



**REQUEST FOR COMMISSION ACTION**  
**CITY OF INDEPENDENCE**  
**December 12, 2019**

**Department** Finance

**Director Approval** Lacey Lies

**AGENDA ITEM** Consider adopting an ordinance authorizing the issuance of the City's Taxable Industrial Revenue Bonds, series 2019 (Textron Aviation Inc.), authorizing certain documents and actions in connection with the issuance of the Series 2019 Bonds

**SUMMARY RECOMMENDATION** Staff recommends approval.

**BACKGROUND** Pursuant to K.S.A. 12-1740 et seq. and Resolution Nos. 95-07, 2000-36, 2004-29, 2006-62, and 2013-09, the City has agreed to issue 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 facilities for the benefit of Textron Aviation Inc. (successor by merger to Cessna Aircraft Company). Pursuant to such authorization, the City has issued sixteen series of its taxable industrial revenue bonds in the aggregate principal amount of \$110,882,705, of which seven series remain outstanding. In connection with the issuance of each series of bonds, the City has approved a ten-year ad valorem property tax abatement for the bond-financed improvements. The City has no financial obligation with respect to any of the bonds. Each series of bonds is payable solely and only from revenues received from a lease of the bond-financed improvements to Textron Aviation. Textron Aviation is also the owner of all outstanding bonds.

Textron Aviation has requested the issuance of an additional series of taxable industrial revenue bonds in the aggregate principal amount of not to exceed \$1,200,000 to finance building improvements and manufacturing equipment and tooling at the Independence facilities. The Series 2019 Bonds will be issued pursuant to a Sixteenth Supplemental Trust Indenture between the City and Boatman's National Bank, predecessor trustee to The Bank of New York Mellon Trust Company, N.A. (the "Trustee"). The improvements financed with the proceeds of the Series 2019 Bonds will be leased by the City to Textron Aviation pursuant to a Sixteenth Supplemental Lease Agreement. The bond-financed improvements will be approved for a ten-year ad valorem property tax abatement, beginning January 1, 2020.

The Ordinance to be considered by the City Commission authorizes the issuance of the Series 2019 Bonds; approves the Sixteenth Supplemental Trust Indenture and Sixteenth Supplemental Lease and related documents and authorizes the Mayor and City Clerk to execute and deliver such documents.

**BUDGET IMPACT** N/A.

**SUGGESTED MOTION** I move to approve an ordinance authorizing the issuance of the City's Taxable Industrial Revenue Bonds Series 2019 (Textron Aviation Inc.), authorizing certain documents and actions in connection with the issuance of the Series 2019 Bonds.

**SUPPORTING DOCUMENTS** Ordinance and other related documents.

GILMORE & BELL, P.C.  
11/20/2019

**ORDINANCE NO. 4314**

**OF THE  
CITY OF INDEPENDENCE, KANSAS**

**AUTHORIZING THE ISSUANCE OF  
CITY OF INDEPENDENCE, KANSAS  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES 2019  
(TEXTRON AVIATION INC.)**

## **ORDINANCE NO. 4314**

**AN ORDINANCE AUTHORIZING THE CITY OF INDEPENDENCE, KANSAS, TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2019 (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 persons, 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 \$110,882,705; 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 2019 (Textron Aviation Inc.) in the aggregate principal amount of not to exceed \$1,200,000 (the "Series 2019 Bonds") for the purpose of purchasing, acquiring, constructing and installing certain equipment, tooling and improvements at the Facility (the "2019 Project Additions"); and

**WHEREAS**, the Series 2019 Bonds are more fully described in the Sixteenth Supplemental Trust Indenture dated as of the Issue Date by and between the City and the Trustee (the "Sixteenth Supplemental Trust Indenture"), which Sixteenth 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 Sixteenth Supplemental Lease hereinafter authorized; and

**WHEREAS**, the 2019 Project Additions shall be leased by the City to the Company pursuant to the Sixteenth Supplemental Lease dated as of the Issue Date by and between the City and the Company (the "Sixteenth Supplemental Lease"), which Sixteenth 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 2019 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 2019 Bond or the interest thereon be a charge against the general credit or taxing powers of the City; and

**WHEREAS**, the Series 2019 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 2019 Bonds and insurance and condemnation awards; and

**WHEREAS**, pursuant to the Indenture, the Series 2019 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 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 2019 Bonds: (1) to execute and deliver the Sixteenth Supplemental Trust Indenture for the purpose of issuing and securing the Series 2019 Bonds, and (2) to enter into the Sixteenth Supplemental Lease pursuant to which the City shall cause the 2019 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 2019 Project Additions to be Purchased, Acquired, Constructed and Installed.** The City is hereby authorized to cause the 2019 Project Additions to be purchased, acquired, constructed and installed all in the manner and as more particularly described in the Sixteenth Supplemental Trust Indenture and in the Sixteenth Supplemental Lease hereinafter authorized.

**Section 3. Authorization of and Security for the Series 2019 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 2019 (Textron Aviation Inc.)" in the aggregate principal amount of not to exceed \$1,200,000 the purpose of paying the cost of purchasing, acquiring, constructing and installing the 2019 Project Additions. The Series 2019 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 Sixteenth Supplemental Trust Indenture. The Series 2019 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 and any other Additional Bonds (collectively, the "Bonds"), all as more specifically set forth in the Sixteenth Supplemental Trust Indenture herein authorized. The Series 2019 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 2019 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 2019 Bonds shall be secured under the provisions of the Indenture and are authorized thereby.

**Section 4. Authorization of Sixteenth Supplemental Trust Indenture.** The City is hereby authorized to enter into the Sixteenth Supplemental Trust Indenture, under which the City shall pledge and assign to the Trustee, for the benefit of the holders of the Series 2019 Bonds, the Trust Estate created thereby, all upon the terms and conditions set forth in the Indenture.

**Section 5. Lease of the 2019 Project Additions.** The City shall cause the 2019 Project Additions to be leased by the City to the Company pursuant to and in accordance with the provisions of the Sixteenth Supplemental Lease.

**Section 6. Authorization of Bond Purchase Agreement.** The Series 2019 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 2019 Bonds and Agreements.** The Mayor or Vice Mayor of the City of Independence, Kansas, is hereby authorized and directed to execute the Series 2019 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 Sixteenth Supplemental Trust Indenture, the Sixteenth 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 2019 Bonds, the Sixteenth Supplemental Trust Indenture, the Sixteenth 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 2019 Project Additions and the net revenues therefrom to the payment of the Bonds, including the Series 2019 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 2019 Bonds, the Sixteenth Supplemental Trust Indenture and the Sixteenth 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 12<sup>th</sup> day of December, 2019.

**CITY OF INDEPENDENCE, KANSAS**

[Seal]

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Mayor

Attest:

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City Clerk

(Published in *The Independence Daily Reporter*, December 13, 2019)

**SUMMARY OF ORDINANCE NO. 4314**

On December 12, 2019, the governing body of the City of Independence, Kansas passed an ordinance entitled:

**AN ORDINANCE AUTHORIZING THE CITY OF INDEPENDENCE, KANSAS, TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2019 (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.**

The Taxable Industrial Revenue Bonds approved by the Ordinance are being issued by the City in the aggregate principal amount of \$1,200,000 for the purpose of paying the costs of purchasing, acquiring, constructing and installing modifications and additions to certain industrial and commercial facilities for the production of single engine piston and jet aircraft (the "Project") located in Montgomery County, Kansas within three miles of the city limits of the City and leased to Textron Aviation Inc., as successor by merger to Cessna Aircraft Company. The Bonds will be special limited obligations of the Issuer payable solely from the revenues of the Lease of the Project. The Taxable Industrial Revenue Bonds approved by the Ordinance will be secured on a parity with previous series of Taxable Industrial Revenue Bonds issued by the City for the purpose of financing portions of the Project. A complete text of the Ordinance may be obtained or viewed free of charge of the office of the City Clerk, 811 West Laurel Street, Independence, Kansas 67301. A reproduction of the Ordinance is available for not less than seven days following the publication date of this Summary at [www.independencesks.org](http://www.independencesks.org).

The Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: December 12, 2019

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City Attorney

GILMORE & BELL, P.C.  
12/09/2019

**TRANSCRIPT OF PROCEEDINGS**

**AUTHORIZING THE ISSUANCE**

**OF**

**CITY OF INDEPENDENCE, KANSAS**

**TAXABLE INDUSTRIAL REVENUE BONDS**  
**SERIES 2019**  
**(TEXTRON AVIATION INC.)**

**DATED DECEMBER 17, 2019**

## **CLOSING MEMORANDUM**

**City of Independence, Kansas  
Taxable Industrial Revenue Bonds  
Series 2019  
(Textron Aviation Inc.)**

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### **CLOSING**

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The Pre-closing is scheduled to take place at 10:00 a.m. on December 16, 2019, with the Closing scheduled to take place at 10:00 a.m. on December 17, 2019 at the offices of Gilmore & Bell, P.C., Wichita, Kansas. At the Closing, all of the documents listed on the attached Closing List will be delivered, the Bonds will be formally delivered to the Purchaser and all payments evidenced by such documents will be made.

### **BOND TRANSCRIPTS**

The documents set forth on the Closing List will be examined, assembled and incorporated in the transcripts evidencing the authorization and issuance of the Bonds. Copies of the transcript will be prepared and bound for later distribution to the following parties:

1. City of Independence, Kansas (Issuer)
2. Textron Aviation Inc. (Tenant)
3. The Bank of New York Mellon Trust Company, N.A. (Trustee)
- 4-5. Blake A. Meyen, Esq. (Company's Counsel)
6. Gilmore & Bell, P.C. (Bond Counsel)
7. Jeffrey A. Chubb, Esq. (City Attorney)

**CITY OF INDEPENDENCE, KANSAS**  
**TAXABLE INDUSTRIAL REVENUE BONDS**  
**SERIES 2019**  
**(TEXTRON AVIATION INC.)**

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## COMPANY'S CLOSING CERTIFICATE

We, the undersigned, hereby certify that we are the duly elected, qualified Vice President and Controller, and Assistant Secretary, respectively, of Textron Aviation Inc., successor by merger to Cessna Aircraft Company, a Kansas corporation (the "Company"), and as such we are familiar with the books and records of the Company. In connection with the issuance of the Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.) (the "Series 2019 Bonds"), by the City of Independence, Kansas (the "Issuer"), we hereby further certify as follows:

### 1. CORPORATE ORGANIZATION AND AUTHORITY

**1.1. Due Organization.** The Company is a corporation duly incorporated, organized and in good standing under the laws of the State of Kansas.

