

**BOARD OF COUNTY COMMISSIONERS  
OF  
FRANKLIN COUNTY, KANSAS**

**RESOLUTION NO. 19-01**

**A RESOLUTION AUTHORIZING THE ISSUANCE AND DELIVERY OF \$2,890,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, SERIES 2019-A, OF FRANKLIN COUNTY, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON THE BONDS AS THEY BECOME DUE; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.**

**WHEREAS**, Franklin County, Kansas (the "County"), is a duly organized county, created, organized and existing under the laws of the State of Kansas (the "State");

**WHEREAS**, pursuant to K.S.A. 19-101a *et seq.*, and upon completion of the procedures set forth in Charter Resolution No. 2012-01 of the County, all as amended or supplemented, and other provisions of the laws of the State applicable thereto, by proceedings had, the Board of County Commissioners (the "Board") is authorized to issue general obligation bonds of the County to provide funds for the purpose of paying the costs of the design, improvement and construction of Kingman Road from US-59 to Montana Road; the intersection of Kingman and Montana Roads; and Montana Road from Kingman Road to the I-35 overpass, with all necessary stormwater enhancements and related appurtenances (the "Improvements");

**WHEREAS**, all legal requirements pertaining to the Improvements have been complied with, and the Board now finds and determines that the total cost of the Improvements and related expenses (including costs of issuance of the bonds) is at least \$10,160,000, including the portion of the Improvements previously financed by the County's General Obligation Bonds, Series 2017-A, in the aggregate principal amount of \$7,270,000, and dated July 6, 2017 (the "Series 2017-A Bonds");

**WHEREAS**, the Board is authorized by law to issue general obligation bonds of the County to pay the costs of the Improvements;

**WHEREAS**, the Board has advertised the sale of its general obligation bonds in accordance with the law and at a meeting held in the County on this date has awarded or will award the sale of such bonds to the lowest bidder; and

**WHEREAS**, the Board finds and determines that it is necessary to authorize the issuance and delivery of its general obligation bonds in the principal amount of \$2,890,000 to pay the portion of the costs of the Improvements, including the costs of issuance of the bonds, which were not financed by the County's Series 2017-A Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF FRANKLIN COUNTY, KANSAS, AS FOLLOWS:

ARTICLE I  
DEFINITIONS

Section 1.01. Definitions of Words and Terms.

“**Act**” means the Constitution and Statutes of the State including, but not limited to, K.S.A. 19-101a *et seq.*, as amended and supplemented, and Charter Resolution No. 2012-01 of the County.

“**Authorized Costs**” means the amount of expenditures for an improvement, including interest during construction, if applicable, which has been authorized to be paid by the County by a resolution of the County, including expenditures made to redeem outstanding notes issued for the purpose of paying for such improvement and Costs of Issuance of the Bonds, less (a) the amount of any notes or bonds of the County which are currently outstanding and available to pay such Authorized Costs and (b) any Authorized Costs which have been previously paid by the County or by any eligible source of funds unless such amounts are entitled to be reimbursed under State and federal law.

“**Authorized Investments**” means those investments authorized by K.S.A. 10-131, as amended and supplemented, and by other provisions of State law applicable to the County.

“**Beneficial Owner**” means any Person who (a) has the power directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any book entry bond (including persons holding book entry bonds through nominees, depositories or other intermediaries), or (b) is treated as owner of any book entry bond for federal income tax purposes.

“**Bond and Interest Fund**” means the Bond and Interest Fund of the County for its general obligation bonds.

“**Bond Counsel**” means the firm of Kutak Rock LLP, or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the County.

“**Bond Insurer**” means any issuer of a Municipal Bond Insurance Policy, if such an issuer is described on *Exhibit B* to this Resolution.

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

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

“**Bond Registrar**” means the State Treasurer, Topeka, Kansas and any successors and assigns.

**“Bonds”** means the County’s General Obligation Bonds, Series 2019-A, in the aggregate principal amount of \$2,890,000, and dated January 30, 2019.

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

**“Cede & Co.”** shall mean Cede & Co., as nominee of The Depository Trust Company, New York, New York.

**“Chairman”** means the appointed and acting Chairman of the County or, in the Chairman’s absence, the appointed acting Chairman of the County.

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

**“Costs of Issuance”** shall mean all costs of issuing the Bonds, including all publication, preparation, signing and mailing expenses, registration fees, all legal fees and expenses of Bond Counsel and other legal counsel, all fees and expenses of the financial advisor, all expenses incurred in connection with receiving ratings on the Bonds, and all fees of the Attorney General of the State.

**“County”** means Franklin County, Kansas.

**“County Clerk”** means the appointed and acting County Clerk of the County or, in the County Clerk’s absence, the Deputy County Clerk of the County.

**“County Treasurer”** means the appointed and acting County Treasurer of the County, or in the County Treasurer’s absence, the Deputy County Treasurer of the County.

