the City shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Series 2017A Bonds, the City shall give notice of such termination or substitution in the same manner as for a Listed Event under **Section 3** of this Continuing Disclosure Agreement.

**Section 5. Dissemination Agents.** The City 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 City. 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 City pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is BOKF, N.A.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Agreement, the City 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 City and the Dissemination Agent with its written opinion that the agreement of the City and the Dissemination Agent 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 City 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 City. 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 Listed Event under **Section 3** of this Continuing Disclosure Agreement, 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 City 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 Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the City shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Semi-Annual Report, Annual Report or notice of occurrence of a Listed Event.

**Section 8. Default.** If the City or the Dissemination Agent fails to comply with any provision of this Continuing Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Series 2017A Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City 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

Bond Indenture or the Series 2017A Bonds, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the City 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 duties as are specifically set forth in this Continuing Disclosure Agreement, and, to the extent permitted by law, the City 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 as it relates to the City, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this **Section** shall survive resignation or removal of the Dissemination Agent and payment of the Series 2017A Bonds. The fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement shall be paid in the same manner as the fees and expenses of the trustee as provided in the Bond Indenture.

**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 confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the City: City of Branson, Missouri  
110 West Maddux  
Branson, Missouri 65616  
Attention: Mayor  
Telephone: (471) 334-3345  
Facsimile: (417) 334-6095

To the Dissemination Agent: BOKF, N.A.  
2405 Grand Boulevard, Suite 840  
Kansas City, Missouri 64108-2536  
Attention: Corporate Trust Department  
Telephone: (816) 932-7316  
Facsimile: (816) 932-7315

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

**Section 11. Beneficiaries.** Subject to the limitation on remedies contained in **Section 9** of this Continuing Disclosure Agreement, this Continuing Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Series 2017A Bonds, and shall create no rights in any other person or entity.

**Section 12. Severability.** If any provision in this Continuing Disclosure Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 13. Counterparts.** This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 14. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be 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.

**IN WITNESS WHEREOF,** the City and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

**CITY OF BRANSON, MISSOURI**

By: \_\_\_\_\_  
Mayor

[SEAL]

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**BOKF, N.A., as Dissemination Agent**

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

**EXHIBIT A**

**NOTICE OF FAILURE TO FILE CITY ANNUAL REPORT**

Name of Bond Issuer: The Industrial Development Authority of the City of Branson, Missouri

Name of Bond Issue: \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project)

Name of Obligated Person: City of Branson, Missouri (the "City")

Date of Issuance: \_\_\_\_\_, 2017

NOTICE IS HEREBY GIVEN that the City has not filed a City Annual Report with respect to the above-named bonds as required by the Continuing Disclosure Agreement, dated as of August 1, 2017, among the City and BOKF, N.A., as Dissemination Agent. The City has informed the Dissemination Agent that the City anticipates that the City Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_

**BOKF, N.A.**, as Dissemination Agent, on behalf of the

\_\_\_\_\_

cc: City of Branson, Missouri

\_\_\_\_\_



SUPPLEMENT DATED AUGUST 8, 2017  
TO THE PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 1, 2017

relating to

\$27,745,000\*

THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF BRANSON, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A  
(BRANSON SHOPPES REDEVELOPMENT PROJECT)

In accordance with the Continuing Disclosure Agreement (the form of which is attached hereto as **Exhibit A** to this Supplement), the City has agreed to provide a list of the businesses located in the Redevelopment Area which remitted sales taxes for retail sales within the Redevelopment Area during the last Annual Reporting Period and were open for business as of December 31 of the most recently ended Annual Reporting Period. The form of Continuing Disclosure Agreement attached as **Exhibit A** to this Supplement replaces the form of the Continuing Disclosure Agreement attached as Appendix D to the Preliminary Official Statement.

*This Supplement should be read in conjunction with the Preliminary Official Statement. Terms used in this Supplement shall have the meanings set forth in the Preliminary Official Statement. Except as expressly supplemented or amended hereby, the terms of the offering of the Bonds set forth in the Preliminary Official Statement remain in full force and effect.*

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\* Preliminary; subject to change.

**EXHIBIT A TO THE SUPPLEMENT DATED AUGUST 8, 2017**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**THIS CONTINUING DISCLOSURE AGREEMENT**, dated as of August 1, 2017 (the “**Continuing Disclosure Agreement**”), is executed and delivered by the **CITY OF BRANSON, MISSOURI** (the “**City**”), and **BOKF, N.A.**, a national banking association, as dissemination agent (the “**Dissemination Agent**”).

**RECITALS**

1. This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by The Industrial Development Authority of the City of Branson, Missouri (the “**Authority**”) of its Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Shoppes Redevelopment Project) (the “**Series 2017A Bonds**”), pursuant to a Trust Indenture, dated as of August 1, 2017 (the “**Bond Indenture**”), between the Authority and BOKF, N.A., as trustee (the “**Bond Trustee**”).

2. The City and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Series 2017A Bonds. The City is entering into this Continuing Disclosure Agreement in order to assist the Participating Underwriter in complying with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The City is the only “obligated person” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the City and the Dissemination Agent covenant and agree as follows:

**Section 1. Definitions.** In addition to the definitions set forth elsewhere in this Continuing Disclosure Agreement and in the Bond Indenture, 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, collectively, the City Annual Report and the City Financial Statements.

“**Annual Report Date**” means June 30<sup>th</sup> of each year (or, if the City’s Fiscal Year should change, not later than the last day of the calendar month containing the 180<sup>th</sup> day following the end of the City’s Fiscal Year).

“**Beneficial Owner**” means any registered owner of any Series 2017A 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 Series 2017A Bonds (including persons holding Series 2017A Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017A Bonds for federal income tax purposes.

“**Bonds**” means the Series 2017A Bonds, the Series 2017B Bonds and any Additional Bonds or Junior Lien Bonds issued on a parity therewith pursuant to the Bond Indenture.

“**City Annual Report**” means a document or set of documents, in substantially the form attached as **Exhibit B** hereto, which contains updates (as of December 31 of each year) to the following information:

(a) the amount deposited into the following accounts of the Revenue Fund since the last City Annual Report:

- (i) the Pilots Account;
- (ii) the Economic Activity Tax Account

- (iii) CID Revenues Account; and
- (iv) any other amounts deposited to the Revenue Account;

(b) the principal amount of Series 2017A Bonds redeemed (whether by optional redemption, special redemption or on maturity) since the last City Annual Report;

(c) the aggregate principal amount of Series 2017A Bonds redeemed since the date of issuance of the Series 2017A Bonds and the outstanding principal amount of the Series 2017A Bonds;

(d) the principal amount of each series of Bonds (other than the Series 2017A Bonds) redeemed (whether by optional redemption, special redemption or on maturity) since the last City Annual Report;

(e) the aggregate principal amount of each series of Bonds (other than the Series 2017A Bonds) redeemed since the date of issuance of the such Bonds and the outstanding principal amount of such Bonds; and

(f) a list of the businesses located in the Redevelopment Area which remitted sales taxes for retail sales within the Redevelopment Area during the last Annual Reporting Period and were open for business as of December 31 of the most recently ended Annual Reporting Period.

“**City Financial Statements**” means the audited financial statements of the City for the prior Fiscal Year, prepared in accordance with accounting principles generally accepted in the United States of America.

“**Dissemination Agent**” means BOKF, N.A., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City.

“**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](http://www.emma.msrb.org).

“**Fiscal Year**” means the 12-month period beginning on January 1 and ending on December 31 of each calendar year or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

“**Listed 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.

“**Official Statement**” means the Official Statement related to the Series 2017A Bonds.

“**Participating Underwriter**” means the original underwriter of the Series 2017A Bonds required to comply with the Rule in connection with offering of the Series 2017A Bonds.

“**Rule**” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

## **Section 2. Provision of Annual Reports.**

(a) The City shall, not later than the Annual Report Date, file with the MSRB, through EMMA,

the following financial information and operating data:

- (i) The City Financial Statements.
- (ii) The City Annual Report for the preceding Fiscal Year.

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 City is an “obligated person” (as defined by the Rule), which have been filed with 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 City 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 City 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 City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under **Section 3** of this Continuing Disclosure Agreement.

(b) Not later than the date specified in subsection (a) for providing the Annual Report to the MSRB, the City shall either (1) provide the City Annual Report and the City Financial Statements to the Dissemination Agent, with written instructions to file the Annual Report as required by this Continuing Disclosure Agreement, or (2) provide written notice to the Dissemination Agent that the City has filed the Annual Report with the MSRB or will do so prior to the Annual Report Date.

(c) If the Dissemination Agent has not received either the City Annual Report and the City Financial Statements with filing instructions or a written notice from the City that it has filed the City Annual Report and the City Financial Statements with the MSRB by the Annual Report Date, the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as **Exhibit A**.

(d) The Dissemination Agent shall, unless the City has filed the City Annual Report and the City Financial Statements with the MSRB, promptly following receipt of such documents and instructions required in subsection (b) above, file the City Annual Report and the City Financial Statements with the MSRB and file a report with the City certifying that such documents have been filed pursuant to this Continuing Disclosure Agreement and stating the date it was filed with the MSRB.