**1.2. Articles of Incorporation and Bylaws.** The copy of the Articles of Incorporation of the Company, which is attached hereto as Exhibit A, is a true and correct copy of said Articles of Incorporation, and said Articles of Incorporation have not been further amended and are in full force and effect as of the date hereof. The copy of the Bylaws of the Company, which is attached hereto as Exhibit B, is a true and correct copy of said Bylaws, and said Bylaws have not been further amended and are in full force and effect as of the date hereof.

**1.3. Incumbency of Officers.** We were on the date or dates of the execution of the documents listed in **Section 2.1** below, and are on this date, the duly appointed or elected, qualified and acting officers of the Company, holding the respective offices indicated by our execution, and our signatures to this Certificate are our true and genuine signatures.

**1.4. Unanimous Consent of Directors.** The Unanimous Consent of Directors attached hereto as Exhibit C is a true and correct copy of such Unanimous Consent of Directors duly adopted by the Board of Directors of the Company and is in full force and effect.

**1.5 Authorized Company Representative.** The following individuals are designated by the Company to act on its behalf as Authorized Company Representative pursuant to the Sixteenth Supplemental Lease (as hereinafter defined), together with such other persons as may be designated to act on behalf of the Company as evidenced by a written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Company by either of the individuals listed below:

Jodi S. Noah, Vice President and Controller  
Sherry L. Fleming, Assistant Secretary

### 2. LEGAL DOCUMENTS

**2.1. Execution of Documents.** The following documents have been executed and delivered in the name and on behalf of the Company by its duly authorized officers, pursuant to and in full compliance with the Unanimous Consent of Directors as shown in Exhibit C hereto; the copies of said documents contained

in the Transcript are true, complete and correct copies or counterparts of said documents as executed and delivered on behalf of the Company; and said documents have not been amended, modified or rescinded and are in full force and effect as of the date hereof:

(i) The Sixteenth Supplemental Lease dated as of December 17, 2019, (the "Sixteenth Supplemental Lease"), between the Issuer and the Company, wherein the Issuer has agreed to use the proceeds derived from the sale of the Series 2019 Bonds for the purpose of purchasing, constructing, installing certain additions to the Project as defined therein (the "Project Additions") and to lease the Project Additions to the Company, and the Company has agreed to make payments in amounts sufficient to provide for the payment of the principal of, premium, if any, and interest on the Series 2019 Bonds as the same become due.

(ii) The Bond Purchase Agreement dated as of December 17, 2019, (the "Bond Purchase Agreement") by and between the Issuer and the Company, as Purchaser, pursuant to which said Purchaser agrees to purchase the Series 2019 Bonds subject to the terms and conditions thereof.

The Lease and the Bond Purchase Agreement are sometimes collectively referred to herein as the "Company Documents".

**2.2. Authorization of Documents.** The Company has duly executed the Company Documents and any and all other agreements and documents as may be required to be executed and delivered by the Company in order to carry out, give effect to and consummate the transactions contemplated by the Company Documents. The Company Documents, as executed and delivered, constitute legal, valid and binding obligations of the Company in accordance with their terms.

**2.3. Representations in Company Documents.** Each of the representations of the Company set forth in the Company Documents are true and correct in all material respects as of the date hereof, as if made on the date hereof, and all covenants and conditions to be complied with and obligations to be performed by the Company under the Company Documents have been complied with and performed.

**2.4. No Event of Default.** At the date of this Certificate, no event of default under the Company Documents has occurred and is continuing and no event has occurred and is continuing which with the lapse of time or the giving of notice, would constitute an event of default under the Company Documents.

### **3. THE PROJECT ADDITIONS**

**3.1. Description and Location of Project.** The proceeds of the Series 2019 Bonds are to be used for the purpose of financing the costs of certain additions to existing facilities, as more particularly described in the Lease.

### **4. SOURCES AND USES OF FUNDS**

**4.1. Use of Bond Proceeds.** The Series 2019 Bonds are being issued to provide funds to the Company to provide financing for the Project Additions. The expected sources of funds, including the proceeds of the Series 2019 Bonds, and application thereof to pay the costs of the Project Additions as of this date are set forth on Exhibit D attached hereto and incorporated herein by reference.

*[Remainder of this page intentionally left blank]*

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the seal of Textron Aviation Inc., this December 17, 2019.

**TEXTRON AVIATION INC.**

By \_\_\_\_\_  
Jodi S. Noah, Vice President & Controller

(Seal)

ATTEST:

\_\_\_\_\_  
Sherry L. Fleming, Assistant Secretary

***EXHIBIT A***

**ARTICLES OF INCORPORATION**

***EXHIBIT B***

**BYLAWS**

**EXHIBIT C**

**UNANIMOUS CONSENT OF DIRECTORS OF  
TEXTRON AVIATION INC.**

December \_\_, 2019

**THE UNDERSIGNED**, being all of the Directors of **TEXTRON AVIATION INC.**, a Kansas corporation, pursuant to Section 17-6301(f) of the Kansas Statutes Annotated, acting without notice or a meeting, hereby take and consent to, as of the date hereof, the actions set forth below as being the actions of the Corporation, to be given the same force and effect as if authorized and unanimously adopted, ratified and confirmed at a meeting of the Board of Directors of the Corporation duly held and attended by all such Directors:

**BE IT RESOLVED**, that this corporation shall execute, enter into, and perform a certain Sixteenth Supplemental Lease Agreement (the "Sixteenth Supplemental Lease") dated on or about December 17, 2019, by and between the City of Independence, Kansas, and this corporation, whereby upon the terms specified therein, this corporation shall use at its Independence, Kansas facilities and lease from the City of Independence, Kansas, the machinery, equipment, and tooling purchased with the proceeds of the Bonds (as defined below) described in ***Schedule I*** attached to the Sixteenth Supplemental Lease (the "Project Additions"); and further

**BE IT RESOLVED**, that this corporation shall execute, enter into, and perform a certain Bond Purchase Agreement, dated on or about December 17, 2019, by and between the City of Independence, Kansas, and Textron Aviation Inc., as Purchaser of the Taxable Industrial Revenue Bonds, of the City of Independence, Kansas, in the aggregate principal amount of approximately \$1,200,000 (the "Bonds"); and further

**BE IT RESOLVED**, that any officer of this corporation be and is hereby authorized and directed to execute the Sixteenth Supplemental Lease and the Bond Purchase Agreement for and on behalf of and as an act and deed of this corporation; and further

**BE IT RESOLVED**, that any officer of this corporation be and is hereby authorized and directed to execute such further certificates, releases, documents, deeds or other instruments of conveyance, notices, and other papers as may be reasonably necessary in connection with the Sixteenth Supplemental Lease and the Bond Purchase Agreement and with the issuance by the City of Independence, Kansas, of the Bonds; and further

**BE IT RESOLVED**, that any officer of this corporation and all of the employees and agents of the corporation, be and they are hereby authorized and directed to perform all such other acts and do such other things as may be reasonably required in connection with the Sixteenth Supplemental Lease and Bond Purchase Agreement, and in connection with the issuance of the Bonds, for and on behalf of and as an act and deed of this corporation.

**IN WITNESS WHEREOF**, the undersigned have executed this instrument (which may be signed in one or more counterparts, all of which shall be construed together as one instrument) as of the date first written above.

\_\_\_\_\_  
Name: Ronald W. Draper

\_\_\_\_\_  
Name: David Rosenberg

\_\_\_\_\_  
Name: Maggie Topping

(Seal)

***EXHIBIT D***

**SOURCES AND ESTIMATED USE OF BOND PROCEEDS**

**APPLICATION OF FUNDS**

The expected sources of funds, including the proceeds of the Series 2019 Bonds, and application thereof to pay the costs of the Project Additions as of this date are as follows:

**Sources of Funds:**

City of Independence, Kansas Taxable Industrial Revenue Bonds Series 2019 (Textron Aviation Inc.)	\$1,200,000.00
TOTAL	\$1,200,000.00

**Use of Funds:**

Buildings and Land Improvements	\$412,155.00
Tooling, Machinery and Equipment	720,514.00
Costs of Issuance	<u>67,331.00</u>
TOTAL	\$1,200,000.00

## ISSUER'S CLOSING CERTIFICATE

STATE OF KANSAS )  
 )SS:  
COUNTY OF MONTGOMERY )

We, the undersigned, hereby certify that we are the duly appointed, qualified and acting Mayor and City Clerk respectively, of the City of Independence, Kansas (the "Issuer"), and as such officers we are familiar with the official books and records of the Issuer. In connection with the issuance by the Issuer of its Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.), (the "Series 2019 Bonds"), we hereby further certify as follows:

1. **Due Organization.** The Issuer is a municipal corporation existing under the laws of the State of Kansas.

2. **Transcript of Proceedings.** The transcript of proceedings relating to the authorization and issuance the Series 2019 Bonds furnished to Textron Aviation Inc., as Purchaser of the Series 2019 Bonds, is to the best of our knowledge, information and belief full, true and complete; none of such proceedings has been modified, amended or repealed; and such facts as are stated in said transcript still exist.

3. **Meetings.** The meetings of the City Commission at which action was taken as shown in the foregoing transcript were either regular meetings or duly adjourned regular meetings or special meetings duly called and held in accordance with law and the rules of the Issuer.

4. **Incumbency of Officers.** The following named persons were and are the duly elected or appointed, qualified and acting officers of the Issuer during the proceedings relating to the authorization and issuance of the Series 2019 Bonds.