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

**“Final Official Statement”** means the final official statement prepared by the County or its advisors in connection with the sale of the Bonds and delivered to the Original Purchaser within seven Business Days after the sale of the Bonds in accordance with the SEC Rule. The Final Official Statement includes the information in the Preliminary Official Statement as supplemented or amended.

**“Improvement Fund”** means the fund by that name created in Section 5.01.

**“Improvements”** means the improvements referred to in the recitals to this Resolution, and any Substitute Improvements.

**“Interest Payment Dates”** means February 1 and August 1 of each year, commencing August 1, 2019.

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

**“Municipal Bond Insurance Policy”** shall mean, if applicable, the municipal bond insurance policy issued by Bond Insurer insuring the payment when due of the principal of and interest on the Bonds as described on *Exhibit B* to this Resolution.

**“Original Purchaser”** means the original purchaser of the Bonds described on *Exhibit B* to this Resolution.

**“Outstanding”** means as of a particular date of determination, all Bonds authenticated and delivered under the provisions of this Resolution, except:

- (a) Bonds canceled by the Paying Agent or delivered to the Paying Agent for cancellation pursuant to this Resolution;
- (b) Bonds for the payment or redemption of which moneys or investments have been deposited in accordance with Article XI of this Resolution; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Resolution.

**“Owner”** when used with respect to any Bond means the Person in whose name such Bond is registered on the registration books of the Bond Register.

**“Participants”** shall mean those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

**“Paying Agent”** means the State Treasurer, Topeka, Kansas, and any successors and assigns.

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

**“Preliminary Official Statement”** means the Preliminary Official Statement which was prepared by the County and its advisors in connection with the sale of the Bonds and distributed to potential purchasers of the Bonds before the Final Official Statement, as described in the SEC Rule, was made available.

**“Principal and Interest Account”** means the account by that name created by Section 5.01.

**“Purchase Price”** means the original purchase price of the Bonds described on *Exhibit B* to this Resolution.

**“Record Dates”** for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of each month preceding such Interest Payment Date.

**“Redemption Date”** when used with respect to any Bond to be redeemed means the date fixed for such redemption pursuant to the terms of this Resolution.

**“Redemption Price”** when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of this Resolution, including the applicable redemption premium, if any, but excluding installments of interest due on or before the Redemption Date.

**“Replacement Bonds”** means Bonds issued to the Beneficial Owners of the Bonds in accordance with Section 2.04 of this Resolution.

**“Resolution”** means this resolution relating to the Bonds.

**“SEC Rule”** means the Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12).

**“Securities Depository”** means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

**“Special Record Date”** means the date fixed by the Paying Agent pursuant to Section 2.04 for the payment of Defaulted Interest.

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

**“State Treasurer”** means the elected Treasurer of the State or, in the Treasurer’s absence, the appointed acting Treasurer of the State.

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

**“Substitute Improvements”** means the substitute or additional improvements authorized pursuant to Section 6.04 of this Resolution.

**“Term Bonds”** means the Term Bonds, if any, described on *Exhibit B* to this Resolution.

**“United States Government Obligations”** means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidence of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which

obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the County.

## ARTICLE II DETAILS OF THE BONDS

**Section 2.01. Authorization of and Security for the Bonds.** Pursuant to the Act, the County hereby authorizes the issuance of the Bonds for the purpose of providing permanent financing for the Authorized Costs of the Improvements including payment of the Costs of Issuance.

The Bonds shall be general obligations of the County payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the County. The full faith, credit and resources of the County are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

**Section 2.02. Description of the Bonds.** The Bonds shall consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated January 30, 2019, shall become due on the Stated Maturities, and shall bear interest at the rates per annum set forth on *Exhibit B* to this Resolution.

The Bonds shall bear interest at the rates described on *Exhibit B* to this Resolution (computed on the basis of a 360-day year of 12 30-day months) from that date or from the most recent Interest Payment Date to which interest has been paid or provided for, which interest shall be payable on the Interest Payment Dates.

**Section 2.03. Designation of Paying Agent and Bond Registrar.** The State Treasurer is designated as the Paying Agent and Bond Registrar for the Bonds. The Chairman and County Clerk are authorized and empowered to execute on behalf of the County an agreement with the Bond Registrar and Paying Agent for the Bonds. The County reserves the right to appoint a successor Paying Agent or Bond Registrar. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of paying agent or bond registrar. Every Paying Agent or Bond Registrar appointed by the County shall at all times meet the requirements of State law, and the County will at all times maintain a Paying Agent and Bond Registrar meeting the requirements of State law.

**Section 2.04. Initial Registration with Securities Depository, Method and Place of Payment of the Bonds.** The Bonds shall be registered on bond registration books maintained by the Bond Registrar to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing its respective interest in the Bonds, except in the event the County issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, and interest on, the Bonds until and unless the County authenticates and delivers Replacement Bonds to the Beneficial Owners in the manner described in this Section.

