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GILMORE & BELL, P.C.  
10/28/2021

*Marilyn Calhoun*

Marilyn Calhoun , Register of Deeds

**ORDINANCE NO. 4376**

**OF THE  
CITY OF INDEPENDENCE, KANSAS**

**AUTHORIZING THE ISSUANCE OF  
CITY OF INDEPENDENCE, KANSAS  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES 2021  
(TEXTRON AVIATION INC.)**

**ORDINANCE NO. 4376**

**AN ORDINANCE AUTHORIZING THE CITY OF INDEPENDENCE, KANSAS, TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2021 (TEXTRON AVIATION INC.), FOR THE PURPOSE OF PURCHASING, ACQUIRING, CONSTRUCTING, INSTALLING AND EQUIPPING CERTAIN MODIFICATIONS AND ADDITIONS TO AN EXISTING AIRCRAFT MANUFACTURING FACILITY; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.**

**WHEREAS**, the City of Independence, Kansas (the "City" or "Issuer") is authorized by K.S.A. 12-1740 *et seq.*, and K.S.A. 10-116a, all as amended (the "Act"), to acquire, renovate and equip certain facilities (as defined in the Act) for commercial, industrial and manufacturing purposes, and to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, and to issue revenue bonds for the purpose of paying the cost of any such facilities and to refund such revenue bonds previously issued; and

**WHEREAS**, pursuant to Resolution Nos. 5-07, 2000-36, 2004-29, 2006-62, and 2013-09 the City has heretofore found and determined that it is desirable in order to promote, stimulate and develop the general economic welfare and prosperity of the City and the State of Kansas that the City issue, in one or more series, its taxable industrial revenue bonds for the purpose of purchasing, acquiring, constructing and installing certain industrial and commercial facilities for the production of single engine piston and jet aircraft (the "Facility"), said Facility to be leased by the City to Textron Aviation Inc., successor by merger to Cessna Aircraft Company, a Kansas corporation, its successor and assigns (the "Company"); and

**WHEREAS**, pursuant to such authorization, the City has heretofore issued seventeen series of its taxable industrial revenue bonds in the aggregate principal amount of \$112,082,705; and

**WHEREAS**, the City does hereby find and determine that it is desirable to issue an additional series of bonds under the authorization granted by above described resolutions, such bonds to be designated its Taxable Industrial Revenue Bonds, Series 2021 (Textron Aviation Inc.) in the aggregate principal amount not to exceed \$6,500,000 (the "Series 2021 Bonds") for the purpose of purchasing, acquiring, constructing and installing certain equipment, tooling and improvements at the Facility (the "2021 Project Additions"); and

**WHEREAS**, the Series 2021 Bonds are more fully described in the Eighteenth Supplemental Trust Indenture dated as of the Issue Date by and between the City and the Trustee (the "Eighteenth Supplemental Trust Indenture"), which Eighteenth Supplemental Trust Indenture further supplements and amends the Trust Indenture dated as of December 20, 1996 (the "1996 Indenture") by and between the City and Boatman's National Bank, predecessor trustee to The Bank of New York Mellon Trust Company, N.A. (the "Trustee") (the 1996 Indenture, as supplemented from time to time in accordance with the provisions thereof, hereinafter referred to as the "Indenture"), and in the Eighteenth Supplemental Lease hereinafter authorized; and

**WHEREAS**, the 2021 Project Additions shall be leased by the City to the Company pursuant to the Eighteenth Supplemental Lease dated as of the Issue Date by and between the City and the Company (the "Eighteenth Supplemental Lease"), which Eighteenth Supplemental Lease further supplements and amends the Lease Agreement dated as of December 20, 1996 (the "1996 Lease") by and between the City

and the Company (the 1996 Lease, as supplemented and amended from time to time in accordance with the provisions thereof, hereinafter referred to as the "Lease"); and

**WHEREAS**, the Series 2021 Bonds and the interest thereon shall not constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation, shall not constitute nor give rise to a pecuniary liability of the City, nor shall any Series 2021 Bond or the interest thereon be a charge against the general credit or taxing powers of the City; and

**WHEREAS**, the Series 2021 Bonds are not general obligations of the City and are payable solely from certain fees, rentals, revenues and other amounts derived by the City pursuant to the Lease and, under certain circumstances, from the proceeds of the Series 2021 Bonds and insurance and condemnation awards; and

**WHEREAS**, pursuant to the Indenture, the Series 2021 Bonds shall be equally and ratably secured and on a parity with the City's outstanding Series 2012 Bonds, Series 2014 Bonds, Series 2015 Bonds, Series 2016 Bonds, Series 2017 Bonds, Series 2018 Bonds, Series 2019, Series 2020 and any other Additional Bonds (as such terms are defined in the Indenture); and

**WHEREAS**, the City further finds and determines that it is necessary and desirable in connection with the issuance of the Series 2021 Bonds: (1) to execute and deliver the Eighteenth Supplemental Trust Indenture for the purpose of issuing and securing the Series 2021 Bonds, and (2) to enter into the Eighteenth Supplemental Lease pursuant to which the City shall cause the 2021 Project Additions to be leased to the Company in consideration of payments of Supplemental Basic Rent, Supplemental Additional Rent and other charges provided for therein.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF INDEPENDENCE, KANSAS AS FOLLOWS:**

**Section 1. Definition of Terms.** All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the Indenture and Lease.

**Section 2. Authority to Cause the 2021 Project Additions to be Purchased, Acquired, Constructed and Installed.** The City is hereby authorized to cause the 2021 Project Additions to be purchased, acquired, constructed and installed all in the manner and as more particularly described in the Eighteenth Supplemental Trust Indenture and in the Eighteenth Supplemental Lease hereinafter authorized.