(e) In addition to the foregoing requirements of this Section, the Dissemination Agent agrees to provide copies of the most recent Annual Report to any requesting bondowner or prospective bondowner, but only after the same have been delivered to the MSRB.

### **Section 3. Reporting of Listed Events.**

(a) No later than 10 Business Days after the occurrence of any of the following events, the City 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 Series 2017A Bonds:

- (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 Series 2017A Bonds, or other material events affecting the tax status of the Series 2017A 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 Series 2017A Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the City;
- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Listed Event, contact the City Administrator, or his or her designee, or such other person as the City shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the City 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 City determines that the event does not constitute a Listed Event, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the City 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 City to report the occurrence of a Listed Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the City. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered owners of affected Series 2017A Bonds pursuant to the Bond Indenture.

**Section 4. Termination of Reporting Obligation.** The City's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2017A Bonds. If the obligations of the City 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 City and the City shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Series 2017A Bonds, the City shall give notice of such termination or substitution in the same manner as for a Listed Event under **Section 3** of this Continuing Disclosure Agreement.

**Section 5. Dissemination Agents.** The City 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 City. 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 City pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is BOKF, N.A.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Agreement, the City 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 City and the Dissemination Agent with its written opinion that the agreement of the City and the Dissemination Agent 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 City 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 City. 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 Listed Event under **Section 3** of this Continuing Disclosure Agreement, 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 City 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 Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the City shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Semi-Annual Report, Annual Report or notice of occurrence of a Listed Event.

**Section 8. Default.** If the City or the Dissemination Agent fails to comply with any provision of this Continuing Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Series 2017A Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City 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 Bond Indenture or the Series 2017A Bonds, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the City 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 City 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 as it relates to the City, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this **Section** shall survive resignation or removal of the Dissemination Agent and payment of the Series 2017A Bonds. The fees, charges and expenses of the Dissemination Agent in connection with its administration of

this Continuing Disclosure Agreement shall be paid in the same manner as the fees and expenses of the trustee as provided in the Bond Indenture.

**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 confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the City: City of Branson, Missouri  
110 West Maddux  
Branson, Missouri 65616  
Attention: Mayor  
Telephone: (471) 334-3345  
Facsimile: (417) 334-6095

To the Dissemination Agent: BOKF, N.A.  
2405 Grand Boulevard, Suite 840  
Kansas City, Missouri 64108-2536  
Attention: Corporate Trust Department  
Telephone: (816) 932-7316  
Facsimile: (816) 932-7315

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

**Section 11. Beneficiaries.** Subject to the limitation on remedies contained in **Section 9** of this Continuing Disclosure Agreement, this Continuing Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Series 2017A Bonds, and shall create no rights in any other person or entity.

**Section 12. Severability.** If any provision in this Continuing Disclosure Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 13. Counterparts.** This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 14. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be 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.

**IN WITNESS WHEREOF**, the City and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

**CITY OF BRANSON, MISSOURI**

By: \_\_\_\_\_  
Mayor

[SEAL]

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**BOKF, N.A.**, as Dissemination Agent

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

**EXHIBIT A**

**NOTICE OF FAILURE TO FILE CITY ANNUAL REPORT**

Name of Bond Issuer: The Industrial Development Authority of the City of Branson, Missouri  
Name of Bond Issue: \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds, Series 2017A  
(Branson Shoppes Redevelopment Project)  
Name of Obligated Person: City of Branson, Missouri (the "City")  
Date of Issuance: \_\_\_\_\_, 2017

NOTICE IS HEREBY GIVEN that the City has not filed a City Annual Report with respect to the above-named bonds as required by the Continuing Disclosure Agreement, dated as of August 1, 2017, among the City and BOKF, N.A., as Dissemination Agent. The City has informed the Dissemination Agent that the City anticipates that the City Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_

**BOKF, N.A.**, as Dissemination Agent, on behalf of the  
\_\_\_\_\_

cc: City of Branson, Missouri  
\_\_\_\_\_



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**TAX COMPLIANCE AGREEMENT**

**Dated as of August 1, 2017**

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**Among the**

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

**CITY OF BRANSON, MISSOURI,**

**And**

**BOKF, N.A.,  
as Trustee**

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**\$28,025,000**  
**The Industrial Development Authority of the**  
**City of Branson, Missouri**  
**Tax Increment Refunding Revenue**  
**Bonds**  
**Series 2017A**  
**(Branson Shoppes Redevelopment Project)**

**\$8,668,665.22**  
**The Industrial Development Authority of the**  
**City of Branson, Missouri**  
**Subordinate Tax Increment Refunding Revenue**  
**Bonds**  
**Series 2017B**  
**(Branson Shoppes Redevelopment Project)**

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**TAX COMPLIANCE AGREEMENT**

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## **TAX COMPLIANCE AGREEMENT**

**THIS TAX COMPLIANCE AGREEMENT** (the “Tax Agreement”), entered into as of August 1, 2017, among **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI**, a public benefit corporation duly organized and existing under the laws of the State of Missouri (the “Authority”), the **CITY OF BRANSON, MISSOURI**, a fourth class city and political subdivision of the State of Missouri (the “City”), and **BOKF, N.A.**, a national banking association duly organized and existing under the laws of the United States, as Trustee (the “Trustee”);

### **RECITALS**

**1.** This Tax Agreement is being executed and delivered in connection with the issuance by the Authority of the Authority’s bonds referenced on the cover page hereof (separately, the “Series 2017A Bonds” and the “Series 2017B Bonds and collectively, the “Bonds”), under the herein defined Indenture between the Authority and the Trustee, for the purpose of making a loan of the proceeds of such Bonds to the City under the herein defined Financing Agreement between the Authority and the City, to provide funds for certain purposes as described in this Tax Agreement and in the Indenture and the Financing Agreement.

**2.** The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and Investment of 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 Authority, the City and the Trustee are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the Investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

**4.** The City adopted a Tax-Exempt Financing Compliance Policy and Procedure on November 15, 2011 (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**, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the Authority, the City and the Trustee represent, covenant and agree as follows:

## ARTICLE I

### DEFINITIONS

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

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

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

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

**“Bond”** or **“Bonds”** means any Bond or Bonds described in the recitals, authenticated and delivered under the Indenture.

**“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 November 1, or another 1-year period selected by the City.

**“City”** means the City of Branson, Missouri, a fourth class city and political subdivision of the State of Missouri, and its successors and assigns.

**“Bond Compliance Officer”** means the person so named in the City’s Tax Compliance Procedure.

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

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

- (a) the first rebate installment payment must be made for a Computation Date not later than 5 years after the Issue Date;

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

The Authority selects November 1, 2021 as the first Computation Date, but reserves the right to select a different date consistent with the Regulations.

**“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 being financed or refinanced with the proceeds of the Original Obligations as described on **Exhibit C**.

**“Financing Agreement”** means the Financing Agreement dated as of August 1, 2017, as originally executed by the Authority and the City, as further amended and supplemented in accordance with the provisions of the Financing Agreement.

**“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 or other Investment 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:

- (1) Costs of Issuance Fund.
- (2) Debt Service Fund.
- (3) Debt Service Reserve Fund.
- (4) Rebate Fund (to the extent funded with sale or Investment proceeds).
- (5) Revenue Fund.

**“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).

**“Indenture”** means the Bond Trust Indenture dated as of August 1, 2017, as originally executed by the Authority and the Trustee, as further amended and supplemented in accordance with the provisions of the Indenture.

**“Investment”** means any security, obligation, annuity contract or other investment-type property which is purchased directly with, or otherwise allocated to, Gross Proceeds. Such term does not include obligations the interest on which is excluded from federal gross income, except for “specified private activity bonds” as such term is defined in Code § 57(a)(5)(C).

**“IRS”** means the United States Internal Revenue Service.

**“Issue Date”** means August 31, 2017.

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

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

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

**“Opinion of Bond Counsel”** means the written opinion of 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.

**“Original Obligations”** means the Series 2006 Bonds, which was the first issue of tax-exempt governmental bonds 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, payments with respect to the Financed Facility and the investment of Gross Proceeds after the Issue Date of the Bonds.

**“Project”** means all of the property being acquired, developed, constructed, renovated, and equipped by the City using Bond proceeds and other money contributed by the City, as described on **Exhibit C**.

**“Proposed Regulations”** means the proposed arbitrage regulations REG 106143-07 (published at 72 Fed. Reg. 54606 (Sept. 26, 2007)).

**“Purchaser”** means with respect to the Series 2017A Bonds, Piper Jaffray & Co. and with respect to the Series 2017B Bonds, Branson Shoppes Development Company, the original purchasers of the Bonds.