If the County determines: (a) that the Securities Depository is unable to properly discharge its responsibilities; (b) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended; (c) that the continuation of a book-entry only system to the exclusion of any Bonds being issued to any Owner other than Cede & Co., is no longer in the best interest of the Beneficial Owners of the Bonds, or if the County receives written notice from Participants having interests in not less than 50% of the Bonds, as shown on the records of the Securities Depository, that the continuation of a book-entry only system to the exclusion of Bonds being issued to any Owner other than Cede & Co., is no longer in the best interest of the Beneficial Owners of the Bonds, or if the Securities Depository determines to discontinue providing book-entry services, then the County shall notify the Owners of the Bonds of such determination or such notice and of the availability of certificates to Owners who request certificates, and the County shall authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption. In such event, all references to the Securities Depository in this Resolution shall relate to the period of time when the Securities Depository has possession of at least one certificate. Upon the issuance of Replacement Bonds, all references in this Resolution to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the County, to the extent such provisions are consistent with and applicable to Replacement Bonds. If the Securities Depository resigns and the County or Bond Owners are unable to locate a qualified successor of the Securities Depository, then the County shall authenticate and deliver Replacement Bonds to the Participants for the benefit of the Bond Owners.

The principal of, or Redemption Price, if any, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at Maturity, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest:

(a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register; or

(b) at such other address as is furnished to the Paying Agent in writing by such Owner; or

(c) in the case of an interest payment to any Owner that is a securities depository, by wire transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the

continental United States), address, ABA routing number and account number to which such Owner wishes to have such wire directed.

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

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and upon written request shall forward a copy or summary of such records to the County.

**Section 2.05. Method of Execution and Authentication of the Bonds.** The Bonds shall be executed for and on behalf of the County by the manual or facsimile signature of the Chairman, attested by the manual or facsimile signature of the County Clerk and the seal of the County shall be affixed or imprinted on the Bonds. The Bonds shall be registered in the office of the County Clerk, which registration shall be evidenced by the manual or facsimile signature of the County Clerk with the seal of the County affixed or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed or imprinted thereon. In the event that any of the previously mentioned officers shall cease to hold such offices before the Bonds are issued and delivered, the Bonds may be issued and transferred to other Owners as though the officers had not ceased to hold office, and such signatures appearing on the Bonds shall be valid and sufficient for all purposes as if they had remained in office until such issuance or transfer.

The Bonds shall not be valid obligations under the provisions of this Resolution until authenticated by the Bond Registrar or an authorized representative of the Bond Registrar by execution of the Certificate of Authentication appearing on each Bond. It shall not be necessary that the same representative of the Bond Registrar execute the Certificate of Authentication on all of the Bonds.



**Section 2.06. Registration, Transfer and Exchange of Bonds.** The County covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as provided. Each Bond when issued shall be registered in the name of the Owner on the Bond Register.

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

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, executed by the Owner or by the Owner's authorized agent. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. The County shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Resolution and the cost of preparation of a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds.

The County and the Bond Registrar shall not be required: (a) to register the transfer or exchange of any Bond during a period beginning on the day following the Record Date preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date; (b) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to Section 3.04 and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (c) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the County of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to Section 2.04.

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

**Section 2.07. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Stated Maturity, shall be canceled by the Paying Agent immediately upon the payment, redemption and surrender to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a

certificate in duplicate describing the Bonds so canceled and destroyed and shall file an executed counterpart of such certificate with the County.

**Section 2.08. Mutilated, Lost, Stolen or Destroyed Bonds.** If: (a) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond; and (b) there is delivered to the County and the Paying Agent such security or indemnity as may be required by each of them, then, in the absence of notice to the County or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the County shall execute and, upon the County's request, the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the County, in its discretion, may pay such Bond instead of issuing a new Bond.

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

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

**Section 2.09. Delivery of the Bonds.** The Chairman and County Clerk are authorized and directed to cause the Bonds to be registered in the offices of the County Clerk of Franklin County, Kansas, and the State Treasurer as provided by law, and, when executed and registered, to deliver the Bonds to the Original Purchaser upon receipt by the County of the Purchase Price.

### ARTICLE III REDEMPTION OF THE BONDS

**Section 3.01. Optional Redemption.** At the option of the County, Bonds maturing on August 1, 2029, and thereafter may be called for redemption and payment prior to maturity on August 1, 2028, or thereafter at any time in whole or in part (selection of Bonds to be designated by the County in such equitable manner as it may determine) at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

**Section 3.02. Sinking Fund Redemption.** Any Term Bonds shall also be subject to mandatory redemption and payment as described on *Exhibit B* to this Resolution.

**Section 3.03. Selection of Bonds to be Redeemed.** The Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, the Bonds shall be redeemed in such manner as the County shall determine, Bonds of less than a full Stated Maturity to be selected by lot in units of \$5,000.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond in the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Owner or the Owner's authorized agent shall present and surrender such Bond to the Bond Registrar:

(a) for payment of the Redemption Price (including the redemption premium, if any, and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption; and

(b) for exchange, without charge to the Owner, for a new Bond(s) of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond(s).