<u>Name</u>	<u>Title</u>
Louis Ysusi	Mayor and Commissioner
Leonhard Caflisch	Vice Mayor and Commissioner
Gary Hogsett	Commissioner
David Schwenker	City Clerk

5. **Execution of Documents.** The following documents have been executed and delivered in the name and on behalf of the Issuer by the undersigned, its authorized officers, pursuant to and in full compliance with an Ordinance approved by a vote of the governing body of the Issuer at a duly held meeting thereof as shown in the Transcript (the "Ordinance"); and the copies of said documents contained in the Transcript are true, complete and correct copies or counterparts of said documents as executed and delivered by the Issuer, and are in substantially the same form and text as the copies of such documents which were approved by said Ordinance; and the said documents have not been materially amended, modified or rescinded:

- (a) Sixteenth Supplemental Indenture, dated as of December 17, 2019 (the "Sixteenth Supplemental Trust Indenture"), between the Issuer and The Bank of New York Mellon Trust Company, N.A. (the "Trustee").
- (b) Sixteenth Supplemental Lease dated as of December 17, 2019 (the "Sixteenth Supplemental Lease"), between the Issuer and Textron Aviation Inc., successor by merger to Cessna Aircraft Company, a Kansas corporation (the "Company").
- (c) Bond Purchase Agreement, dated as of December 17, 2019 (the "Bond Purchase Agreement"), between the Issuer and the Company, as Purchaser.

The Sixteenth Supplemental Trust Indenture, Sixteenth Supplemental Lease and Bond Purchase Agreement are sometimes collectively referred to herein as the "Issuer Documents".

**6. Documents Authorized and Binding.** The Issuer has, by all necessary action, duly authorized the execution, issuance and delivery of the Series 2019 Bonds, and the execution, delivery, receipt and due performance of the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Issuer Documents and the Ordinance. The Bonds and the Issuer Documents, as executed and delivered, constitute legal, valid and binding special obligations of the Issuer in accordance with their respective terms (except insofar as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws or equitable principles of general application affecting the rights and remedies of creditors and secured parties, and except as rights to indemnity, if any, may be limited by principles of public policy).

**7. Execution of Bonds.** We have duly signed and executed manually the Series 2019 Bonds in the aggregate principal amount of \$1,200,000. On the date when the Series 2019 Bonds were executed by us, we were and at the date hereof we are the officials indicated by our signatures on the Series 2019 Bonds, and by our signatures on this certificate, respectively. The signatures of us and each of us, as such officials, respectively, on the Series 2019 Bonds, are our true and genuine signatures, and the seal affixed or imprinted on the Series 2019 Bonds at the time of their execution was and is the duly authorized seal of the Issuer and was thereto affixed or imprinted by the authority and direction of the governing body of the Issuer, and is the seal affixed to this certificate.

**8. Location of Project.** The c Additions to be acquired and constructed out of the proceeds of the Series 2019 Bonds are located in Montgomery County, Kansas, within three miles of the corporate limits of the Issuer. The Board of County Commissioners of Montgomery County, Kansas approved the issuance of industrial revenue bonds by the Issuer at the Project location for the benefit of Company by Resolution No. 95-53

**9. Non-Litigation.** There is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised, or may be raised, questioning, disputing or affecting in any way the legal organization of the Issuer, or the right or title of any of its officers to their respective offices, or the legality of any official act shown to have been done in the transcript of proceedings evidencing the authorization and issuance of the Series 2019 Bonds, or the constitutionality or validity of the obligations represented by the Series 2019 Bonds, or the validity of the Series 2019 Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof.

**10. Representations and Warranties.** We hereby certify that each of the representations and

warranties of the Issuer in the Bond Purchase Agreement is true and accurate as if made on and as of this date and that all agreements to be complied with and obligations to be performed by the Issuer under the Bond Purchase Agreement, the Ordinance, the Sixteenth Supplemental Lease and the Sixteenth Supplemental Trust Indenture, all relating to the issuance of the Series 2019 Bonds, have been complied with and performed.

11. **Instructions to the Trustee.** Pursuant to the Indenture, the Trustee is hereby requested and authorized by the Issuer to authenticate the Series 2019 Bonds and to deliver the Series 2019 Bonds to the Company, as the Purchaser of the Series 2019 Bonds, upon receipt on behalf of the Issuer of Payment Orders equal to the purchase price of the Series 2019 Bonds, which is hereby acknowledged to be the par amount of the Series 2019 Bonds.

*[Remainder of this page intentionally left blank]*

**WITNESS OUR HANDS** and the seal of the Issuer, concurrently with the issuance and delivery of the Series 2019 Bonds.

[Seal]

**CITY OF INDEPENDENCE, KANSAS**

By: \_\_\_\_\_  
Louis Ysusi, Mayor

Attest:

\_\_\_\_\_  
David Schwenker, City Clerk

**ASSIGNMENT OF SIXTEENTH SUPPLEMENTAL LEASE**

**KNOW ALL MEN BY THESE PRESENTS**, That:

**WHEREAS**, the City of Independence, Kansas, a municipal corporation of the State of Kansas, has heretofore entered into a Sixteenth Supplemental Lease by and between said City, as Issuer, and Textron Aviation Inc., as successor by merger to Cessna Aircraft Company, a Kansas corporation, as Company; and

**WHEREAS**, said Sixteenth Supplemental Lease covers the property described in ***Schedule I*** attached hereto; and

**WHEREAS**, said Sixteenth Supplemental Lease is for a term beginning as of December 17, 2019, and expiring June 15, 2030; and

**WHEREAS**, said City of Independence, Kansas, has issued its Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.), payable solely and only from the money and revenue received from the fees charged and rentals received from the Project Additions described in ***Schedule I*** attached hereto and such Project Additions have been pledged to payment of said Bonds; and

**WHEREAS**, The Bank of New York Mellon Trust Company, N.A. (successor trustee to INTRUST Bank, N.A., a national banking association, St. Louis, Missouri), has been designated as Trustee pursuant to the terms of a Sixteenth Supplemental Trust Indenture dated as of December 17, 2019 by and between the City of Independence, Kansas and The Bank of New York Mellon Trust Company, N.A., as Trustee, and under which Sixteenth Supplemental Trust Indenture the Trustee is authorized and empowered to perform the duties of the City of Independence, Kansas, and to make disbursements as required thereunder and to perform, insofar as it legally can, all acts otherwise required of the City of Independence, Kansas, in connection with said Sixteenth Supplemental Trust Indenture and said Sixteenth Supplemental Lease.

**NOW, THEREFORE**, in consideration of the sum of One (\$1.00) Dollar and other good and valuable consideration, including the acceptance by The Bank of New York Mellon Trust Company, N.A., of all of the duties under said Sixteenth Supplemental Lease, the City of Independence, Kansas, by authority of its governing body, does hereby sell, assign, transfer and set over unto The Bank of New York Mellon Trust Company, N.A., all of the right, title and interest of the Lessor for the purpose of exercising the rights and performing and carrying out the duties and obligations of the City under said Sixteenth Supplemental Lease to the extent that such rights and duties may be lawfully assigned by the City and excepting only such rights and duties which, in the context in which they appear in said Sixteenth Supplemental Lease, are capable of being exercised or performed only by the City; provided that the assignment hereby made shall not impair or diminish the obligations of the Issuer under the provisions of the Lease. This Assignment shall be and is for the benefit of owners of said Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.). This Assignment shall be null and void upon full payment of said Series 2019 Bonds and the expiration of the duties of said Trustee.

This Assignment of the Sixteenth Supplemental Lease shall inure to the benefit of and be reassigned by The Bank of New York Mellon Trust Company, N.A., to any successor trustee as provided in said Sixteenth Supplemental Trust Indenture and Sixteenth Supplemental Lease.

*[Remainder of this page intentionally left blank]*



## **ACKNOWLEDGMENT AND ACCEPTANCE OF TRUSTEE**

I, the undersigned, Vice President of The Bank of New York Mellon Trust Company, N.A., hereby acknowledge and accept, as assignee, the above and foregoing Assignment of Sixteenth Supplemental Lease by the City of Independence, Kansas, of all of its right, title and interest, as Lessor, in and to a certain Sixteenth Supplemental Lease dated as of December 17, 2019, by and between the City of Independence, Kansas, as Issuer, and Textron Aviation Inc., as successor by merger to Cessna Aircraft Company, as Company.

The Bank of New York Mellon  
Trust Company, N.A.  
As Trustee

By: \_\_\_\_\_  
Name: Robert W. Hardy  
Title: Vice President

## ***SCHEDULE I***

### **SCHEDULE I TO THE SIXTEENTH SUPPLEMENTAL TRUST INDENTURE OF THE CITY OF INDEPENDENCE, KANSAS, AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE, DATED AS OF DECEMBER 17, 2019 AND TO THE SIXTEENTH SUPPLEMENTAL LEASE DATED AS OF DECEMBER 17, 2019, BY AND BETWEEN SAID CITY AND TEXTRON AVIATION INC.**

#### **PROPERTY SUBJECT TO LEASE**

(a) All building improvements, machinery, equipment and tooling purchased with the proceeds of the Series 2019 Bonds and located on the real property described in paragraph (b) below, and more specifically described as follows:

[See "Exhibit A" to Schedule I for specific  
description of improvements]

(b) A leasehold interest in the following described real estate located in Montgomery County, Kansas, to wit:

#### **Parcel A**

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

Beginning at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the center line of "F" Street;

THENCE S.88°32'23"W. along a line that is 50 feet north of the centerline of "F" Street, a distance of 2183.72 feet to a point that is 234.00 feet East of the Building Restriction Line;

THENCE N.01°23'08"W. parallel with the Building Restriction Line a distance of 190.00 feet to a point;

THENCE S.88°32'23"W. a distance of 234.00 feet to a point on the Building Restriction Line;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 2433.24 feet to a point;

THENCE S.44°51'44"E. a distance of 341.27 feet to a point;

THENCE S.43°35'39"W. a distance of 211.43 feet to a point on the West line extended of "K" Street;

THENCE S.45°02'55"E. along said West line extended of "K Street" a distance of 502.62 feet to the point of intersection with the North line of "Q.M. Street";

THENCE N.43°40'06"E. along said North line of "Q.M. Street" a distance of 1648.25 feet to the point of intersection with the West line of "4th Avenue";

THENCE N.02°10'27"W. along said West line of "4th Avenue" a distance of 389.51 feet to the point of intersection with the South line of "A.C. Street".