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

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

**“Refunded Obligations”** means the \$15,218,998.22 outstanding principal amount of the Series 2006 Bonds.

**“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 2006 Bonds”** means, collectively, the Authority’s \$35,545,000 original principal amount of Tax Increment Revenue Bonds (Branson Shoppes Redevelopment Project) Series and not to exceed \$9,385,045 Subordinate Tax Increment Revenue Bonds (Branson Shoppes Redevelopment Project) Series

2006B, which are separately referred to herein as the “Series 2006A Bonds” and the “Series 2006B Bonds.”

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

“**Tax Compliance Procedure**” means the City’s Tax-Exempt Financing Compliance Policy and Procedure described in the recitals hereto.

“**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 Revenues**” means incremental tax revenues levied including (1) PILOTS (as defined in the Indenture), and (2) subject to annual appropriation as provided in the Financing Agreement, Economic Activity Tax Revenues (as defined in the Indenture).

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

“**Trustee**” means BOKF, N.A., Kansas City, Missouri, and its successor or successors and any other corporation or association which at any time may be substituted in its place at the time serving as Trustee under the Indenture.

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

## ARTICLE II

### GENERAL REPRESENTATIONS AND COVENANTS

**Section 2.1. Representations and Covenants of the Authority and the City.** The Authority and the City represent and covenant to the Trustee as follows:

(a) *Organization and Authority.*

(1) The Authority. The Authority (1) is a public benefit corporation duly organized and existing under the laws of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver the Indenture, the Financing Agreement and this Tax Agreement and to carry out its obligations under such agreements, and (3) by all necessary action has been duly authorized to execute and deliver the Indenture, the Financing Agreement and this Tax Agreement, acting by and through its duly authorized officials.

(2) The City. The City (1) is a fourth class city and political subdivision duly organized and validly existing under the laws of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver the Financing Agreement and this Tax Agreement and to carry out its obligations under such agreements, and (3) by all necessary action has been duly

authorized to execute and deliver the Financing Agreement and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the Authority (to the extent it has been requested to do so by the City and the Trustee and further to the extent compliance with such request is within its power or direction) and upon adequate assurance of the payment of any of the Authority’s expenses in complying with such request and the City (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or Investment of, any Bond proceeds, other money held under the Indenture, or other funds of the Authority or the City, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause any Bond to become a “private activity bond” as defined in Code § 141.

(c) *Governmental Obligations—Private Security or Payment – No Impermissible Agreements.*

(1) As of the Issue Date, the Authority and the City expect that none of the principal 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:

- (A) secured by (i) any interest in property used or to be used for a private business use, or (ii) any interest in payments in respect of such property; or
- (B) derived from payments (whether or not such payments are made to the City) in respect of property, or borrowed money, used or to be used for a private business use.

(2) For purposes of the forgoing, taxes of general application, including Tax Revenues, are not treated as private payments or as private security. Tax Revenues will be pledged or annually appropriated by the City to secure the debt service payments under the Indenture. Tax Revenues are generally applicable taxes because they are enforced contributions exacted pursuant to legislative authority as part of the taxing power, are imposed and collected for the purpose of raising revenue to be used for governmental purposes, have a uniform rate of collection that applies to all persons of the same classification in the appropriate jurisdiction and have a generally applicable manner of collection and determination. No taxpayer has entered into any “impermissible agreement” relating to the payment of Tax Revenues. An “impermissible agreement” generally includes any agreement described in Regulations § 1.141-4(e)(4)(ii), including the following:

- (A) An agreement to be personally liable for a tax that does not impose personal liability;
- (B) An agreement to provide additional credit support such as a guaranty or to pay unanticipated shortfalls in tax collections;

(C) An agreement as to the minimum market value of property subject to a property tax;

(D) An agreement not to challenge or to seek deferral of a tax; and

(E) Any similar agreement that causes a tax to fail to have a generally applicable manner of determination or collection.

(3) Neither the Authority nor the City will permit **any** private security or payment with respect to the Bonds without first obtaining an Opinion of Bond Counsel.

(d) *No Private Loan -- PILOTS.* Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User. Payments in Lieu of Taxes (“PILOTS”) deposited to a special allocation fund established by the City will be received with respect to the assets financed as part of the TIF Project described in the Indenture. No taxpayer has entered into any “impermissible agreement” relating to payments of PILOTS. An “impermissible agreement” generally includes any agreement described in Regulations § 1.141-4(e)(4)(ii) such as an agreement to be personally liable for the payment of PILOTS or to guaranty the amount of PILOTS to be produced by the TIF Project or any portion thereof.

(e) *Limit on Maturity of Bonds.* A list of the assets included in the Financed Facility 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 is not expected to exceed 120% of the average reasonably expected economic life of the Financed Facility.

(f) *Expenditure of Bond Proceeds; Reimbursement.* The governing body of the City adopted a resolution(s) declaring the intent of the City to finance the Financed Facility with tax-exempt bonds and to reimburse the City for expenditures made for the Financed Facility prior to the issuance of the 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 was adopted. The City evidenced each allocation of the proceeds of the Original Obligations to an expenditure in writing.

(g) *Single Issue; No Other Issues.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c). No other debt obligations of the Authority or 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).

(h) *Registered Bonds.* The Indenture requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(i) *Bonds Not Federally Guaranteed.* Neither the Authority nor the City will take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).

(j) *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.

(k) *Compliance with Future Tax Requirements.* The Authority and the City understand that the Code and the Regulations may impose new or different restrictions and requirements on the Authority and the City in the future. The Authority and 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.

(l) *Interest Rate Swap.* As of the Issue Date, neither the Authority nor the City has entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds. Neither the Authority nor the City will enter into any such arrangement in the future without obtaining an Opinion of Bond Counsel.

(m) *Guaranteed Investment Contract.* As of the Issue Date, neither the Authority nor the City expects to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. Both the Authority and the City will be responsible for complying with Section 4.2(d) if it decides to enter into a Guaranteed Investment Contract at a later date.

(n) *IRS Form 8038-G.* Bond Counsel has prepared Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the expectations, representations and covenants of the Authority and the City contained in this Tax Agreement or otherwise provided by such parties. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the Authority for execution. The Authority agrees to timely execute and return to Bond Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the Form 8038-G filed with the IRS, along with proof of filing, will be included as **Exhibit B** to this Tax Agreement.

(o) *Arbitrage Certifications.* The facts, estimates and expectations recited in **Article III** of this Tax Agreement, regarding the purpose of the Bonds, the investment and expenditure of Bond proceeds, the Financed Facility, the funds and accounts created in the Indenture, the yield on investments and the computation and payment of arbitrage rebate, are true and accurate as of the Issue Date; and the Authority and the City believes that the estimates and expectations recited in such Article are reasonable as of the Issue Date. The Trustee, Gilmore & Bell, P.C., Bond Counsel, and the Purchaser may rely on such statements and expectations. Neither the Authority nor the City expects that the Bond proceeds will be used in a manner that would cause any Bond to be an “arbitrage bond” within the meaning of Code § 148; and to the best of the Authority’s and the City’s knowledge and belief, there are no other facts, estimates or circumstances that would materially change such expectations.

(p) *Bank Qualified Tax-Exempt Obligation.* The Bonds are not “qualified tax-exempt obligations” under Code § 265(b)(3).

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

(a) The Trustee will comply with the provisions of this Tax Agreement that apply to it as Trustee and any written letter or Opinion of Bond Counsel, specifically referencing the Bonds and received by the Trustee, that sets forth any action necessary to comply with any

statute, regulation or ruling that may apply to it as Trustee and relating to reporting requirements or other requirements necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

(b) The Trustee, pursuant to a written request of the City, may from time to time cause a firm of attorneys, consultants or independent accountants or an Investment banking firm to provide the Trustee and City with such information as it may request in order for the City to determine all matters relating to (a) the Yield on the Bonds as it relates to any data or conclusions necessary to verify that the Bonds are not “arbitrage bonds” within the meaning of Code § 148, and (b) compliance with arbitrage rebate requirements of Code § 148(f). The City will pay all costs and expenses incurred in connection with supplying the foregoing information.

**Section 2.3. Survival of Representations and Covenants.** All representations, covenants and certifications of the Authority, the City and the Trustee contained in this Tax Agreement or in any certificate or other instrument delivered by the Authority, the City or the Trustee under this Tax Agreement, will survive the execution and delivery of such documents and the issuance of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds.

## ARTICLE III

### ARBITRAGE CERTIFICATIONS AND COVENANTS

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

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

**Section 3.3. Purpose of Financing.** The Bonds are being issued for the purpose of providing funds to current refund the Refunded Obligations. The purpose of the refunding of the Refunded Obligations is to achieve interest cost savings through early redemption of the Refunded Obligations and create an orderly plan of finance.

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

- (1) Costs of Issuance Fund;
- (2) Debt Service Fund;

- (3) Rebate Fund;
- (4) Debt Service Reserve Fund;
- (5) Revenue Fund.