If the Owner of any Bond of a denomination greater than \$5,000 shall fail to present such Bond as described above, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the amount called for redemption (and to that extent only).

Notwithstanding the provisions of the preceding paragraph, in the event of a partial redemption of the Bonds, the Securities Depository may, at its option, in lieu of surrendering such Bond, make an appropriate notation on the Bond certificate indicating the date and amounts of the reduction in the principal amount of such Bond (except in the case of the final maturity of such Bond, where the Bond certificate shall be presented to the County prior to payment).

**Section. 3.04. Notice of Redemption.** In the event the County desires to call the Bonds for redemption prior to Stated Maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the date fixed for redemption unless a shorter period of time is permitted if accepted by the Bond Registrar that enables the Bond Registrar to provide the Owners of the Bonds with the notice described in this Section. Unless waived by any Owner of Bonds to be redeemed, if the County shall call any Bonds for redemption and payment prior to Stated Maturity, the County shall instruct the Bond Registrar to give written notice of its intention to call and pay the Bonds on a specified date, the same being described by maturity, such notice to be mailed by United States first class mail addressed to the Owners of the Bonds and to the Bond Insurer, if any, each of the notices to be mailed not less than 30 days prior to the date fixed for redemption. The redemption of the Bonds may be conditioned on events as stated in the notice. The County and Bond Registrar shall also give such additional notice as may be required by State law or regulations of the Securities and Exchange Commission in effect as of the date of such notice.

All official notices of redemption shall be dated and shall state:

- (a) the Redemption Date;
- (b) the Redemption Price;

(c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;

(d) that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion called for redemption, and that interest shall cease to accrue from and after the Redemption Date (unless the County defaults in the payment of the Redemption Price); and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal office of the Paying Agent.

During the time the Bonds are registered in the name of Cede & Co., the notice described in the immediately preceding paragraphs shall be delivered to the Securities Depository. The Securities Depository shall, in turn, notify its Participants. It is expected that the Participants, in turn, will notify or cause to be notified the Beneficial Owners of the Bonds. Any failure on the part of the Securities Depository, or failure on the part of a nominee of a Beneficial Owner of a Bond (having received notice from the County, a Participant or otherwise) to notify the Beneficial Owner of the Bonds so affected, shall not affect the validity of the redemption of such Bonds.

Prior to or simultaneously with any Redemption Date, the County shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds which are to be redeemed on that date. Upon surrender of such Bonds for redemption in accordance with the notice, such Bonds shall be paid by the Paying Agent at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Paying Agent and shall not be reissued.

**Section 3.05. Effect of Call for Redemption.** Whenever any Bond is called for redemption and payment as provided in this Article, all interest on such Bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the Redemption Price specified.

#### **ARTICLE IV FORM OF THE BONDS**

**Section 4.01. Form of the Bonds.** The Bonds shall be printed in accordance with the format required by the Attorney General of the State and shall contain information substantially in the form set forth on *Exhibit A* to this Resolution or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 to 10-632, inclusive, as amended and supplemented.

**ARTICLE V  
ESTABLISHMENT OF FUNDS AND ACCOUNTS**

**Section 5.01. Creation of Funds and Accounts.** Simultaneously with the issuance of the Bonds, there shall be created within the treasury of the County the following funds and accounts:

(a) Improvement Fund for Franklin County, Kansas, General Obligation Bonds, Series 2019-A; and

(b) Principal and Interest Account for Franklin County, Kansas, General Obligation Bonds, Series 2019-A.

**Section 5.02. Administration of Funds and Accounts.** The funds and accounts established herein shall be administered in accordance with the provisions of this Resolution as long as the Bonds are Outstanding.

**ARTICLE VI  
APPLICATION OF BOND PROCEEDS**

**Section 6.01. Disposition of Bond Proceeds.** The proceeds of the Bonds, upon issuance and delivery, shall be deposited as follows:

(a) In the Principal and Interest Account, a sum equal to the accrued interest, if any, on the Bonds and the amount of any premium designated to be deposited into such account on *Exhibit B* to this Resolution; and

(b) The balance of the proceeds of the Bonds, including any premium not specified for deposit into the Principal and Interest Account, shall be deposited into the Improvement Fund.

**Section 6.02. Withdrawals from the Improvement Fund.** The County Treasurer shall make withdrawals from the Improvement Fund solely for the purpose of paying the Authorized Costs of the Improvements, including the Costs of Issuance.

**Section 6.03. Surplus in the Improvement Fund.** All moneys remaining in the Improvement Fund after the completion of the Improvements and the payment of all Authorized Costs shall be transferred immediately to the Principal and Interest Account.