THENCE S.42°55'02"W. along said South line of "A.C. Street" a distance of 634.26 feet to a point;

THENCE N.46°28'06"W. a distance of 24.48 feet to a point on the North line of "A.C. Street";

THENCE S.43°31'54"W. along said North line of "A.C. Street" a distance of 272.16 feet;

THENCE N.47°21'32"W. a distance of 113.04 feet;

THENCE S.43°37'20"W. a distance of 395.17 feet to a point;

THENCE N.46°04'58"W. a distance of 111.04 feet to a point;

THENCE S.33°15'30"W. a distance of 137.26 feet to a point;

THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet to a point;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 1154.89 feet to a point on the North line of the Northeast Quarter of said Section 21;

THENCE N.88°29'14"E. along said North line a distance of 2418.26 feet to the POINT OF BEGINNING and containing 8,501,781 square feet or 195.174 acres.

#### Parcel B

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

BEGINNING at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the centerline of "F" Street;

THENCE S.88°32'23"W. along a line that is 50 feet north of the centerline of "F" Street, a distance of 2183.72 feet to a point that is 234.00 feet East of the Building Restriction Line;

THENCE N.01°23'08"W. parallel with the Building Restriction Line a distance of 190.00 feet to a point;

THENCE S.88°32'23"W. a distance of 234.00 feet to a point on the Building Restriction Line;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 2433.24 feet to the point of beginning;

THENCE S.44°51'44"E. a distance of 341.27 feet to a point;

THENCE S.43°35'39"W. a distance of 211.43 feet to a point on the West line extended of "K Street";

THENCE S. 45°02'55"E. along said West line extended of "K Street" a distance of 502.62 feet to the point of intersection with the North line of "Q.M. Street";

THENCE N.43°40'06"E. along said North line of "Q.M. Street" a distance of 1648.25 feet to the point of intersection with the West line of "4th Avenue";

THENCE N.02°10'27"W. along said West line of "4th Avenue" a distance of 389.51 feet to the point of intersection with the South line of "A.C. Street";

THENCE S.42°55'02"W. along said South line of "A.C. Street" a distance of 634.26 feet to a point;

THENCE N.46°28'06"W. a distance of 24.48 feet to a point on the North line of "A.C. Street";

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THENCE N.46°04'58"W. a distance of 111.04 feet to a point;

THENCE S.33°15'30"W. a distance of 137.26 feet to a point;

THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet ± to the Building Restriction Line;

THENCE South along the Building Restriction Line to the POINT OF BEGINNING, containing 18.003 acres.

The property described in paragraph (a) of this Schedule I constitutes the "Project Additions" as referred to in said Sixteenth Supplemental Lease and said Sixteenth Supplemental Trust Indenture.

***EXHIBIT A TO SCHEDULE I***

*[insert Exhibit A from the 16<sup>th</sup> Supp. Lease]*

## **NOTICE OF SIXTEENTH SUPPLEMENTAL LEASE**

Public notice is hereby given that the City of Independence, Kansas, a municipal corporation of the State of Kansas, has leased to Textron Aviation Inc., as successor by merger to Cessna Aircraft Company, the personal property located on the real property in Montgomery County, Kansas, all as described in Schedule I attached hereto (the "Project Additions").

Said Sixteenth Supplemental Lease dated as of December 17, 2019, further supplements and amends a Lease Agreement dated as of December 20, 1996 (the "1996 Lease"), as amended and supplemented by a Tenth Supplemental Lease dated as of December 14, 2012, an Eleventh Supplemental Lease dated as of December 18, 2014, a Twelfth Supplemental Lease dated as of December 17, 2015, a Thirteenth Supplemental Lease dated as of December 15, 2016, a Fourteenth Supplemental Lease dated as of December 15, 2017, and a Fifteenth Supplemental Lease dated as of December 14, 2018 all by and between the City of Independence, Kansas (the "Lessor") and Textron Aviation Inc., as successor by merger to Cessna Aircraft Company. Said Sixteenth Supplemental Lease expires June 15, 2030, provides for an early termination in the event of the happening of certain contingencies, provides an option to purchase the Project Additions for prices and on terms set forth in said Sixteenth Supplemental Lease, and contains various other covenants, terms and conditions. A copy of said Sixteenth Supplemental Lease is and will remain permanently on file in the Office of the City Clerk of Independence, Kansas. The Lessor's interest in said Sixteenth Supplemental Lease has been assigned by the City of Independence, Kansas, to The Bank of New York Mellon, Trust Company, N.A. (successor trustee to INTRUST Bank, Wichita, Kansas), Trustee, as additional security for the purposes set out in said assignment in connection with the issuance by the City of Independence, Kansas of \$1,200,000 aggregate principal amount of Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.) of said City, such Bonds being payable solely and only from the money and revenue received from the fees charged and rentals received for the use of the Project Additions, and all of the above described property and the net rentals therefrom have been pledged to the payment of said Bonds.

*[Remainder of this page intentionally left blank]*



## ***SCHEDULE I***

### **SCHEDULE I TO THE SIXTEENTH SUPPLEMENTAL TRUST INDENTURE OF THE CITY OF INDEPENDENCE, KANSAS, AND THE BANK OF NEW YORK MELLON, TRUST COMPANY, N.A., AS TRUSTEE, DATED AS OF DECEMBER 17, 2019 AND TO THE SIXTEENTH SUPPLEMENTAL LEASE DATED AS OF DECEMBER 17, 2019, BY AND BETWEEN SAID CITY AND TEXTRON AVIATION INC.**

#### **PROPERTY SUBJECT TO SIXTEENTH SUPPLEMENTAL LEASE**

(a) All building improvements, machinery, equipment and tooling purchased with the proceeds of the Series 2019 Bonds and located on the real property described in paragraph (b) below, and more specifically described as follows:

[See "Exhibit A" to Schedule I for specific  
description of improvements]

(b) A leasehold interest in the following described real estate located in Montgomery County, Kansas, to wit:

#### **Parcel A**

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

Beginning at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the center line of "F" Street;

THENCE S.88°32'23"W. along a line that is 50 feet north of the centerline of "F" Street, a distance of 2183.72 feet to a point that is 234.00 feet East of the Building Restriction Line;

THENCE N.01°23'08"W. parallel with the Building Restriction Line a distance of 190.00 feet to a point;

THENCE S.88°32'23"W. a distance of 234.00 feet to a point on the Building Restriction Line;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 2433.24 feet to a point;

THENCE S.44°51'44"E. a distance of 341.27 feet to a point;

THENCE S.43°35'39"W. a distance of 211.43 feet to a point on the West line extended of "K" Street;

THENCE S.45°02'55"E. along said West line extended of "K Street" a distance of 502.62 feet to the point of intersection with the North line of "Q.M. Street";

THENCE N.43°40'06"E. along said North line of "Q.M. Street" a distance of 1648.25 feet to the point of intersection with the West line of "4th Avenue";

THENCE N.02°10'27"W. along said West line of "4th Avenue" a distance of 389.51 feet to the point of intersection with the South line of "A.C. Street".

THENCE S.42°55'02"W. along said South line of "A.C. Street" a distance of 634.26 feet to a point;

THENCE N.46°28'06"W. a distance of 24.48 feet to a point on the North line of "A.C. Street";

THENCE S.43°31'54"W. along said North line of "A.C. Street" a distance of 272.16 feet;

THENCE N.47°21'32"W. a distance of 113.04 feet;

THENCE S.43°37'20"W. a distance of 395.17 feet to a point;

THENCE N.46°04'58"W. a distance of 111.04 feet to a point;

THENCE S.33°15'30"W. a distance of 137.26 feet to a point;

THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet to a point;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 1154.89 feet to a point on the North line of the Northeast Quarter of said Section 21;

THENCE N.88°29'14"E. along said North line a distance of 2418.26 feet to the POINT OF BEGINNING and containing 8,501,781 square feet or 195.174 acres.

#### Parcel B

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

BEGINNING at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the centerline of "F" Street;

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THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet ± to the Building Restriction Line;

THENCE South along the Building Restriction Line to the POINT OF BEGINNING, containing 18.003 acres.

The property described in paragraph (a) of this Schedule I constitutes the "Project Additions" as referred to in said Sixteenth Supplemental Lease and said Sixteenth Supplemental Trust Indenture.

***EXHIBIT A TO SCHEDULE I***

*[insert Exhibit A from 16<sup>th</sup> Supp. Lease]*

10/15/2019

**BEFORE THE BOARD OF TAX APPEALS  
OF THE STATE OF KANSAS**

# CERTIFICATE OF ISSUANCE OF TAXABLE INDUSTRIAL REVENUE BONDS

Pursuant to the provisions of K.S.A. 12-1744c, this is to certify that:

The City of Independence, Kansas issued its Taxable Industrial Revenue Bonds, Series 2019, (Textron Aviation Inc.), in the aggregate principal amount of \$1,200,000, Board of Tax Appeals File No. 2019-\_\_\_\_\_-IRB, on the \_\_\_\_ day of December, 2019.

**CITY OF INDEPENDENCE, KANSAS**

By: \_\_\_\_\_  
Louis Ysusi, Mayor

## VERIFICATION

STATE OF KANSAS )  
 ) SS:  
COUNTY OF SEDGWICK )

Joe L. Norton, of Gilmore & Bell, P.C., Wichita, Kansas, of lawful age, being first duly sworn upon oath, deposes and state:

That the law firm of Gilmore & Bell, P.C., served as Bond Counsel for the above-mentioned issue of Taxable Industrial Revenue Bonds; and that he has read the foregoing Certificate of Issuance and knows of his own personal knowledge that the statements set forth therein are true and correct.