**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 Authority from the sale of the Bonds will be as follows:

Principal Amount	\$36,693,665.22
Premium	335,837.30
Less Underwriters Discount	<u>(378,337.50)</u>
Total Proceeds Received by City	\$36,651,165.02

(b) *Use of Bond Proceeds and Other Money.* The Bond proceeds and amounts held in accounts established for the Refunded Obligations are expected to be allocated to expenditures as follows:

(i) an amount equal to \$2,802,500.00 shall be deposited in the Series 2017A Account of the Debt Service Reserve Fund;

(ii) an amount equal to \$315,332.66 shall be deposited into the Costs of Issuance Fund;

(iii) an amount equal to \$33,547,839.22 (consisting of \$24,864,667.14 from the proceeds of the Series 2017 Bonds and \$8,683,172.08 from the funds and accounts established for the Refunded Bonds) shall be deposited in the Escrow Fund and used for the redemption and payment of the Refunded Bonds;

(iv) an amount equal to \$855,342.81 from the funds and accounts for the Refunded Bonds shall be deposited in the Debt Service Fund.

**Section 3.6. Multipurpose Issue.** The Authority is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes pursuant to Regulations § 1.148-9(h)(3)(i).

**Section 3.7. No Advance Refunding.** No proceeds of the Bonds will be used more than 90 days following the Issue Date to pay principal or interest on any other debt obligation.

**Section 3.8. Current Refunding.**

(a) *Proceeds Used For Current Refunding.* Proceeds of the Bonds will be used to pay principal and interest on the Refunded Obligations. All such proceeds shall be spent not later than 90 days after the Issue Date.

(b) *Transferred Proceeds.* As of the Issue Date the following unspent proceeds of the Refunded Obligations remain: approximately \$\_\_\_\_\_ in the debt service reserve fund for the Series 2006A Bonds Refunded Obligations. This amount will be used on October 2, 2017, to refund the Series 2006A Bonds Refunded Obligations (the “Refunded Obligations Redemption Date”). No principal of the Series 2006A Bonds Refunded Obligations will be discharged prior to the Refunded Obligations Redemption Date. Therefore, as of the Refunded Obligations Redemption Date, there will be no transferred proceeds of the Refunded Obligations. The Series 2006B Bonds Refunded Obligations will be discharged on August 31, 2017. There is no reserve fund for the Series 2006B Bonds and no transferred proceeds of the Series 2006B Bonds.

**Section 3.9. Project Completion.** The Financed Facility has previously been completed.

**Section 3.10. Sinking Funds.** The Authority is loaning the Bond proceeds to the City under the Financing Agreement. The City is required under the Financing Agreement to make periodic payments to the Trustee in amounts sufficient to pay the principal of and interest on the Bonds. The City expects to use Tax Revenues deposited in the Special Allocation Fund and the Revenue Fund to pay debt service on the Bonds. The City will transfer such funds to the Trustee where, upon receipt, the Trustee will deposit a portion of such payments into the Debt Service Fund. The City and Authority understand, under the Regulations, the term “sinking fund” includes a debt service fund, redemption fund, reserve fund, replacement fund, or any similar fund, to the extent reasonably expected to be used directly or indirectly to pay principal or interest on the Bonds. Therefore the Special Allocation Fund, the Revenue Fund and the Debt Service Fund all constitute sinking funds for the Bonds (the “Sinking Funds”). Except for the Sinking Funds and the Debt Service Reserve Fund, neither the Authority nor the City has established and does not expect to establish any sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds. The Sinking Funds are used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the Authority and the City expect that the Sinking Funds will qualify as a Bona Fide Debt Service Fund.

**Section 3.11. Reserve, Replacement and Pledged Funds.**

(a) *Debt Service Reserve Fund.* The Indenture establishes a Debt Service Reserve Fund to be funded at the time of issuance of the Bonds in an amount equal to \$2,802,500, the Debt Service Reserve Requirement. The Debt Service Reserve Fund secures only the Series 2017A Bonds. The amount to be held in the Debt Service Reserve Fund will not exceed the least of (1) 10% of the stated principal amount of the Series 2017A Bonds, (2) the maximum annual principal and interest requirements on the Series 2017A Bonds (determined as of the Issue Date), or (3) 125% of the average annual principal and interest requirements on the Series 2017A Bonds (determined as of the Issue Date). If the aggregate initial offering price of the Series 2017A Bonds to the public is less than 98% or more than 102% of par, such offering price must be used in clause (1) in lieu of the stated principal amount. Any amounts in the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement will be transferred to the Debt Service Fund.

(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, and that instead has been or will be used to acquire higher Yielding Investments. Except for the Revenue Fund, the Debt Service Fund, the Special Allocation Fund held in the treasury of the City and the Debt Service Reserve Fund there is no other fund 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 3.12. No Purpose Investment.** The proceeds of the Bonds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

**Section 3.13. Issue Price and Bond Yield.**

(a) *Issue Price.* Based on the Underwriter’s certifications in the Underwriter’s Receipt for Bonds and Closing Certificate, the Authority and the City hereby elect to establish the issue prices of the Series 2017A Bonds pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called “general rule”). Therefore, the aggregate issue price of the Series 2017A Bonds for such purpose is \$\_\_\_\_\_. Based on the Developer’s representations contained in the transcript of proceedings, the Authority and the City hereby elect to establish the issue price of the Series 2017B Bonds pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called “private placement rule”). Therefore, the aggregate issue price of the Series 2017B Bonds for such purpose is \$\_\_\_\_\_. The issue price of the Bonds is \$\_\_\_\_\_.

(b) *Bond Yield.* Based on the issue price, the Yield on the Bonds is \_\_\_\_\_%.

**Section 3.14. Miscellaneous Arbitrage Matters.**

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

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

**Section 3.15. Conclusion.** On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the Authority and the City do 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 set forth the policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The Authority and City recognize that interest on the Bonds will remain excludable from gross income

only if Post-Issuance Tax Requirements are followed after the Issue Date. The Authority and City further acknowledge that written evidence substantiating 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) *Provisions Constitute Written Policies and Procedures of the Authority and the City.* The Authority and the City intend for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be their primary written policies and procedures related to Post-Issuance Tax Requirements for the Bonds and to supplement any other general formal policies and procedures related to tax compliance previously 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) *City Responsible for Post-Issuance Tax Requirements.* The Authority and the City acknowledge that the investment and expenditure of proceeds of the Bonds are primarily within the control of the City and that substantially all of the property financed by the Refunded Obligations is controlled by the City. For these reasons, the Authority is relying on the City to carry out the Post-Issuance Tax Requirements as set out in this Tax Agreement. The City agrees to undertake these obligations. The Authority will cooperate with the City when necessary to enable the City to fulfill its Post-Issuance Tax Requirements. This cooperation includes, but is not limited to, signing Form 8038-T in connection with the payment of arbitrage rebate, participating in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (VCAP) or remedial action procedure pursuant to Regulations §§ 1.141-12 and 1.145-2.

(d) *Bond Compliance Officer.* The Bond Compliance Officer will be responsible for working with others within the City administration and Authority officials, and for consulting with Bond Counsel, other legal counsel and outside experts to the extent necessary to carry out the Post-Issuance Tax Requirements for the Bonds.

(e) *Authority Cooperation; Opinion of Bond Counsel.* Upon written notice given by the City (and if otherwise required or requested by the Authority, upon delivery of an Opinion of Bond Counsel addressed to the Authority regarding the action), the Authority will take any action, including compliance with the remedial action procedures in the Regulations, that is necessary to cause interest on the Bonds to remain excludable from gross income for federal income tax purposes.

(f) *Payment of Costs of Post-Issuance Tax Requirements* Neither the Authority nor the Trustee are required to incur any cost in connection with any action taken related to the Post-Issuance Tax Requirements, it being the intent of the parties that all costs of the Post-Issuance Tax Requirements will be paid by, or immediately reimbursed by, the City. The Authority and the Trustee shall be entitled to recover from the City all legal and other fees and expenses incurred in connection with compliance with this Article pursuant to the provisions of the Financing Agreement and the Indenture.

#### **Section 4.2. Record Keeping; Use of Bond Proceeds and Use of Financed Facilities.**

(a) *Record Retention Procedure.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the City Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of Bond Counsel or to the extent otherwise provided in this Tax Certificate, the Bond Compliance Officer shall retain records related to Post-Issuance Tax Requirements until 3 years following the final maturity of (i) the Bonds or (ii) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue

Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the City and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system.

(b) *Allocation of Bond Proceeds to Expenditures.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Refunded Obligations as well as the Bonds. The Bond Compliance Officer has written substantiation records of the allocation of proceeds the Refunded Obligations to the Financed Facility. This allocation is summarized on **Exhibit C** and is intended to constitute the Final Written Allocation for the Refunded Obligations. The Bond Compliance Officer will retain copies of the Trustee expenditure and investment records for the Bonds to evidence the allocation of the Bond proceeds for the purpose of paying the Refunded Obligations and costs of issuing the Bonds.

(c) *Annual Compliance Checklist.* Attached as **Exhibit D** is a form of Annual Compliance Checklist for the Bonds. The Bond Compliance Officer will prepare and complete an annual compliance checklist for the Financed Facility at least annually. In the event the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Bond Compliance Officer will take actions to remediate the noncompliance.