**Section 6.04. Substitution of Improvements.** The County may elect to substitute or add other improvements pursuant to this Section provided the following conditions are met: (a) the Substitute Improvements and the issuance of general obligation bonds to pay the cost of the Substitute Improvements have been authorized by the Board in accordance with the laws of the State; (b) a resolution authorizing the use of the proceeds of the Bonds to pay the Authorized Costs of the Substitute Improvements has been adopted by the Board; (c) the Attorney General of the State has approved the amendment to the transcript of proceedings for the Bonds to include the Substitute Improvements; and (d) the County has received an opinion of Bond Counsel to the effect that the Substitute Improvements will not adversely affect the tax-exempt

status of the Bonds under State or federal law and the Substitute Improvements have been authorized pursuant to this Section and the laws of the State.

## **ARTICLE VII PAYMENT OF THE BONDS**

**Section 7.01. Levy and Collection of Annual Tax.** The Board shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary taxes and/or assessments upon all of the taxable tangible property within the County in the manner provided by law.

The taxes and/or assessments above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the County are levied and collected, and the proceeds derived from the taxes and/or assessments shall be deposited in the Bond and Interest Fund.

If at any time such taxes and/or assessments are not collected in time to pay the principal of or interest on the Bonds when due, the County Treasurer is authorized and directed to pay the principal or interest out of the general funds of the County and to reimburse the general funds for money so expended when the taxes and/or assessments are collected.

**Section 7.02. Application of Moneys in the Principal and Interest Account.** All amounts paid and credited to the Principal and Interest Account shall be expended and used by the County for the sole purpose of paying the principal of, premium, if any, and interest on the Bonds as and when the same become due and paying the usual and customary fees and expenses of the Paying Agent.

**Section 7.03. Transfer of Funds to Paying Agent.** The County Treasurer is authorized and directed to withdraw from the Principal and Interest Account and forward to the Paying Agent sums sufficient to pay both principal of, premium, if any, and interest on the Bonds as and when the same become due, and also to pay the charges made by the Paying Agent for acting in such capacity in the payment of principal and interest on the Bonds, and the charges shall be forwarded to the Paying Agent over and above the amount of the principal of, premium, if any, and interest on the Bonds. If, through the lapse of time, or otherwise, the Owners of Bonds shall no longer be entitled to enforce payment of their obligations, it shall be the duty of the Paying Agent to return the funds to the County. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Resolution.

**Section 7.04. Surplus in Principal and Interest Account.** Any moneys or investments remaining in the Principal and Interest Account after the retirement of the indebtedness for which the Bonds were issued shall be transferred and paid into the Bond and Interest Fund of the County.

**ARTICLE VIII  
DEPOSITS AND INVESTMENT OF FUNDS**

**Section 8.01. Deposits.** Cash moneys in each of the funds and accounts created and established by this Resolution shall be deposited and secured in accordance with State law.

**Section 8.02. Investments.** Moneys held in the funds and accounts created or established in conjunction with the issuance of the Bonds may be invested by the County in Authorized Investments in such amounts and maturing at such times as shall reasonably provide for moneys to be available when required in the accounts or funds; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund or account was created. All interest on any Authorized Investment held in any fund or account shall accrue to and become a part of such fund or account. In determining the amount held in any fund or account under the provisions of this Resolution, Authorized Investments shall be valued at their principal par value or at their then redemption value, whichever is lower.

**ARTICLE IX  
DEFAULT AND REMEDIES**

**Section 9.01. Remedies.** The provisions of this Resolution, including the covenants and agreements contained herein, shall constitute a contract between the County and the Owners of the Bonds. The Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

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

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

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

**Section 9.02. Limitation on Rights of Owners.** The covenants and agreements of the County contained in this Resolution and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, Stated Maturity and right of prior redemption as provided in this Resolution. No one or more Owners secured shall have any right in any manner whatever by such Owner's or Owners' action to affect, disturb or prejudice the security granted and provided for in this Resolution, or to enforce any right hereunder, except in the manner provided herein,

and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Bonds.

**Section 9.03. Remedies Cumulative.** No remedy conferred upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. In case any suit, action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the County and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

## **ARTICLE X AMENDMENTS**

**Section 10.01. Amendments.** The County may from time to time, without the consent of or notice to any of the Owners, provide for amendment to the Bonds or this Resolution, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Resolution or the Bonds or to make any other change not prejudicial to the Owners;
- (b) To grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners;
- (c) To conform this Resolution or the Bonds to the Code or future applicable federal law concerning tax-exempt obligations; or
- (d) To more precisely identify the Improvements.

The following modifications or amendments to the Bonds or this Resolution shall require the consent of 100% of the Owners of the Bonds:

- (a) The extension of the Stated Maturity of the principal of any of the Bonds, or the extension of the date of any interest payment on any of the Bonds;
- (b) A reduction in the principal amount of any of the Bonds or the rate of interest on the Bonds; or
- (c) A reduction in the aggregate principal amount of the Bonds.



Amendments or modifications of the Bonds and this Resolution not listed above may be made at any time by the County with the written consent of the Owners of not less than 66.66% in aggregate principal amount of the Bonds at the time Outstanding.