By \_\_\_\_\_  
Joe L. Norton

SUBSCRIBED AND SWORN to before me this December , 2019.

Notary Public in and for said County and State

### TRUSTEE'S RECEIPT AND CLOSING CERTIFICATE

The undersigned, a duly authorized Vice President of The Bank of New York Mellon Trust Company, N.A. ("BNY" or the "Trustee"), BNY being the Trustee designated in the Sixteenth Supplemental Trust Indenture dated as of December 17, 2019 (the "Sixteenth Supplemental Trust Indenture"), by and between the Bank and the City of Independence, Kansas (the "City"), relating to the City's Taxable Industrial Revenue Bonds, Series 2019 (the "Series 2019 Bonds"), hereby certifies as follows:

(1) BNY hereby accepts the duties of Trustee specified in the Ordinance authorizing the Series 2019 Bonds (the "Ordinance") and in the Sixteenth Supplemental Trust Indenture and the Sixteenth Supplemental Lease related thereto authorized pursuant to the Ordinance. BNY is a national banking association duly organized and existing under the laws of the United States, with an office located in St. Louis, Missouri and has full power and authority to act in the State of Kansas as Trustee, as provided in the Sixteenth Supplemental Trust Indenture.

(2) The Trustee delivered the Series 2019 Bonds to the Textron Aviation Inc., the Purchaser thereof, on December 17, 2019.

(3) Each trust officer signing the certificate of authentication on each Series 2019 Bond certificate initially delivered and signing this certificate has been duly authorized to do so by the board of directors of the Trustee.

(4) The Trustee acknowledges receipt on behalf of the Issuer of Payment Orders equal to the purchase price of the Series 2019.

(5) The Trustee hereby acknowledges receipt of each of the documents required by the Sixteenth Supplemental Trust Indenture as a condition precedent to authentication and delivery of the Series 2019 Bonds.

*[balance of this page intentionally left blank]*

**IN WITNESS WHEREOF**, The Bank of New York Mellon Trust Company, N.A., as Trustee, has caused this certificate to be executed and its seal affixed and attested by a duly authorized officer as of December 17, 2019.

**THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,**  
as Trustee

By: \_\_\_\_\_  
Name: Robert W. Hardy  
Title: Vice President

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Name: Mietka Collins  
Title: Vice President

**TRUSTEE'S SIGNATURE RESOLUTION**

**SEE ATTACHED**

Gilmore & Bell, P.C.  
10/15/2019

## **BILL OF SALE**

KNOW ALL MEN BY THESE PRESENTS, that in consideration of Ten Dollars (\$10.00) and other good and valuable consideration the receipt of which is hereby acknowledged, the undersigned, Textron Aviation Inc., a Kansas corporation (the "Grantor"), does grant, sell, transfer and deliver unto City of Independence, Kansas, a municipal corporation (the "Grantee"), the property described in **Exhibit A** attached hereto and made a part hereof by this reference.

Subject, however, to the terms and provisions of a certain Lease dated as of December 20, 1996, as supplemented and amended, including by a Sixteenth Supplemental Lease dated as of December 17, 2019, all between the Grantee, as Issuer and the Grantor, as Tenant.

To have and to hold, all and singular, the said property forever. And the said Grantor hereby covenants with the said Grantee that it is the lawful owner of said property; that it is free from all encumbrances; that it has good right to sell the same as aforesaid, and that it will warrant and defend the same against the lawful claims and demands and all persons whomsoever.

*[This page intentionally left blank]*

**IN WITNESS WHEREOF**, the parties hereto have executed these presents for delivery on or after December 17, 2019.

**TEXTRON AVIATION INC.**

(Seal)

By \_\_\_\_\_  
Jodi S. Noah, Vice President & Controller

ATTEST:

\_\_\_\_\_  
Sherry L. Fleming, Assistant Secretary

**ACKNOWLEDGMENT**

STATE OF KANSAS                    )  
  ) SS.  
SEDGWICK COUNTY                )

BE IT REMEMBERED, that on this December \_\_, 2019, before me, the undersigned, a Notary Public in and for said County and State, came Jodi S. Noah, Vice President & Controller and Sherry L. Fleming, Assistant Secretary of Textron Aviation Inc., a Kansas corporation, on behalf of said corporation, and such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public in and for said County and State

My Appointment Expires: \_\_\_\_\_

***EXHIBIT A***

*[insert description of 2019 Project Additions]*

Gilmore & Bell, P.C.  
10/15/2019

**PURCHASER'S CERTIFICATE AND RECEIPT**

I, Jodi S. Noah, Vice President and Controller of Textron Aviation Inc., hereby certify that I received from The Bank of New York Mellon Trust Company, N.A., as Trustee, on behalf of the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.), in the aggregate principal amount of \$1,200,000, in the form of fully registered bonds signed by the manual signature of the Mayor of the City of Independence, Kansas, attested by the manual signature of the City Clerk with the corporate seal of the City affixed thereto, and authenticated by an Authorized Officer of the Trustee.

**DATED** December 17, 2019.

**TEXTRON AVIATION INC.**

By: \_\_\_\_\_  
Jodi S. Noah, Vice President & Controller

**Certificate for Payment of Project Costs**

**CITY OF INDEPENDENCE, KANSAS  
PROJECT FUND  
(TEXTRON AVIATION INC.)  
PAYMENT ORDER NO. 1**

The Bank of New York Mellon Trust Company, N.A.  
St. Louis, Missouri

Dear Sir or Madam:

You are hereby authorized and directed by the undersigned, the Authorized Representative, acting on behalf of Textron Aviation Inc., successor by merger to Cessna Aircraft Company (the "Company") to disburse funds held by you as Trustee in the above-mentioned Project Fund for the purposes and in the amounts set forth in the Estimated Payment Schedule attached hereto and incorporated herein by reference (the "Estimated Payment Schedules").

I hereby certify that the amounts requested in the attached Estimated Payment Schedule is reasonably believed to be equal to amounts which have either been advanced by the Company or are justly due to contractors, subcontractors, suppliers, vendors, materialmen, engineers, architects, or other persons named in the Payment Schedules who have performed necessary and appropriate work in connection with any installation of machinery, equipment, or personal property, or have furnished necessary and appropriate materials in the construction or acquisition of land, buildings and improvements constituting a part of the Project. I further certify that the fair value of such work or materials, machinery, and equipment is not reasonably expected to be exceeded by the amount requested.

I further certify that no part of the amounts set forth in the Estimated Payment Schedule have been the basis for any previous withdrawal of any moneys from the said Project Fund.

I further certify that the amounts set forth in the Estimated Payment Schedule are reasonably expected to pay for Project Costs, as said term is defined in the Lease and that a detailed list of the final allocation of such amounts to 2019 Project Additions will be submitted to the Trustee by no later than February 28, 2020.

I acknowledge that the Company, as Purchaser of the Series 2019 Bonds, will be receiving such Series 2019 Bond in compensation for the expenditures set forth in the Estimated Payment Schedules to acquire, construct and equip the Project and that the Series 2019 Bond will constitute full payment for these costs

EXECUTED at Wichita, Kansas, this December 17, 2019.

---

Jodi S. Noah,  
Authorized Company Representative

***EXHIBIT A***

**PAYMENT ORDER NO. 1**

**PAYMENT SCHEDULE**

Estimated cost of 2019 Project Additions:

Buildings and Land Improvements	\$412,155.00
Tooling, Machinery and Equipment	720,514.00
Costs of Issuance	<u>67,331.00</u>
<b>TOTAL</b>	<b><u>\$1,200,000.00</u></b>

[FORM OF COMPANY'S COUNSEL OPINION]

December 17, 2019

City of Independence, Kansas  
Independence, Kansas

The Bank of New York Mellon Trust Company, N.A.  
St. Louis, Missouri

Textron Aviation Inc.  
Wichita, Kansas

Gilmore & Bell, P.C.  
Wichita, Kansas

Re: \$1,200,000 Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.)

Gentlemen:

I have acted as counsel for Textron Aviation Inc., as successor by merger to Cessna Aircraft Company (the "Company"), in connection with the issuance of the Bonds. In that connection, I have examined the originals or copies certified or otherwise identified to my satisfaction of the Sixteenth Supplemental Lease dated as of December 17, 2019 (the "Lease") between the Company and the City of Independence, Kansas (the "Issuer"); the Bond Purchase Agreement dated as of December 17, 2019 (the "Bond Purchase Agreement") between the Issuer and the Company, as Purchaser; the Sixteenth Supplemental Trust Indenture dated as of December 17, 2019 (the "Indenture") between the Issuer and The Bank of New York Mellon Trust Company, N.A.; the Bill of Sale dated as of December 17, 2019, from the Company to the Issuer (the "Bill of Sale"), and such records of the Company, legal opinions of other counsel and other documents as we have deemed relevant and necessary as the basis of the opinions set forth herein.

For purposes of this opinion, we have assumed that each of the other parties to the Lease have all requisite power and authority and have taken all necessary corporate action to execute and deliver the Lease and to effect the transactions contemplated thereby.

Based on the foregoing, I am of the opinion that:

1. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Kansas, with corporate powers adequate for carrying on the business now conducted by it.
2. The Company has full power and authority to execute and deliver the Lease and to perform its obligations thereunder; the Lease has been duly authorized, executed and delivered by the Company, and, subject to the qualification stated in the last paragraph of this opinion, is a valid, legally binding obligation of the Company enforceable against the Company in accordance with its terms.

3. The execution and delivery of the Lease and Bond Purchase Agreement and the performance by the Company of its obligations thereunder, do not and will not constitute a default under, or conflict with or violate any provisions of, the Company's Articles of Incorporation or Bylaws, both as amended to date, or applicable law, and do not and will not conflict with or violate or result in an adverse effect on the Company under any indenture, mortgage, deed of trust, contract, agreement or other instrument to which it is a party, or any administrative regulation or court decree.

4. Subject to the qualification stated in the last paragraph of this opinion, the Bill of Sale constitutes a valid conveyance of the Company's interest in the property identified therein to the Issuer, is effective as of its date and has been duly authorized, executed and delivered by the Company.