(d) *Opinions of Bond Counsel.* The Bond Compliance Officer is responsible for consulting with counsel and if necessary obtaining opinions of counsel as required by the Annual Compliance Checklist and the Tax Agreement.

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

(a) *Costs of Issuance Fund.* Amounts held in the Costs of Issuance Fund may be invested without Yield restriction for 13 months.

(b) *Sinking Funds.* To the extent that the Special Allocation Fund, Revenue Fund and Debt Service Fund qualify as a Bona Fide Debt Service Fund, money in such accounts 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.

(c) *Proceeds Allocable to Current Refunding.* Bond proceeds allocable to a current refunding of the Refunded Obligations (see Section 3.8) may be invested without Yield restriction for up to 90 days after the Issue Date.

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

(e) *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. 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 § 1.148-5 of the Regulations.

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

(c) *Certificates of Deposit.* The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD 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) as amended by the Proposed Regulations (relating to electronic bidding of Guaranteed Investment Contracts) 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 or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

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

(B) The bid specifications include all "material" terms of the bid. A term is material if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.

(C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City, the Trustee or any other person (whether or not in connection with the bond issue), and (iii) that the bid is not being submitted solely as a courtesy to the City, the Trustee or any other person, for purposes of satisfying the requirements of the Regulations.

(D) The terms of the bid specifications are "commercially reasonable." A term is commercially reasonable if there is a legitimate business purpose for the term

other than to increase the purchase price or reduce the Yield of the Guaranteed Investment Contract.

(E) The terms of the solicitation take into account the City's reasonably expected deposit and draw-down schedule for the amounts to be invested.

(F) All potential providers have an equal opportunity to bid. 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").

(G) 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:

(A) 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, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Issue Date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least 1 of the 3 bids received is from a reasonably competitive provider, as defined above.

(C) If an agent or broker is used to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(3) Winning Bid. The winning bid is the highest Yielding bona fide bid (determined net of any broker's fees).

(4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(5) Records. The City and the Trustee retains the following records with the bond documents until 3 years after the last outstanding Bond is redeemed:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including a record of any administrative costs paid by the City or Trustee, and the certification as to fees paid, described in paragraph (d)(4) above.

(C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(D) The bid solicitation form and, if the terms of Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) *Other Investments.* If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(1) at least 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. Certain Gross Proceeds Exempt from the Rebate Requirement.**

(a) *General.* A portion of the Gross Proceeds of the Bonds may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Bonds and will not otherwise affect the application of the Investment limitations described in Section 4.3. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in Section 4.6 applies even if a portion of the Gross Proceeds of the Bonds is exempt from the rebate requirement. To the extent all or a portion of the Bonds is exempt from rebate the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in Section 4.6. The Authority may defer the final rebate Computation Date and the payment of rebate for the Bonds to the extent permitted by Regulations §§ 1.148-7(b)(1) and 1.148-3(e)(2) but only in accordance with specific written instructions provided by the Rebate Analyst.

(b) *Applicable Spending Exceptions.* The following optional rebate spending exceptions can apply to the Bonds:

6-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).

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

(d) *Bona Fide Debt Service Fund.* To the extent that the Sinking Funds qualify as a Bona Fide Debt Service Fund, Investment earnings in the fund cannot be taken into account in computing arbitrage rebate (1) with respect to such portion that meets the 6-month, 18-month or 2-year spending exception, or (2) for a given Bond Year, if the gross earnings on the Sinking Funds for such Bond Year are less than \$100,000. If the average annual debt service on the Bonds does not exceed \$2,500,000, the \$100,000 earnings test may be treated as satisfied in every Bond Year.

(e) *Documenting Application of Spending Exception.* At any time prior to the first Computation Date, the Authority may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the Authority must continue to comply with Section 4.6 hereof.

(f) *General Requirements for 6-Month Spending Exception.* The 6-month spending exception generally is met if all Adjusted Gross Proceeds of the Bonds are spent within 6 months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial 6-month period, so long as this amount is spent within 1 year of the Issue Date.

#### **Section 4.6. Computation and Payment of Arbitrage Rebate.**

(a) *Rebate Fund.* The Trustee will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund under this Tax Agreement. Any Investment earnings derived from the Rebate Fund will be credited to the Rebate Fund, and any Investment loss will be charged to the Rebate Fund.

(b) *Computation of Rebate Amount.* The Trustee will provide the Rebate Analyst Investment reports relating to each fund held by the Trustee that contains Gross Proceeds of the Bonds at such times as reports are provided to the Authority, and not later than ten days following each Computation Date. The Authority will provide the Rebate Analyst with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Bonds, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the Trustee and the Authority together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is less than the arbitrage rebate due, the City will, within 55 days after such Computation Date, pay to the Trustee the rebate amount. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is greater than the Rebate Amount, the Trustee will transfer such surplus in the Rebate Fund to the Debt Service Fund. After the final Computation Date or at any other time if the Rebate Analyst has advised the Trustee, any money left in the Rebate Fund will be paid to the City and may be used for any purpose not prohibited by law.

(c) *Rebate Payments.* Within 60 days after each Computation Date, the Trustee must pay (but solely from money in the Rebate Fund or provided by the City) to the United States the rebate amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center  
Ogden, UT 84201

**Section 4.7. Successor Rebate Analyst.** If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the Authority or the City desires that a different firm act as the Rebate Analyst, then the Authority or City by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Certificate, will name a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally

recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder.

**Section 4.8. Filing Requirements.** The Authority (at the direction of the City) will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Bond Counsel.

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

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 5.1. Term of Tax Agreement.** This Tax Agreement will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that, the provisions of **Article IV** of this Tax Agreement regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States.

**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 and the Trustee receive this Opinion of Bond Counsel.

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

**Section 5.4. Reliance.** In delivering this Tax Agreement, the Authority, the City and the Trustee are making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. None of the Authority, the City or the Trustee is 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 parties to this Tax Agreement understand that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

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

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

**Section 5.7. Default; Breach and Enforcement.** Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement may be pursued by the Bondowners or the other party or parties to this Tax Agreement pursuant to the terms of the Indenture 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 stored, by electronic means.

*[remainder of page intentionally left blank]*

The parties to this Tax Agreement have caused this Tax Agreement to be duly executed by their duly authorized officers.

**CITY OF BRANSON, MISSOURI**

By: \_\_\_\_\_  
Mayor

Approved as to Form:

By: \_\_\_\_\_  
Gilmore & Bell, P.C.

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

By: \_\_\_\_\_  
President

**BOKF, N.A., as Trustee**

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT A**

**DEBT SERVICE SCHEDULE AND PROOF OF BOND YIELD**

**EXHIBIT B**

**IRS FORM 8038-G**

**EXHIBIT C**

**DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY  
AND  
FINAL WRITTEN ALLOCATION OF ORIGINAL OBLIGATIONS**

**EXHIBIT D**

**SAMPLE  
ANNUAL COMPLIANCE CHECKLIST**

<b>Name of tax-exempt bonds (“Bonds”) financing Project:</b>	<b>Tax Increment Refunding Revenue Bonds (City of Branson, Missouri – Branson Shoppes Redevelopment Project) Series 2017A&amp;B</b>
<b>Issue Date of Bonds:</b>	_____
<b>Name of Bond Compliance Officer:</b>	_____
<b>Period covered by request (“Annual Period”):</b>	_____

<b>Item</b>	<b>Question</b>	<b>Response</b>
<b>1 Private Payments</b>	During the Annual Period, has the City received any payments from users of the Project other than Tax Revenues?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, contact Bond Counsel and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

<b>2 Impermissible Agreements</b>	Have any taxpayers entered into an impermissible agreement relating to the payment of Tax Revenues (PILOTS or EATS)?  Examples of impermissible agreements include: <ul style="list-style-type: none"> <li>• An agreement for a taxpayer to be personally liable for a tax that does not impose personal liability</li> <li>• An agreement to provide additional credit support such as a guaranty</li> <li>• An agreement as to the minimum market value of property subject to a property tax</li> <li>• Any similar agreement that causes a tax to fail to have a generally applicable manner of determination or collection</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was an Opinion of Bond Counsel obtained prior to entering into the agreement?  If Yes, include a copy of the Opinion 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

<b>3 Arbitrage &amp; Yield Restriction</b>	Other than amounts on deposit in the Debt Service Reserve Fund, 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)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
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	If Yes, contact Rebate Analyst and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

**Bond Compliance Officer:** \_\_\_\_\_

**Date Completed:** \_\_\_\_\_

**\$8,668,665.22**  
**THE INDUSTRIAL DEVELOPMENT AUTHORITY**  
**OF THE CITY OF BRANSON, MISSOURI**  
**SUBORDINATE TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017B**  
**(BRANSON SHOPPES REDEVELOPMENT PROJECT)**

August 22, 2017

**BOND PURCHASE AND TENDER AGREEMENT**

The Industrial Development Authority  
of the City of Branson, Missouri

City of Branson, Missouri

Ladies and Gentlemen:

The undersigned, Branson Shoppes Development Company (the “Purchaser”), hereby offers to purchase from The Industrial Development Authority of the City of Branson, Missouri (the “Authority”) \$8,668,665.22 aggregate principal amount of the Authority’s Subordinate Tax Increment Refunding Revenue Bonds (Branson Shoppes Redevelopment Project) Series 2017B (the “Series 2017B Bonds”) to be issued by the Authority under and pursuant to a resolution adopted by the Board of Directors of the Authority on August 22, 2017 (the “Bond Resolution”) and a Trust Indenture dated as of August 1, 2017 (the “Indenture”) by and between the Authority and BOKF, N.A., Kansas City, Missouri, as trustee (the “Trustee”). Capitalized words and terms used herein shall have the respective meanings ascribed to them in the Indenture unless some other meaning is plainly indicated. This offer is made subject to the written acceptance hereof by the Authority and the City of Branson, Missouri (the “City”) on or before 11:59 p.m. (central time) on the date hereof (or at such other time or date as may be agreed to in writing by the Authority, the City and the Purchaser) and, if not so accepted, will be subject to withdrawal by the Purchaser upon written or oral notice given to the Authority and the City at any time prior to the acceptance hereof by the Authority and the City. Capitalized terms used herein and not otherwise defined have the meanings set forth in the hereinafter defined Indenture.