**Section 10.02. Written Evidence of Amendments.** Every amendment or modification of a provision of the Bonds or of this Resolution to which the written consent of the Owners is given as above provided shall be expressed in a resolution of the County amending or supplementing the provisions of this Resolution and shall be deemed to be a part of this Resolution. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification, if any. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Resolution shall always be kept on file in the office of the County Clerk and shall be made available for inspection by the Owners of any Bond or prospective purchaser or owners of any Bond authorized by this Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Resolution will be sent by the County Clerk to any such Owner or prospective Owner.

## **ARTICLE XI DEFEASANCE**

**Section 11.01. Defeasance.** When all or any part of the Bonds or scheduled interest payments shall have been paid and discharged, then the requirements contained herein and the pledge of the County's faith and credit and all other rights granted herein shall cease and determine. Bonds or scheduled interest payments shall be deemed to have been paid and discharged within the meaning of this Resolution if there shall have been deposited with the Paying Agent or a bank located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of the Bonds, in trust for and irrevocably appropriated, moneys and/or United States Government Obligations, or other investments allowed by State law which, together with the interest to be earned on such United States Government Obligations, will be sufficient for the payment of the principal of the Bonds, the redemption premium thereon, if any there be, and/or interest accrued to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds shall be redeemed prior to their Stated Maturity (a) the County has elected to redeem such Bonds and (b) either notice of such redemption has been given or the County has given irrevocable instructions, or shall have provided an escrow agent to give irrevocable instructions to the Paying Agent to give such notice of redemption in compliance with Article III of this Resolution. Any moneys and United States Government Obligations which at any time shall be deposited with the Paying Agent or such bank by or on behalf of the County, for the purpose of paying and discharging any of the Bonds shall be and are assigned, transferred and set over to the Paying Agent or such bank in trust for the respective Owners of the Bonds, and such moneys shall be and are irrevocably appropriated to the payment and discharge thereof. All moneys and United States Government Obligations deposited with the Paying Agent or such bank shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Resolution.

**ARTICLE XII  
TAX COVENANTS**

**Section 12.01. General Covenants.**

(a) The County covenants and agrees that:

(i) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and

(ii) it will not use or permit the use of any proceeds of the Bonds or any other funds of the County, not take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds. The County will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the County.

(b) The County covenants and agrees that:

(i) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds;

(ii) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued; and

(iii) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the County in any manner, or take or omit to take any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(c) The County covenants and agrees that it 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.

**Section 12.02. Exception from Rebate Requirements.** The County makes the following representations in connection with the exception for small governmental units from the arbitrage rebate requirements under Section 148(f)(4)(D) of the Code:

(a) The County is a governmental unit with general taxing powers;

(b) None of the Bonds is a private activity bond as defined in Section 141 of the Code;

(c) 95% or more of the net proceeds of the Bonds are to be used for local government activities of the County (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the County);

(d) The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County and all other entities described in Section 148(f)(4)(D)(ii) of the Code during the calendar year that the Bonds are issued, including the Bonds, is not reasonably expected to exceed \$5,000,000;

(e) The County (and all other entities described in Section 148(f)(4)(D)(ii) of the Code) will not issue in excess of \$5,000,000 of tax-exempt bonds (including the Bonds, but excluding private activity bonds) during the calendar year in which the Bonds are issued without first obtaining an opinion of Bond Counsel that the excludability of the interest on the Bonds from gross income for federal tax purposes will not be adversely affected;

(f) Any notes or bonds being refunded by the Bonds qualified for the small issuer rebate exception described in this Section; and

(g) The aggregate face amount of the Bonds (including all principal amounts allocated to refunding prior bonds or notes) does not exceed \$5,000,000.

**Section 12.03. Designation of Bonds as Qualified Tax-Exempt Obligations.** The County designates the Bonds to be “qualified tax-exempt obligations” as such term is defined in Section 265(b)(3) of the Code. In addition, the County represents that:

(a) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds which are not “qualified 501(c)(3) bonds”) which will be issued by the County (and all subordinate entities) during the calendar year that the Bonds are issued is not reasonably expected to exceed \$10,000,000; and

(b) the County (including all subordinate entities) will not issue an aggregate principal amount of obligations designated by the County to be “qualified tax-exempt obligations” during the calendar year that the Bonds are issued, including the Bonds, in excess of \$10,000,000, without first obtaining an opinion of Bond Counsel that the designation of the Bonds as “qualified tax-exempt obligations” will not be adversely affected.

The Chairman is authorized to take such other action as may be necessary to make effective the designation contained in this Section.

**Section 12.04. Survival of Covenants.** The covenants contained in this Article shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to Article XI or any other provision of this Resolution until the final Maturity of all Bonds Outstanding.