My opinion that the Lease and Bond Purchase Agreement are enforceable in accordance with its terms is qualified to the extent that enforcement of the rights and remedies created by it is subject to bankruptcy, insolvency, reorganization and similar laws of general application affecting the rights and remedies of creditors and secured parties, and that the availability of the remedy of specific enforcement or of injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

Very truly yours,

[FORM OF BOND COUNSEL OPINION]

December 17, 2019

Governing Body of the City  
of Independence, Kansas

Textron Aviation Inc.  
Wichita, Kansas

The Bank of New York Mellon  
Trust Company, N.A.  
St. Louis, Missouri

Re: \$1,200,000 Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.)

We have acted as Bond Counsel to the City of Independence, Kansas (the "Issuer") in connection with the issuance of the above-captioned bonds (collectively, the "Bonds"). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion.

The Bonds have been issued under K.S.A. 12-1740 *et seq.*, as amended (the "Act") and a Trust Indenture dated as of December 20, 1996, as supplemented and amended including by the Sixteenth Supplemental Trust Indenture dated as of December 17, 2019 (as supplemented and amended, the "Indenture"), all between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Indenture.

Regarding questions of fact material to our opinion, we have relied on representations of the Issuer and Textron Aviation Inc., as successor by merger to Cessna Aircraft Company (the "Company") contained in the Lease and certified proceedings and other certifications of the Issuer, the Company and others furnished to us, without undertaking to verify them by independent investigation.

We have also relied on the legal opinion of Steven Hall, Senior Associate, General Counsel of the Company, dated the date of this opinion, regarding certain matters, including (a) the corporate status and due organization of the Company, (b) the corporate power of the Company to enter into and perform its obligations under the Lease and Bond Purchase Agreement, and (c) the due authorization, execution and delivery of the Lease and the Bond Purchase Agreement by the Company and the binding effect and enforceability of those documents against the Company.

Based upon the foregoing and subject to the exceptions set forth herein, we are of the opinion, under existing law, as follows:

1. The Issuer is validly existing as an incorporated city under the laws of the State of Kansas (the "State"), including particularly the Act, with lawful power and authority to issue the Bonds and to enter into and perform its obligations under the Indenture, the Bond Purchase Agreement and the Lease.

2. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding special, limited obligations of the Issuer, payable solely from the Trust Estate under the Indenture. The Bonds do not constitute an indebtedness of the State or of any political subdivision of the

State within the meaning of any constitutional or statutory provision or limitation and do not constitute a pledge of the full faith and credit of the State or of any political subdivision of the State. 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.

3. The Indenture, Bond Purchase Agreement and the Lease have been duly authorized, executed and delivered by the Issuer and are valid and legally binding agreements of the Issuer enforceable against the Issuer. The Indenture creates a valid lien on the Trust Estate pledged and assigned by the Issuer to the Trustee under the Indenture for the benefit and security of the owners of the Bonds, on a parity with other bonds, if any, issued or to be issued as Additional Bonds under the Indenture. The execution of the Indenture is permitted by the 1996 Indenture and all conditions precedent to the execution and delivery of the Indenture under the 1996 Indenture have been satisfied.

4. The interest on the Bonds is exempt from income taxation by the State.

5. The portion of the 2019 Project Additions acquired, constructed or purchased with proceeds of the Bonds is eligible for exemption from Kansas *ad valorem* property taxes pursuant to K.S.A. 79-201a for a period of 10 calendar years, commencing with calendar year 2019. Our opinion is subject to (i) compliance by the Tenant and the Issuer with all requirements of law in requesting and maintaining the exemption, and (ii) the concurring finding of fact by the Kansas Board of Tax Appeals ("BOTA") and the issuance by BOTA of an order exempting the Project from *ad valorem* taxation for a period of 10 calendar years, beginning with the year after issuance of Bonds.

We express no opinion regarding (a) the accuracy, completeness or sufficiency of any offering material relating to the Bonds, (b) the perfection or priority of the lien on the Trust Estate pledged under the Indenture, or (c) federal or state 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 Bond Purchase Agreement and the Lease 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.

JLN:SOS:paj

[FORM OF ISSUER'S COUNSEL OPINION]

December 17, 2019

City of Independence  
Independence, Kansas

Textron Aviation Inc.  
Wichita, Kansas

The Bank of New York Mellon, Trust Company, N.A.  
St. Louis, Missouri

Gilmore & Bell, P.C.  
Wichita, Kansas

Re; \$1,200,000 Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.)

I am City Attorney for the City of Independence, Kansas (the "City") and acting as its counsel I have advised the City in connection with the authorization and issuance of the above-referenced bonds (the "Series 2019 Bonds") and the execution and delivery of related documents. In such capacity I have examined the law and certified proceedings and other documents as I have deemed necessary to render this opinion, including, but not limited to the following: Ordinance No. 4314 (the "Ordinance") of the City; a Lease dated as of December 20, 1996, as supplemented, including by the Sixteenth Supplemental Lease dated as of December 17, 2019 (the "Dated Date"), all between the City, as landlord, and Textron Aviation Inc., as successor by merger to Cessna Aircraft Company (the "Company"), as tenant (jointly the "Lease"); a Trust Indenture dated as of December 20, 1996, as supplemented, including by the Sixteenth Supplemental Trust Indenture dated as of the Dated Date, all between the City, as issuer, and Bank of New York Mellon, Trust Company, N.A. (as successor trustee to INTRUST Bank, N.A.) (the "Trustee"), as trustee (jointly the "Indenture"); a Bond Purchase Agreement dated as of the Dated Date (the "Bond Purchase Agreement") between the City, as issuer and the Company, as purchaser of the Series 2019 Bonds (the Lease, Indenture and Bond Purchase Agreement collectively referred to as the "Bond Documents"); and certain other certificates and proceedings relating to the issuance by the City of the Series 2019 Bonds and the execution and delivery by the City of the Bond Documents. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Indenture.

As such City Attorney, I have become acquainted with the affairs of the City pertaining to the Series 2019 Bonds. As to questions of fact material to our opinion, I have relied on representations and certifications of the City and others contained in the Bond Documents without undertaking to verify the same by independent investigation.

Based on the foregoing, I am of the opinion as of the date hereof, under existing law, as follows:

1. The City is a municipal corporation duly organized and validly existing under the laws of the State of Kansas (the "State") and pursuant to the Constitution and the laws of the State, the City is empowered to issue the Series 2019 Bonds.

2. The City has full legal right, power and authority to (a) enter into the Bond Documents; (b) issue and deliver the Series 2019 Bonds as provided in the Bond Purchase Agreement; and (c) carry out and consummate all other transactions to be carried out and consummated pursuant to the Bond Purchase Agreement.

3. The City has duly authorized (a) the execution of and the performance of its obligations under the Bond Documents; and (b) the taking of any and all such action as may be required on the part of the City to carry out, give effect to and consummate the transactions contemplated by the Bond Documents.

4. The Bond Documents have been validly executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto (where appropriate), each constitutes a legal, valid and binding obligation of the City in conformity with the provisions of the Constitution and laws of the State, enforceable against the City in accordance with their respective terms, subject as to the enforcement of remedies to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights and by general principles of equity and except as the indemnification provisions thereof may be limited by applicable laws or public policy.

5. The Ordinance was duly adopted by the governing body of the City.

6. To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against or affecting the City, which would adversely impact the City's ability to carry out the transactions contemplated by the Bond Documents, to restrain or enjoin the collection of revenues pledged under the Lease and the Indenture or in any way contesting or affecting the validity of the Bond Documents.

7. The execution and delivery of the Bond Documents and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or violate other existing provisions of State law to which the City is subject or constitute on the part of the City a material breach of or default under any material agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject.

8. All approvals of government authorities (other than the approvals or consents required under federal and state securities laws), required to be obtained by the City for the valid adoption of the Ordinance, the valid authorization, execution and delivery of the Bond Documents and the valid sale, issuance and delivery of the Series 2019 Bonds have been obtained.

9. None of the proceedings had or taken by the City with regard to any of the Bond Documents has or have been repealed, rescinded or revoked in any manner.

10. The representations of the City as set forth in the Bond Purchase Agreement are, as to all matters of law, and after reasonable investigation, true and accurate at and as of the date hereof as though made on such date; and such representations and warranties are, as to all other matters, true and accurate to the best of our knowledge at and as of the date hereof as though made on such date.

I have not been engaged to render any opinion regarding the tax-exempt status, present or future, of any interest on the Series 2019 Bonds for federal or state income tax purposes, and I express no opinion relating thereto.

I have not been engaged to render any opinion regarding registration of the Series 2019 Bonds under the Securities Act of 1933, or the Kansas Securities Act as amended, or registration of the Indenture under the Trust Indenture Act of 1939, as amended, and I express no opinion relating thereto.

This opinion is delivered to the addressees for their use only and may not be used or relied upon by, or published or communicated to, any third party for any purpose whatsoever without our prior written approval in each instance.

**BOND PURCHASE AGREEMENT**

**Between**

**CITY OF INDEPENDENCE, KANSAS**

**AND**

**TEXTRON AVIATION INC.**

**DATED AS OF DECEMBER 17, 2019**

---

## **BOND PURCHASE AGREEMENT**

### **\$1,200,000 Taxable Industrial Revenue Bonds Series 2019 (Textron Aviation Inc.)**

The undersigned, **CITY OF INDEPENDENCE, KANSAS**, a municipal corporation (the "City"), hereby agrees with **TEXTRON AVIATION INC.**, successor by merger to Cessna Aircraft Company (formerly The Cessna Aircraft Company), a corporation organized under the laws of the State of Kansas (the "Company" and "Purchaser"), as follows:

### **PART I**

**1.1. Authorization of Bond Proceeds.** (a) The City has authorized or will authorize, in compliance with the requirements of law, an issue of its Taxable Industrial Revenue Bonds in the aggregate principal amount of \$1,200,000 to be designated its "Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.)" (the "Series 2019 Bonds"). The Series 2019 Bonds are to mature, to bear interest at rates of interest and to be redeemable as provided in a Sixteenth Supplemental Trust Indenture dated as of December 17, 2019 (the "Sixteenth Supplemental Trust Indenture"), by and between the City and The Bank of New York Mellon Trust Company, N.A. (successor trustee to INTRUST Bank, Wichita, Kansas), as Trustee. The Sixteenth Supplemental Trust Indenture further supplements and amends a certain Trust Indenture by and between the City and Trustee dated as of December 20, 1996 (the "1996 Indenture"), by and between the same parties (the 1996 Indenture as supplemented and amended from time to time in accordance with the provisions thereof hereinafter referred to as the "Indenture"). The Series 2019 Bonds are equally and ratably secured and on a parity with the Bonds heretofore issued under and secured by the Indenture.