The Series 2017B Bonds are to be issued by the Authority pursuant to and in accordance with the provisions of the Constitution and laws of the State of Missouri, including particularly the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended (the “Act”). The Authority, the Purchaser and the City of Branson, Missouri (the “City”) are executing a Financing Agreement dated as of August 1, 2017, pursuant to the Act and the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “TIF Act”), to refund a portion of the Authority’s outstanding Subordinate Tax Increment Revenue Bonds (Branson Shoppes Redevelopment Project) Series 2006B (the “Series 2006B Bonds”) and pay certain costs of issuing the Series 2017B Bonds.

The Series 2017B Bonds and the interest thereon shall be special, limited obligations of the Authority payable on a junior and subordinate basis solely from a portion of the Pledged Revenues as provided in the Indenture. The Series 2017B Bonds are being issued at the same time as the Authority’s Tax Increment Refunding Revenue Bonds (Branson Shoppes Redevelopment Project), Series 2017A (the “Series 2017A Bonds”)

**The Series 2017B Bonds do not constitute a debt of the Authority, the City, the State of Missouri (the “State”), or any political subdivision thereof, and do not constitute an indebtedness**

**within the meaning of any constitutional, statutory, or charter debt limitation or restriction. The issuance of the Series 2017B Bonds shall not, directly, indirectly or contingently, obligate the Authority, the City, the State, or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Authority has no taxing power.**

The Series 2017B Bonds shall bear interest at the rate of 5.0% per annum and shall have a stated maturity of November 1, 2029 (subject to prior redemption as provided in the Indenture).

The Series 2017B Bonds are subject to optional redemption by the Authority at the direction of the City in whole or in part at any time at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest thereon to the date fixed for redemption, without premium.

The Series 2017B Bonds are subject to special mandatory redemption and payment prior to the stated maturity thereof, in whole or in part on any Interest Payment Date, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, solely from amounts on deposit in the appropriate subaccount of the Debt Service Account of the Debt Service Fund pursuant to Section 402(b) Ninth of the Indenture.

The words “Transaction Documents” when used herein shall mean, individually and collectively, the following: the Series 2017B Bonds; the Bond Resolution; the Ordinance of the City authorizing, among other things, the Financing Agreement (the “Ordinance”), the Indenture; the Financing Agreement; the CID Agreement; the Tax Compliance Agreement dated as of August 1, 2017, this Bond Purchase and Tender Agreement; and any and all other documents or instruments that evidence or are a part of the transactions referred to herein or contemplated hereby; 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 Series 2017B Bonds.*** Upon the terms and conditions and upon the basis of the respective representations, warranties and covenants hereinafter set forth and based upon the terms and provisions of the Indenture, the Purchaser hereby agrees to purchase from the Authority, and the Authority hereby agrees to sell to the Purchaser, all (but not less than all) of the Series 2017B Bonds at a purchase price of 100% of the par amount thereof. Stifel, Nicolaus & Company, Incorporated is serving as placement agent for the Series 2017B Bonds.

2. ***Tender of Series 2006B Bonds.*** On the morning of August 31, 2017, the Purchaser will present the physical Series 2006B Bond to the Trustee for cancellation at a time concurrent with Closing (defined herein) along with a signed Investor Letter in substantially the form set forth in Exhibit C to the Indenture and such other documents as are reasonably required in connection with the issuance of the Series 2017A Bonds and the Series 2017B Bonds. In return, upon Closing, the Purchaser will be paid the amount of \$5,915,000 and will receive the executed and authenticated Series 2017B Bonds, which shall be issued as a single bond.

3. ***Authority’s Representations and Warranties.*** The Authority hereby represents and warrants to the Purchaser that:

(a) The Authority is a public corporation duly organized, validly existing and in good standing under the laws of the State and is authorized to execute and deliver this Bond Purchase and Tender Agreement and the Transaction Documents to which it is a party and to

issue, sell and deliver the Series 2017B Bonds pursuant to the laws of the State, including particularly the Act.

(b) The Authority has, as of the date hereof, all necessary power and authority to (i) execute and deliver this Bond Purchase and Tender Agreement and the Transaction Documents to which it is a party, (ii) issue the Series 2017B Bonds in the manner contemplated by the Bond Resolution, this Bond Purchase and Tender Agreement and the Indenture, and (iii) otherwise consummate the transactions contemplated by the Bond Resolution, this Bond Purchase and Tender Agreement and the Transaction Documents to which it is a party.

(c) There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or threatened against or affecting the Authority or its officers, in their respective capacities as such, for which it has received service of process or other written notice, or, to the best knowledge of the Authority, any basis therefor, (i) which would restrain or enjoin the issuance or delivery of the Series 2017B Bonds or the collection of revenues pledged under the Indenture, (ii) which would in any way contest or affect the organization or existence of the Authority or the entitlement of any officers of the Authority to their respective offices or (iii) which may reasonably be expected to contest or have a material and adverse effect upon (A) the due performance by the Authority of this Bond Purchase and Tender Agreement or the Transaction Documents to which it is a party or the transactions contemplated hereby or thereby, (B) the validity or enforceability of the Series 2017B Bonds, the Bond Resolution, this Bond Purchase and Tender Agreement, the Transaction Documents to which it is a party or any other agreement or instrument to which the Authority is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby and thereby, or (C) the exclusion from gross income for federal income tax purposes of the interest on the Series 2017B Bonds. The Authority is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

(d) Other than the Transaction Documents to which it is a party, the Authority has not entered into any contract or arrangement that might give rise to any lien or encumbrance on the revenues or other assets, properties, funds or interests pledged pursuant to the Indenture. The Authority, as a conduit issuer, issues bonds and notes as limited obligations payable solely from the revenues derived from the facilities financed by such issues.

(e) The Authority has not taken or omitted to take on or prior to the date hereof any action, which taking or omission would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2017B Bonds.

4. ***City's Representations and Warranties.*** The City hereby represents and warrants to the Purchaser that:

(a) The City is a fourth class City and a political subdivision of the State created and existing under the laws of the State.

(b) The City is authorized by the laws of the State of Missouri to enter into and perform its obligations under the Transaction Documents to which it is a party.

(c) The City has full power and authority to consummate the transactions contemplated by this Bond Purchase and Tender Agreement and the other Transaction

Documents to which it is a party and has duly authorized and approved the execution and delivery of this Bond Purchase and Tender Agreement.

(d) 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, (ii) the validity or enforceability in accordance with their respective terms of the Transaction Documents 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, (iii) the exclusion of the interest on the Series 2017B Bonds from gross income for purposes of federal income taxation, or (iv) the existence or powers of the City.

5. **Purchaser's Representations and Warranties.** The Purchaser represents and warrants to the City, the Authority and the Trustee as follows:

(a) *Organization and Authority.* The Purchaser (1) is a corporation duly organized and validly existing under the laws of the State of Missouri and is duly qualified to transact business in the State, and (2) has lawful power and authority to enter into, execute and deliver this Bond Purchase and Tender Agreement, and to execute and deliver the Transaction Documents to which it is a party, and to carry out its obligations hereunder and thereunder, and by all necessary corporate action has been duly authorized to execute and deliver this Bond Purchase and Tender Agreement and other required Transaction Documents, acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Bond Purchase and Tender Agreement and other Transaction Documents by the Purchaser will not conflict with or result in a breach of any of the terms of, or constitute a default under, its articles of organization or operating agreement or any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Purchaser is a party or by which it or any of its property is bound, or any laws, rules or regulations applicable to the Purchaser or its property.