## **ARTICLE XIII DISCLOSURE**

**Section 13.01. Preliminary Official Statement and Final Official Statement.** The County ratifies and confirms its prior approval of the form and content of the Preliminary Official Statement. The Preliminary Official Statement is "deemed final" by the County except for the omission of certain information as provided in the SEC Rule. The County approves the form and content of any addenda, supplement, or amendment thereto utilized to prepare the Final Official Statement. The use of the Final Official Statement in the reoffering of the Bonds by the Original Purchaser is approved and authorized. The proper officials of the County are authorized to execute and deliver a certificate pertaining to the accuracy and adequacy of the information in the Preliminary Official Statement and the Final Official Statement.

**Section 13.02. Continuing Disclosure.** The County covenants and agrees to provide continuing disclosure as required by the SEC Rule and as set forth in the Continuing Disclosure Letter of Instructions attached to the Preliminary Official Statement as Appendix B thereto and made a part hereof by reference.

## **ARTICLE XIV MISCELLANEOUS PROVISIONS**

**Section 14.01. Succession of a Securities Depository.** In the event the Securities Depository resigns or is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended, the County may appoint a successor Securities Depository provided the County receives written evidence, satisfactory to the County, with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation. The County, upon receipt of a book-entry Bond for cancellation shall cause the authorization and delivery of a book-entry Bond to the successor Securities Depository in appropriate denominations and form as provided in this Resolution. If the County makes the determinations or receives the notice described in Section 2.04 of this Resolution, the County shall cause the notices described in Section 2.04 to be delivered and issue Bonds as described in that Section.

**Section 14.02. Severability.** In case any one or more of the provisions of this Resolution or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, or of the Bonds appertaining thereto, but this Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained. In case any covenant, stipulation, obligation or agreement contained in the Bonds or in this Resolution shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the County to the full extent permitted by law.

**Section 14.03. Further Authority.** The Chairman, County Clerk and other officials of the County are further authorized and directed to execute any and all documents and take such

actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution to make alterations, changes or additions in the agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

**Section 14.04. Governing Law.** This Resolution and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

**Section 14.05. Effective Date.** This Resolution shall take effect and be in full force from and after its adoption by the Board of County Commissioners.

*[Remainder of Page Intentionally Left Blank]*

**ADOPTED** by the Board of County Commissioners of Franklin County, Kansas on January 9, 2019.



By *Richard T. Howard*  
Chairman

Attest:

*James Saddock*  
County Clerk

**EXHIBIT A**  
(Form of Bond)

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation, ("DTC"), to the County or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**REGISTERED**  
**NUMBER R-\_\_**

**REGISTERED**  
**\$**

**UNITED STATES OF AMERICA**  
**STATE OF KANSAS**  
**COUNTY OF FRANKLIN**

**GENERAL OBLIGATION BOND**  
**SERIES 2019-A**

| <b>Interest Rate:</b> | <b>Maturity Date:</b> | <b>Dated Date:</b> | <b>CUSIP:</b> |
|-----------------------|-----------------------|--------------------|---------------|
| _____ %               | August 1, _____       | January 30, 2019   | 352776 ____   |

REGISTERED OWNER: Cede & Co. Tax Identification No. 132555119-0

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That Franklin County in the State of Kansas (the "County"), for value received, acknowledges itself to be indebted and promises to pay to the owner identified above or registered assigns (the "Owner"), as of the Record Dates as provided on the Maturity Date identified above, the Principal Amount identified above, and in like manner to pay interest on such Principal Amount at the rate of interest per annum set forth above (computed on the basis of a 360-day year of 12 30-day months), semiannually on February 1 and August 1 of each year, commencing August 1, 2019 (the "Interest Payment Dates"), until the Principal Amount is paid from the Dated Date hereof or the most recent Interest Payment Date to which interest has been paid.

The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of

business on the record date for such interest, which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding the Interest Payment Date (the "Record Dates"). Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register, (b) at such other address as is furnished to the Paying Agent in writing by the Owner or (c) in the case of an interest payment to any Owner that is a securities depository, by wire transfer to such Owner upon written notice given to the Paying Agent by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), address, ABA routing number and account number to which such Owner wishes to have such wire directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment, is legal tender for the payment of public and private debts.

This Bond is one of an authorized series of Bonds of the County designated "General Obligation Bonds, Series 2019-A," in an aggregate principal amount of \$2,890,000 (the "Bonds") issued for the purposes set forth in the Resolution of the County authorizing the issuance of the Bonds and prescribing the form and details of the Bonds (the "Resolution"). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including, but not limited to, K.S.A. 19-101a *et seq.*, as amended and supplemented, Charter Resolution No. 2012-01 of the County and all other applicable provisions of the laws of the State of Kansas. The Bonds constitute general obligations of the County payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the County. The full faith, credit and resources of the County are pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due.

**Optional Redemption.** At the option of the County, Bonds maturing on August 1, 2029, and thereafter, may be called for redemption and payment prior to maturity on August 1, 2028, or thereafter at any time, in whole or in part (selection of Bonds to be designated by the County in such equitable manner as it may determine), at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Whenever the County is to select Bonds for the purpose of redemption, it shall, in the case of Bonds in denominations greater than \$5,000, if less than all of the Bonds then outstanding are to be called for redemption, treat each \$5,000 of face value of each such fully registered Bond as though it were a separate Bond in the denomination of \$5,000.