The City will use the proceeds from the sale of the Series 2019 Bonds to pay the costs of constructing, purchasing, acquiring and installing certain equipment, machinery and tooling at a certain aircraft manufacturing facility located in the City (the "Project Additions").

The Project Additions shall be leased under a Sixteenth Supplemental Lease dated as of December 17, 2019 (the "Sixteenth Supplemental Lease") to be entered into between the City, as Landlord, and the Company, as Tenant. The Sixteenth Supplemental Lease supplements and amends a certain Lease dated as of December 20, 1996 between the City and the Company (the "1996 Lease"), (said 1996 Lease as supplemented and amended from time to time in accordance with the provision thereof hereinafter referred to as the "Lease").

**1.2. Sale and Purchase of Bonds; Closing.** The City agrees to sell to the Purchaser, and subject to the terms and conditions hereof and in reliance on the respective representations and warranties of the City contained herein, the Purchaser will purchase from the City, on the Closing Date hereinafter provided, the principal amount of the Series 2019 Bonds at the price of 100% of the principal amount thereof, together with accrued interest thereon from the date of registration of the Series 2019 Bonds, if any, as specified in the Indenture, to the Closing Date (as defined below).

The date for the purchase and sale of the Bonds hereunder (the "Closing Date") shall be December 17, 2019, or such other business day acceptable to the parties hereto.

On the Closing Date, the City will deliver to the Purchaser the Bonds against payment therefor by Federal Funds payable to The Bank of New York Trust Mellon Trust Company, N.A., as Trustee for the account of the City, at the office of said Bank in St. Louis, Missouri.

**1.3. Representations and Warranties of City.** The City represents and warrants to the Purchaser that:

(a) The City is duly organized and existing as a municipal corporation of the State of Kansas authorized to issue taxable industrial revenue bonds pursuant to Kansas Statutes Annotated 12-1740 *et seq.*, as amended (the "Act").

(b) When delivered to and paid for by the Purchaser in accordance with the provisions of this Agreement, the Series 2019 Bonds will have been duly authorized, executed, authenticated, issued and delivered; the Bonds will constitute valid and binding limited obligations of the City payable solely and only from the revenues specified in the Indenture and in conformity with, and entitled to the benefit and security of, the Indenture and the Lease; and this Agreement, the Series 2019 Bonds, the Indenture, the Lease and all action taken by the City in connection therewith shall be in conformity with the Act.

(c) The execution and delivery of this Agreement, the Indenture, the Series 2019 Bonds and the Lease, and compliance with the provisions hereof and thereof, will not conflict with or constitute a breach of or default under any agreement or other instrument to which the City is a party or any existing law, administrative regulation, court order or consent decree to which the City is subject.

(d) On the Closing Date, the Indenture will have been duly executed and delivered by the City and will have been signed by the Trustee and will be in full force and effect and the Lease will have been duly executed and delivered by the City and will have been signed by the Company and will be in full force and effect.

(e) The City will cause the proceeds from the sale of the Series 2019 Bonds to be deposited as required by the Indenture and used for the purposes set forth in the Indenture.

(f) There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against or affecting the City wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by this Agreement or the validity of the Series 2019 Bonds, the Indenture or the Lease.

(g) No additional or further approval, consent or authorization of, or filing with, any governmental or public agency or authority not already obtained by the City is required in connection with the issuance and sale of the Series 2019 Bonds or entering into and performing the obligations of the City under this Agreement, the Series 2019 Bonds, the Indenture or the Lease.

(h) The City has all requisite power and authority to enter into and perform this Agreement, to issue the Series 2019 Bonds, to use the proceeds as contemplated by the Sixteenth Supplemental Indenture, to enter into and perform the Sixteenth Supplemental Lease, to adopt the Ordinance authorizing and securing the Series 2019 Bonds and comply with the provisions thereof, and to pledge the rents, revenues and receipts from the Project Additions for the benefit of the holders of the Series 2019 Bonds.

## **PART II**

**2.1. Representations and Warranties of Company.** The Company further represents and warrants to the City that:

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Kansas and in all other states and jurisdictions wherein the character of the properties owned or held under lease by it or the nature of the business transacted by it makes such qualification necessary.

(b) Pursuant to the terms of the Lease, the Company will authorize the proceeds from the sale of the Series 2019 Bonds hereunder to be applied to pay, or reimburse the Company for the payment, of Project Costs as such term is defined in the Indenture.

(c) The Lease and this Bond Purchase Agreement are valid and binding agreements of the Company, enforceable against the Company in accordance with their respective terms except as may be limited by (i) the provisions of the United States Bankruptcy Code and other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights, generally, now or hereafter in effect; or, (ii) general equity principles which may limit the specific enforcement of certain remedies, but which do not affect the validity of such documents.

(d) The Company has duly authorized the taking of any and all action necessary at the date hereof to carry out and give effect to the transactions contemplated to be performed by it in the Lease and this Bond Purchase Agreement.

(e) The Company is purchasing the Series 2019 Bonds to be delivered to it hereunder for investment solely for its own account and not with a view to, or for resale in connection with the distribution thereof. The Company understands that the Series 2019 Bonds have not been registered under the securities laws of any state or under the provisions of Section 5 of the Securities Act of 1933, as amended (the "Act"), and that the Series 2019 Bonds may not be transferred unless they are subsequently registered under the Act and all applicable state laws requiring registration as a condition of resale, or unless an exemption from such registration is available, with the consequence that the Company may therefore need to bear the risks of its investment for an indefinite time. The Company also understands that no trading market now exists for the Series 2019 Bonds.

(f) The Company acknowledges and agrees that no transfer, sale, assignment or hypothecation of any Series 2019 Bond or Bonds shall be made unless: 1) there shall have been delivered to the Company and the Trustee prior to the transfer, sale, assignment or hypothecation an opinion of nationally recognized bond counsel, satisfactory to the Company and the Trustee, to the effect that registration under the Securities Act of 1933 and registration under any applicable state securities law or laws is not required; or 2) there shall be a registration statement in effect under the Securities Act of 1933 and under any applicable state securities laws requiring a state-level registration statement with respect to the transfer, assignment, sale or hypothecation, and in the case of both 1) and 2), there shall have been compliance with all applicable state and federal securities laws and all applicable rules and regulations thereunder. The Company further acknowledges that the Trustee shall be deemed to be under "stop transfer" orders with respect to any requested transfer of any Series 2019 Bond or Bonds unless and until the Trustee has been furnished satisfactory proof of compliance with the foregoing conditions for transfer.

(g) The Company has undertaken to verify the accuracy, completeness and truth of any and all statements made or omitted to be made concerning any of the material facts relating to this transaction, including information regarding its business and financial condition, and warrants and acknowledges that it is not relying on any other party or person to undertake the furnishing or verification of information relating to this transaction.

**2.2. Payment of Expenses.** Whether or not the purchase herein contemplated shall be consummated, the Company will pay all expenses incurred in connection with the preparation of this Agreement, the Series 2019 Bonds, the Sixteenth Supplemental Indenture and the Sixteenth Supplemental Lease and all amendments, waivers, consents or supplements thereto, the execution and delivery of said instruments, the recording and filing of any of said instruments and all supplements thereto, the delivery of all opinions required hereunder, and stamp and other taxes, if any, incident to the transactions herein contemplated, and will indemnify and hold the holders of the Series 2019 Bonds harmless against any liabilities with respect to such taxes.

If the Purchaser surrenders any Series 2019 Bond to the City or the Trustee pursuant to the Indenture, the Company will pay the cost of delivering to or from the home office of the Purchaser and from or to the City, insured to the Purchaser's satisfaction, the surrendered Series 2019 Bond and any Series 2019 Bond issued in substitution or replacement for the surrendered Series 2019 Bond.

### **PART III**

**3.1. Condition of Obligations.** The obligation of the Purchaser to purchase and pay for the Series 2019 Bonds on the Closing Date shall be subject to the accuracy of the respective representations and warranties of the City herein contained and to the satisfaction prior to or concurrently with said purchase and payment of the following further conditions:

(a) The Purchaser shall have received from Gilmore & Bell, P.C., Bond Counsel, a favorable opinion dated as of the Closing Date, addressed to the City and the Purchaser and in form and substance satisfactory to the City and the Purchaser.

(b) The Purchaser shall have received from counsel for the City in connection with this transaction, a favorable opinion dated as of the Closing Date, addressed to the City and the Purchaser and in form and substance satisfactory to the City and the Purchaser.

(c) The representations and warranties of the Company contained in Part II hereof shall be true on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date.

(d) The City's representations and warranties contained herein shall be true on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date.

(e) The City shall not be in default under this Agreement, the Indenture or the Lease.

(f) The City and the Trustee shall have executed and delivered the Sixteenth Supplemental Indenture substantially in the form thereof furnished the Purchaser, with such changes, if any, as shall be approved by the City, the Company and the Purchaser.

(g) The City shall have executed and delivered the Sixteenth Supplemental Lease substantially in the form thereof furnished the Purchaser, with such changes, if any, as shall be approved by the City and the Purchaser.