(c) *Information.* The information provided to the City and the Authority by, or on behalf of, the Purchaser relating to the Purchaser is true, accurate and complete in all material respects and such information does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(d) *No Litigation.* To the knowledge of the Purchaser, there is no litigation or proceeding pending or threatened against the Purchaser or any other person affecting the right of the Purchaser to execute this Bond Purchase and Tender Agreement or the Transaction Documents, or the ability of the Purchaser to comply with the obligations under this Bond Purchase and Tender Agreement or the Transaction Documents. Neither the execution and delivery of this Bond Purchase and Tender Agreement nor the Transaction Documents by the Purchaser, nor compliance by the Purchaser with its obligations under this Bond Purchase and Tender Agreement and the Transaction Documents to which it is a party require the approval of any regulatory body or any other entity, which approval has not been obtained.

(e) *Series 2006B Bonds.* The Purchaser is the owner of 100% of the outstanding Series 2006B Bonds and consents to the refunding of the Series 2006A Bonds and the Series 2006B Bonds in the manner described herein and in the Transaction Documents.

(f) *Waiver of Notice.* The Purchaser waives any requirements in the Bond Trust Indenture by and between the Authority and BOKF, N.A., as successor to Commerce Bank, N.A. dated November 1, 2006, under which the Series 2006B Bonds were issued for notice to the Purchaser regarding the redemption of the Series 2006B Bonds, provided that such bonds are redeemed on August 31, 2017.

6. *Closing.* Prior to 12:00 p.m., New York, New York time, on August 31, 2017 or at such other time or such other date as shall have been mutually agreed upon by the Authority, the City and the Purchaser (the “Closing Time”), the Authority will deliver, or cause to be delivered, to the Purchaser, the Series 2017B Bonds, in definitive form duly executed and authenticated by the Trustee, and provided that the Trustee has received the amount specified in paragraph 2 hereof, the Purchaser will accept such delivery and will present the Series 2006B Bonds to the Trustee as described herein. Such payment and delivery, together with associated activities including the closing of the Series 2017A Bonds, is herein called the “Closing.” The Series 2017B Bonds will be delivered in denominations as set forth in the Indenture as definitive Bonds in fully registered form.

7. *Conditions to Closing.* The obligations hereunder of each party hereto shall be subject (i) to the performance by the other party of its obligations to be performed hereunder at and prior to the Closing Time, (ii) 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, (iii) to the simultaneous closing of the Series 2017A Bonds, and (iv) 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, the Authority and the City, the Closing in all events, however, to be deemed such approval, (ii) the proceeds of the sale of the Series 2017A Bonds and Series 2017B Bonds and other available moneys of the City shall have been deposited and applied as described in the Indenture, and (iii) the City and the Authority shall have duly adopted and there shall be in full force and effect such ordinances and/or resolutions 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.

(b) At or prior to the Closing Time, the Purchaser, the Authority, the Trustee 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:

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

(2) The opinion of counsel to the Authority, dated the date of Closing, addressed to the Authority, the City, the Trustee and Bond Counsel in form and substance satisfactory to the Purchaser and Bond Counsel.

(3) The opinion of counsel to the City, dated the date of Closing, addressed to the Authority, the City, the Trustee and Bond Counsel in form and substance satisfactory to the Purchaser, the City and the Authority.

(4) The opinion of counsel to the Purchaser, dated the date of Closing, addressed to the Authority, the City, the Trustee and Bond Counsel in form and substance satisfactory to the Purchaser, the City and the Authority.

(5) A certificate of the Authority, dated the date of Closing, signed by an officer of the Authority, in form and substance satisfactory to Bond Counsel and the City.

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

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

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

(9) The Bond Resolution, duly adopted by the Authority's Board of Directors as certified by the Secretary or Assistant Secretary of the Board of Directors of the Authority.

(10) The ordinance, duly adopted by the City, certified by the City Clerk of the City, authorizing the execution and delivery of the Transaction Documents to which it is a party.

(11) The Transaction Documents, duly executed by the parties thereto.

(12) Other certificates listed on a closing agenda to be approved by counsel to the Authority, the City, Bond Counsel, the Trustee and the Purchaser, including any certificates or representations of the Authority, the Purchaser and the City required in order for Bond Counsel to deliver the opinion referred to in **Section 7(b)(1)** of this Bond Purchase and Tender Agreement.

(13) A completed form 8038-G (Information Return for Tax-Exempt Governmental Obligations) for the Series 2017B Bonds.

(14) Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel, the Purchaser, the Trustee, counsel to Piper Jaffray & Co. as underwriter of the Series 2017A Bonds, counsel to the Authority 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 and Tender Agreement, or if the obligations hereunder of any party shall be terminated for any reason permitted by this Bond Purchase and Tender Agreement and unless otherwise waived, this Bond Purchase and Tender Agreement shall terminate and none of the Purchaser, the Authority nor the City shall be under further obligation hereunder.

8. ***Purchase/Issue Price***

(a) The purchase price of the Series 2017B Bonds is the principal amount thereof. The Purchaser is not acting as an Underwriter with respect to the Series 2017B Bonds. The undersigned has no present intention to resell or otherwise distribute the Series 2017B Bonds. The undersigned has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds, and the undersigned has not agreed with the Authority pursuant to a written agreement to sell the Bonds to persons other than the undersigned or a Related Party to the undersigned.

(b) ***Defined Terms.***

(i) The term “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(ii) The term “Related Party” is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly.

(iii) The term “Underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (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) of this paragraph to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public).

At Closing, the Purchaser shall give certifications to the same effect.

9. ***Survival of Representations, Warranties and Agreements.*** All representations, warranties and agreements of the Authority, the City and the Purchaser, respectively, contained herein 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.

10. ***Notices.*** Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by this Agreement to be given to or filed with the Authority, the City or the Purchaser if the same is duly mailed by registered or certified mail, postage pre-paid, return receipt requested, or sent by electronic mail, telegram, telecopy or telex or other similar communication, or when given by telephone, confirmed by telegram, telecopy or telex, on the same day, addressed as follows:

(a) To the Authority at:

The Industrial Development Authority of the City of Branson, Missouri  
110 W. Maddux  
Branson, Missouri 65616  
Attention: President  
Telephone: (417)-334-3345  
Facsimile: (417) 334-6095

(b) To the City at:

City of Branson, Missouri  
110 W. Maddux  
Branson, Missouri 65616  
Attention: Finance Director  
Telephone: (417)-334-3345  
Facsimile: (417) 334-6095

(c) To the Purchaser at:

Branson Shoppes Development Company  
Two City Place Suite 450  
St. Louis, Missouri 63141  
Attention: President  
Telephone: 314-584-1606  
Facsimile: 314-584-1001

11. **Successors.** This Bond Purchase and Tender Agreement is made for the benefit of the Authority, the City and the Purchaser (including the successors or assigns of the Purchaser) and no other person including any subsequent purchaser of the Series 2017B Bonds shall acquire or have any rights hereunder or by virtue hereof.

12. ***No Pecuniary Liability; General Limitation on City and Authority Obligations.***

(a) Notwithstanding the language or implication of any provision, representation, covenant or agreement to the contrary, no provision, representation, covenant or agreement contained in this Bond Purchase and Tender Agreement or in the Indenture, the Series 2017B Bonds, or any obligation herein or therein imposed upon the City or the Authority, or the breach thereof, shall constitute or give rise to or impose upon the City or the Authority a pecuniary liability (except to the extent of any Net Revenues actually received by the City and appropriated to the payment of the Series 2017B Bonds). No provision hereof shall be construed to impose a charge against the general credit of the City or the Authority or any personal or pecuniary liability upon any director, officer, official, agent, member or employee of the City or the Authority.

(b) ANY OTHER TERM OR PROVISION OF THIS BOND PURCHASE AND TENDER AGREEMENT OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTION WHICH IS THE SUBJECT HEREOF TO THE CONTRARY NOTWITHSTANDING, NEITHER THE CITY NOR THE AUTHORITY SHALL BE REQUIRED TO TAKE OR OMIT TO TAKE, OR REQUIRE ANY OTHER PERSON OR ENTITY TO TAKE OR OMIT TO TAKE, ANY ACTION WHICH WOULD CAUSE IT OR ANY PERSON OR ENTITY TO BE, OR RESULT IN IT OR ANY PERSON OR ENTITY BEING, IN VIOLATION OF ANY LAW OF THE STATE OF MISSOURI.

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

14. ***Effectiveness.*** This Bond Purchase and Tender Agreement shall become effective upon your acceptance hereof.

15. **Captions.** The captions or headings in this Bond Purchase and Tender 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 and Tender Agreement.

16. **Counterparts.** This Bond Purchase and Tender 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.