If any Bonds are called for redemption and payment prior to maturity, the County shall instruct the Bond Registrar to give written notice of its intention to call and pay such Bonds on a specified date, the same being described by maturity, this notice to be mailed by United States first class mail addressed to the Owners of the Bonds, each of these notices to be mailed not less than 30 days prior to the date fixed for redemption. All Bonds so called for redemption and payment as described above shall cease to bear interest from and after the date for which such call is made, provided funds are available for the payment of such Bonds at the price specified.



The Bonds are issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. This Bond may be transferred or exchanged, as provided in the Resolution, only on the Bond Register kept for that purpose at the office of the Bond Registrar, upon surrender of this Bond together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar executed by the Owner or the Owner's authorized agent, and thereupon a new Bond or Bonds in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution and upon payment of the charges prescribed. The County, the Paying Agent and the Bond Registrar may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute Owner for the purpose of receiving payment of, or on account of, the principal or redemption price and interest due and for all other purposes, and the County, the Paying Agent and the Bond Registrar shall not be affected by any notice to the contrary. The County shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks.

The County and the Bond Registrar shall not be required: (a) to register the transfer or exchange of any Bond during a period beginning on the day following the Record Date preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date; (b) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (c) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the County of its intent to pay Defaulted Interest (as defined in the Resolution) and ending at the close of business on the date fixed for the payment of Defaulted Interest.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the County, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the County has caused this Bond to be executed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its County Clerk, and its seal to be affixed to or imprinted on, and this Bond to be dated the Dated Date shown herein.



(Seal)

FRANKLIN COUNTY, KANSAS

By *[Signature]*  
Chairman

Attest:

*[Signature]*  
County Clerk

**CERTIFICATE OF COUNTY CLERK**

STATE OF KANSAS )  
 ) SS.  
COUNTY OF FRANKLIN )

I, the County Clerk of Franklin County, Kansas, certify that this Bond has been registered in my office according to law as of January 9, 2019.

WITNESS my hand and official seal.

(Seal)

By *[Signature]*  
County Clerk

**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This Bond is one of a series of General Obligation Bonds, Series 2019-A, of Franklin County, Kansas, described in the within-mentioned Resolution.

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

OFFICE OF THE STATE TREASURER  
TOPEKA, KANSAS,  
as Bond Registrar and Paying Agent

By \_\_\_\_\_

Registration Number \_\_\_\_\_

---

**CERTIFICATE OF STATE TREASURER**

**OFFICE OF THE TREASURER, STATE OF KANSAS**

I, JAKE LATURNER, Treasurer of the State of Kansas, do certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in my office, and that this Bond was registered in my office according to law on \_\_\_\_\_.

WITNESS my hand and official seal.

(Seal)

By \_\_\_\_\_  
Treasurer of the State of Kansas

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**BOND ASSIGNMENT**

For value received, the undersigned sells, assigns and transfers unto

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

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

Dated: \_\_\_\_\_

---

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

Signature Guaranteed By:

---

(Name of Eligible Guarantor Institution)

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

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## EXHIBIT B

### ADDITIONAL TERMS OF THE BONDS

**Definitions.** The following terms defined in the Resolution shall have the meanings ascribed below:

“**Original Purchaser**” means Country Club Bank, Prairie Village, Kansas, the original purchaser of the Bonds.

“**Purchase Price**” for the Bonds shall be the par value of the Bonds, plus accrued interest to the date of delivery, plus a premium of \$70,859.25.

### SERIAL BONDS

| <b>Stated Maturity<br/>August 1</b> | <b>Principal<br/>Amount</b> | <b>Interest<br/>Rate</b> |
|-------------------------------------|-----------------------------|--------------------------|
| 2019                                | \$100,000                   | 4.00%                    |
| 2024                                | 145,000                     | 4.00                     |
| 2025                                | 150,000                     | 4.00                     |
| 2026                                | 155,000                     | 4.00                     |
| 2027                                | 160,000                     | 4.00                     |
| 2028                                | 170,000                     | 4.00                     |
| 2029                                | 175,000                     | 3.00                     |
| 2030                                | 180,000                     | 3.00                     |
| 2031                                | 185,000                     | 3.00                     |
| 2032                                | 190,000                     | 3.00                     |
| 2033                                | 195,000                     | 3.00                     |
| 2034                                | 205,000                     | 3.00                     |
| 2035                                | 210,000                     | 3.10                     |
| 2036                                | 215,000                     | 3.15                     |
| 2037                                | 225,000                     | 3.20                     |
| 2038                                | 230,000                     | 3.25                     |

The amount of premium on the Bonds to be deposited in the Principal and Interest Account is \$0.