**Section 3. Authorization of and Security for the Series 2021 Bonds.** There is hereby authorized and directed to be issued the series of revenue bonds to be designated "City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2021 (Textron Aviation Inc.)" in the aggregate principal amount of not to exceed \$6,500,000 the purpose of paying the cost of purchasing, acquiring, constructing and installing the 2021 Project Additions. The Series 2021 Bonds shall be in such final principal amount, shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Eighteenth Supplemental Trust Indenture. The Series 2021 Bonds shall be equally and ratably secured and on a parity with the Series 2012 Bonds, the Series 2014 Bonds, the Series 2015 Bonds, Series 2016 Bonds, the Series 2017 Bonds, the Series 2018 Bonds, the Series 2019 Bonds, the Series 2020 Bonds and any other Additional Bonds (collectively, the "Bonds"), all as more specifically set forth in the Eighteenth Supplemental Trust Indenture herein authorized. The Series 2021 Bonds shall be special limited obligations of the City payable solely from the revenues derived by the City pursuant to the Lease or otherwise in connection with the Facility. The Series

2021 Bonds shall not be general obligations of or constitute a pledge of the faith and credit of the City within the meaning of a constitutional or statutory provision and shall not be payable in any manner from tax revenues. The Series 2021 Bonds shall be secured under the provisions of the Indenture and are authorized thereby.

**Section 4. Authorization of Eighteenth Supplemental Trust Indenture.** The City is hereby authorized to enter into the Eighteenth Supplemental Trust Indenture, under which the City shall pledge and assign to the Trustee, for the benefit of the holders of the Series 2021 Bonds, the Trust Estate created thereby, all upon the terms and conditions set forth in the Indenture.

**Section 5. Lease of the 2021 Project Additions.** The City shall cause the 2021 Project Additions to be leased by the City to the Company pursuant to and in accordance with the provisions of the Eighteenth Supplemental Lease.

**Section 6. Authorization of Bond Purchase Agreement.** The Series 2021 Bonds shall be sold and delivered to Textron Aviation Inc., upon the terms and subject to the provisions of the Bond Purchase Agreement dated as of the Issue Date (the "Bond Purchase Agreement"), herein authorized, by and between the City and the Company, as Purchaser.

**Section 7. Execution of Series 2021 Bonds and Agreements.** The Mayor or Vice Mayor of the City of Independence, Kansas, is hereby authorized and directed to execute the Series 2021 Bonds and deliver the same to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the Indenture. The Mayor or Vice Mayor is hereby further authorized and directed to execute and deliver the Eighteenth Supplemental Trust Indenture, the Eighteenth Supplemental Lease, and the Bond Purchase Agreement for and on behalf of and as the act and deed of the City with such minor corrections or amendments thereto as the Mayor or Vice Mayor shall approve, which approval shall be evidenced by his or her execution thereof, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Ordinance. The City Clerk or the Deputy City Clerk of the City are hereby authorized and directed to attest the execution of the Series 2021 Bonds, the Eighteenth Supplemental Trust Indenture, the Eighteenth Supplemental Lease, the Bond Purchase Agreement, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

**Section 8. Pledge of the Project.** The City hereby pledges the 2021 Project Additions and the net revenues therefrom to the payment of the Bonds, including the Series 2021 Bonds, in accordance with K.S.A. 12-1744. The lien created by such pledge shall be discharged when all of the Bonds shall be deemed to have been paid within the meaning of the Indenture.

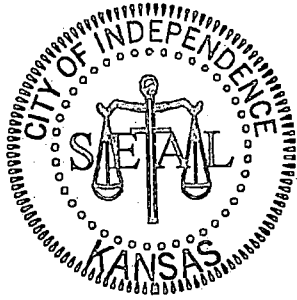
**Section 9. Further Authority.** The City shall, and the officers, agents and employees of the City are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Series 2021 Bonds, the Eighteenth Supplemental Trust Indenture and the Eighteenth Supplemental Lease all as necessary to carry out and give effect to the transaction contemplated hereby and thereby.

**Section 10. Effective Date.** This Ordinance shall take effect and be in full force from and after its adoption by the governing body of the Issuer and publication once in the official newspaper of the Issuer.

*[Remainder of this page intentionally left blank]*

ADOPTED by the Governing Body of the City of Independence, Kansas this 18<sup>th</sup> day of November, 2021.

[Seal]



CITY OF INDEPENDENCE, KANSAS

Louis Yousi  
Mayor

Attest:

David Schum  
City Clerk

**CERTIFICATE**

I hereby certify that the attached copy is a true and correct copy of Ordinance No. 4376 of the City of Independence, Kansas duly passed by the governing body, signed by the Mayor and published in the official City newspaper on the respective dates stated in this ordinance, and that the signed original of such Ordinance is on file in my office.

[SEAL]



A handwritten signature in cursive script, appearing to read "David Helms", written over a horizontal line.

City Clerk