17. **Severability.** If for any reason any provision of this Bond Purchase and Tender Agreement shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

18. **Electronic Storage.** The Purchaser, the Authority and the City agree that the transactions described herein may be conducted and related documents may be received or stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

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Very truly yours,

**BRANSON SHOPPES DEVELOPMENT  
COMPANY, as Purchaser**

By: \_\_\_\_\_  
Arthur King, President

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

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

By \_\_\_\_\_  
Name: Sherry DeVore  
Title: President

**CITY OF BRANSON, MISSOURI**

By \_\_\_\_\_  
Name: Karen Best  
Title: Mayor

Approved as to Form for the City

By: \_\_\_\_\_  
Gilmore & Bell, P.C., Bond Counsel

**RESOLUTION NO. 2017-01**

**RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI TO ISSUE ITS TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017A (BRANSON SHOPPES REDEVELOPMENT PROJECT) AND ITS SUBORDINATE TAX INCREMENT REFUNDING REVENUE BONDS, SERIES 2017B (BRANSON SHOPPES REDEVELOPMENT PROJECT) FOR THE PURPOSE OF, TOGETHER WITH OTHER AVAILABLE MONEYS, PROVIDING FUNDS TO REFUND TWO PRIOR BOND ISSUES OF THE AUTHORITY, FUNDING A DEBT SERVICE RESERVE FUND FOR THE SERIES 2017A BONDS AND PAYING CERTAIN COSTS OF ISSUANCE OF THE BONDS; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.**

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**WHEREAS**, The Industrial Development Authority of the City of Branson, Missouri (the “Authority”) is authorized and empowered pursuant to the provisions of the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended (the “Act”), to make loans to finance the costs of projects (as defined in the Act); and

**WHEREAS**, the Authority previously issued its Tax Increment Revenue Bonds, Series 2006A (Branson Hills Redevelopment Project) (the “Series 2006A Bonds”) in the principal amount of \$35,545,000 and its Subordinate Tax Increment Revenue Bonds, Series 2006B (Branson Hills Redevelopment Project) in the principal amount not to exceed \$9,385,045 (the “Series 2006B Bonds,” together with the Series 2006A Bonds, and to the extent such Series 2006A Bonds and Series 2006B Bonds are outstanding, the “Refunded Bonds”); and

**WHEREAS**, the Authority finds and determines that it is within the authority and public purposes of the Act that the Authority issue its Tax Increment Refunding Revenue Bonds, Series 2017A (Branson Hills Redevelopment Project) (the “Series 2017A Bonds”) in a principal amount not to exceed \$33,500,000 and its Subordinate Tax Increment Refunding Revenue Bonds, Series 2017B (Branson Hills Redevelopment Project) in a principal amount not to exceed \$13,000,000 (the “Series 2017B Bonds,” together with the Series 2017A Bonds, the “Bonds”), provided the aggregate principal amount of the Bonds shall not exceed \$42,000,000, for the purpose of (i) refunding the Refunded Bonds, (2) funding a debt service reserve fund with respect to the Series 2017A Bonds, and (3) paying certain costs associated with the issuance of the Bonds; and

**WHEREAS**, the Authority further finds and determines that it is necessary and desirable in connection with the issuance of the Bonds that the Authority enter into certain documents, and that the Authority take certain other actions and approve the execution of certain other documents as herein provided;

**NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BRANSON, MISSOURI AS FOLLOWS:**

**Section 1. Authorization of the Bonds.** The Authority is hereby authorized to issue and sell the Series 2017A Bonds, in the aggregate principal amount of not to exceed \$33,500,000, and the Series 2017B Bonds, in the aggregate principal amount of not to exceed \$13,000,000, provided that the

aggregate principal amount of Bonds issued shall not exceed \$42,000,000, for the purpose of providing funds for the above-stated purposes.

In addition, the Bonds shall have the following characteristics:

(a) The True Interest Cost of the Series 2017A Bonds shall not exceed 4.375% and the True Interest Cost of the Series 2017B Bonds shall not exceed 5.01%.

(b) The weighted average maturity of the Series 2017A Bonds shall not exceed 8.5 years.

(c) The final maturity date of the Bonds shall be not later than the year 2029.

(d) The underwriters discount shall not exceed 1.35% of the principal amount of the Series 2017A Bonds.

(e) The issuance of the Bonds, which is for the purpose of refunding the Refunded Bonds, shall result in a Net Present Value Savings of at least 5.0% of the principal amount of the Refunded Bonds as computed by the City's financial advisor in consultation with City staff and based on existing available revenues currently being used to pay the Refunded Bonds.

(f) The Series 2017A Bonds shall be subject to optional redemption prior to maturity beginning not later than the year 2026 and the 2017B Bonds shall be subject to optional redemption prior to maturity at par at any time.

The final terms of the Bonds shall be specified in the hereinafter referred to Indenture, Bond Purchase Agreement and Bond Purchase and Tender Agreement upon the execution thereof, and the signatures of the officers of the Authority executing such documents shall constitute conclusive evidence of their approval and the Authority's approval thereof. The Series 2017A Bonds shall be sold to the Underwriter named below at the prices set forth in the Bond Purchase Agreement described below. The Series 2017B Bonds shall be sold to the Developer as described in the below-described Bond Purchase and Tender Agreement. The Bonds shall contain a recital that they are issued pursuant to the Act and the Sections 99.800 to 99.865 RSMo (the "TIF Act").

**Section 2. Limited Obligations.** The Bonds and the interest thereon shall be special, limited obligations of the Authority payable solely out of the revenues derived by the Authority from the Financing Agreement described below, and such revenues shall be pledged and assigned to the Trustee named below as security for the payment of the Bonds as provided in the Indenture. THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY OR THE CITY AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY, THE STATE OF MISSOURI (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWERS OF THE AUTHORITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUANCE OF THE BONDS SHALL NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE THE AUTHORITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY FORM OF TAXATION THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE AUTHORITY HAS NO TAXING POWER.

**Section 3. Authorization of Documents.** The Authority is hereby authorized to enter into the following documents (the "Authority Documents"), in substantially the forms presented to and reviewed

by the Authority at this meeting (copies of which documents shall be filed in the records of the Authority), with such changes therein as shall be approved by the officers of the Authority executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

(a) Trust Indenture (the "Indenture") between the Authority and BOKF, N.A., as trustee (the "Trustee"), pursuant to which the Bonds shall be issued and the Authority shall pledge and assign the revenues received pursuant to the Financing Agreement to the Trustee for the benefit and security of the owners of the Bonds upon the terms and conditions as set forth in said form of Indenture, a form of which is attached as **Exhibit 1**;

(b) Financing Agreement (the "Financing Agreement") among the Authority, the City and the Branson Shoppes Development Company (the "Developer"), a form of which is attached as **Exhibit 2**;

(c) Bond Purchase Agreement with respect to the Bonds (the "Bond Purchase Agreement"), among the Authority, Piper Jaffray & Co., the underwriter of the Series 2017A Bonds (the "Underwriter") and the City, under which the Authority agrees to sell the Series 2017A Bonds to the Underwriter, upon the terms and conditions as set forth in said form of Bond Purchase Agreement, a form of which is attached as **Exhibit 3**;

(d) Official Statement related to the Series 2017A Bonds (the "Official Statement") setting forth information relating to the City and the Series 2017A Bonds, a form of which is attached as **Exhibit 4** in the form of the Preliminary Official Statement; and

(e) Tax Compliance Agreement by and among the City, the Authority, and the Trustee (the "Tax Compliance Agreement"), a form of which is attached as **Exhibit 5**.

(f) Bond Purchase and Tender Agreement (the "Bond Purchase and Tender Agreement") among the City, the Authority and the Developer, a form of which is attached hereto as **Exhibit 6**.

**Section 4. Approval of Official Statement.** The Authority hereby approves the Official Statement respecting the Series 2017A Bonds (the "Official Statement"), in substantially the form presented to and reviewed by the Authority at this meeting (a copy of which shall be filed in the records of the Authority) and the public distribution of the same by the Underwriter is hereby approved for use in connection with the Series 2017A Bonds. The Authority has not participated in the preparation of the Official Statement and has not verified the accuracy of the information therein, other than information respecting the Authority. Accordingly, such approvals do not constitute approval by the Authority of such information or a representation by the Authority as to the completeness or accuracy of the information contained therein. For the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Authority hereby deems the information contained in the Preliminary Official Statement to be "final" as of its date and the appropriate officers of the Authority are hereby authorized, if requested, to provide the Underwriter 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 Underwriter to comply with the requirements of such Rule.

**Section 5. Execution of Documents.** The President or Vice President of the Authority is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the Authority in the manner provided in the Indenture. The President or Vice President of the Authority is hereby authorized and directed to execute and deliver the

Authority Documents and other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this resolution for and on behalf of and as the act and deed of the Authority. The Secretary or the Assistant Secretary of the Authority is hereby authorized and directed to attest to the Bonds and such Authority Documents and other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this resolution.

**Section 6. Further Authority.** The Authority shall, and the officers, agents and employees of the Authority are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this resolution and to carry out, comply with and perform the duties of the Authority with respect to the Bonds and the Authority Documents.

**Section 7. Effective Date.** This resolution shall take effect and be in full force immediately after its adoption by the Authority.

[Remainder of Page Intentionally Left Blank.]

**ADOPTED** by The Industrial Development Authority of the City of Branson, Missouri this 22<sup>nd</sup> day of August, 2017.

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President

ATTEST:

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Secretary