**3.2. Home Office Payment.** The City and the Company agree that, so long as the Purchaser shall be the registered owner of any Series 2019 Bond and notwithstanding anything contained herein, in the Lease or in the Indenture or in such Series 2019 Bond to the contrary, the City and the Company will, unless and until the Purchaser shall request otherwise, pay or cause to be paid all sums (except the final payment) becoming due on such Series 2019 Bond for principal, premium, if any, and interest, without surrender or presentation of such Series 2019 Bond to the Trustee, by wire transfer in Federal or other immediately available funds, specifying that such funds are on account of principal, premium and/or interest (as the case may be), due on the Series 2019 Bonds, to such account as the Purchaser may specify in notice to the Company and the Trustee. The Purchaser agrees to furnish to the Trustee before the Closing Date its Federal taxpayer identification number.

**3.3. Additional Bonds.** The City reserves the right, at the request of the Company, to issue its additional industrial revenue bonds in accordance with the provisions of the Indenture.

#### **3.4. Miscellaneous**

(a) All covenants, agreements, representations, and warranties made herein and in the certificates delivered pursuant hereto shall survive the purchase by the Purchaser of the Series 2019 Bonds and shall continue in full force and effect so long as any of such Bonds are outstanding and unpaid; and all covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

(b) All communications (other than payments) provided for hereunder shall be in writing and, if to the Purchaser and Company, delivered or mailed to the Purchaser and Company at the office of the Secretary, Textron Aviation Inc., One Cessna Boulevard, Building C1, Wichita, Kansas 67215, or if to the City delivered or mailed addressed to the City, City Hall, 811 West Laurel Street, Independence, Kansas 67301 Attention: City Clerk, or at such other address as any of the parties hereto may hereafter designate by notice to the other parties hereto in writing.

(c) This Agreement may not be changed orally but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(d) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

*[Remainder of this page intentionally left blank]*

Upon the Purchaser signing the form of acceptance on the enclosed counterparts of the Agreement and returning counterparts to the City, this Agreement shall become a binding agreement between the parties hereto as of the date first above written.

**CITY OF INDEPENDENCE, KANSAS**

Attest:

By \_\_\_\_\_  
Louis Ysusi, Mayor

\_\_\_\_\_  
David Schwenker, City Clerk

**TEXTRON AVIATION INC.**

By \_\_\_\_\_  
Jodi S. Noah, Vice President and Controller

**ATTEST:**

\_\_\_\_\_  
Sherry L. Fleming, Assistant Secretary

**CITY OF INDEPENDENCE, KANSAS**

**AS ISSUER**

**AND**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**

**AS TRUSTEE**

**SIXTEENTH SUPPLEMENTAL TRUST INDENTURE**

**DATED AS OF DECEMBER 17, 2019**

**\$1,200,000**  
**TAXABLE INDUSTRIAL REVENUE BONDS**  
**SERIES 2019**  
**(TEXTRON AVIATION INC.)**

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# SIXTEENTH SUPPLEMENTAL TRUST INDENTURE

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## SIXTEENTH SUPPLEMENTAL TRUST INDENTURE

**THIS SIXTEENTH SUPPLEMENTAL TRUST INDENTURE**, dated as of December 17, 2019 (the "Sixteenth Supplemental Trust Indenture"), between the City of Independence, Kansas, a municipal corporation duly organized and existing under the laws of the State of Kansas (the "City" or "Issuer"), and The Bank of New York Mellon Trust Company, N.A., as successor trustee to INTRUST Bank, N.A., a national banking association duly organized and existing under the laws of United States, with an office located in St. Louis, Missouri, as Trustee (the "Trustee");

### WITNESSETH:

**WHEREAS**, the Issuer is authorized by K.S.A. 12-1740 *et seq.* as amended (the "Act"), to acquire, construct, improve 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, to issue revenue bonds for the purpose of paying the cost of any such facilities, and to refund revenue bonds previously issued for such purposes; and

**WHEREAS**, pursuant to the Act, the Issuer's Governing Body has heretofore: (1) authorized the issuance of its Taxable Industrial Revenue Bonds (The Cessna Aircraft Company) in the aggregate principal amount of not to exceed \$65,000,000 pursuant to Resolution No. 95-07 dated March 28, 1995; and (2) authorized the issuance of its Taxable Industrial Revenue Bonds (Cessna Aircraft Company) in the aggregate principal amount of not to exceed \$10,000,000 pursuant to Resolution No. 2000-36 dated December 7, 2000, all for the purpose of purchasing, acquiring, constructing and installing certain industrial and commercial facilities (the "Facility"), said Facility to be leased by the City to Textron Aviation Inc., as successor by merger to Cessna Aircraft Company (formerly The Cessna Aircraft Company), a Kansas corporation (the "Company"); and

**WHEREAS**, the Issuer has heretofore issued its Taxable Industrial Revenue Bonds, Series A, 1995 (The Cessna Aircraft Company) in the aggregate principal amount of \$40,000,000 (the "Series 1995 Bonds") for the purpose of constructing the Facility; and

**WHEREAS**, pursuant to an Ordinance dated December 12, 1996 (the "1996 Ordinance"), the Issuer authorized the issuance of its first series of the Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series B, 1996, (The Cessna Aircraft Company), in the aggregate principal amount of \$13,000,000 (the "Series B, 1996 Bonds"), for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the "1996 Project"), and authorizing the Issuer to lease the 1996 Project to the Company; and

**WHEREAS**, pursuant to the 1996 Ordinance, the Issuer authorized (i) the execution and delivery of a Trust Indenture dated December 20, 1996 (the "1996 Indenture"), by and between the City and The Bank of New York Trust Company, N.A. (successor trustee to Boatmen's National Bank), Wichita, Kansas, (the "Trustee"), for the purpose of issuing and securing the Series B, 1996 Bonds, and (ii) the execution and delivery of a Lease Agreement dated December 20, 1996 (the "1996 Lease"), by and between the City, as lessor and the Company, as lessee under which the proceeds of the Series B, 1996 Bonds were used to pay the costs of the 1996 Project; and

**WHEREAS**, the Series B, 1996 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 1996 Project; and

**WHEREAS**, pursuant to an Ordinance dated December 12, 1997 (the "1997 Ordinance"), the Issuer authorized the issuance of its second series of Bonds, designated the City of Independence, Kansas,

Taxable Industrial Revenue Bonds, Series 1997 (The Cessna Aircraft Company), in the aggregate principal amount of \$8,100,000 (the "Series 1997 Bonds") for the purpose of purchasing, acquiring constructing and installing certain equipment and tooling at the Facility (the "1997 Project Additions"); and

**WHEREAS**, pursuant to the 1997 Ordinance, the Issuer authorized (i) the execution and delivery of a First Supplemental Trust Indenture dated December 18, 1997 (the "First Supplemental Trust Indenture") by and between the Issuer and the Trustee, amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 1997 Bonds, and (ii) the execution and delivery of a First Supplemental Lease dated as of December 18, 1997 (the "First Supplemental Lease") by and between the City and the Company, amending and supplementing the 1996 Lease, under which the proceeds of the Series 1997 Bonds were used to pay the costs of the 1997 Project Additions; and

**WHEREAS**, the Series 1997 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 1997 Project Additions, the First Supplemental Trust Indenture has been cancelled and released, and the First Supplemental Lease has been terminated and released.

**WHEREAS**, pursuant to an Ordinance dated December 10, 1998 (the "1998 Ordinance"), the Issuer authorized the issuance of its third series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 1998 (The Cessna Aircraft Company), in the aggregate principal amount of \$1,850,000 (the "Series 1998 Bonds") for the purpose of purchasing, acquiring constructing and installing certain equipment and tooling at the Facility (the "1998 Project Additions"); and

**WHEREAS**, pursuant to the 1998 Ordinance, the Issuer authorized (i) the execution and delivery of a Second Supplemental Trust Indenture dated December 18, 1998 (the "Second Supplemental Trust Indenture") by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 1998 Bonds, and (ii) the execution and delivery of a Second Supplemental Lease dated as of December 17, 1998 (the "Second Supplemental Lease") by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 1998 Bonds were used to pay the costs of the 1998 Project Additions; and

**WHEREAS**, the Series 1998 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 1998 Project Additions, the Second Supplemental Trust Indenture has been cancelled and released, and the Second Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to an Ordinance dated December 9, 1999 (the "1999 Ordinance"), the Issuer authorized the issuance of its fourth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 1999 (The Cessna Aircraft Company), in the aggregate principal amount of \$567,000 (the "Series 1999 Bonds") for the purpose of purchasing, acquiring constructing and installing certain equipment and tooling at the Facility (the "1999 Project Additions"); and

**WHEREAS**, pursuant to the 1999 Ordinance, the Issuer authorized (i) the execution and delivery of a Third Supplemental Trust Indenture dated December 15, 1999 (the "Third Supplemental Trust Indenture") by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 1999 Bonds, and (ii) the execution and delivery of a Third Supplemental Lease dated as of December 15, 1999 (the "Third Supplemental Lease") by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 1999 Bonds were used to pay the costs of the 1999 Project Additions; and

**WHEREAS**, the Series 1999 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 1999 Project Additions, the Third Supplemental Trust Indenture has been cancelled and released, and the Third Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to an Ordinance dated December 7, 2000 (the “2000 Ordinance”), the Issuer authorized the issuance of its fifth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2000 (Cessna Aircraft Company), in the aggregate principal amount of \$273,000 (the “Series 2000 Bonds”) for the purpose of purchasing, acquiring constructing and installing certain equipment and tooling at the Facility (the “2000 Project Additions”); and

**WHEREAS**, pursuant to the 2000 Ordinance, the Issuer authorized (i) the execution and delivery of a Fourth Supplemental Trust Indenture dated December 22, 2000 (the “Fourth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2000 Bonds, and (ii) the execution and delivery of a Fourth Supplemental Lease dated as of December 22, 2000 (the “Fourth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2000 Bonds were used to pay the costs of the 2000 Project Additions; and

**WHEREAS**, the Series 2000 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 2000 Project Additions, the Fourth Supplemental Trust Indenture has been cancelled and released, and the Fourth Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to an Ordinance dated December 4, 2003 (the “2003 Ordinance”), the Issuer authorized the issuance of its sixth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2003 (Cessna Aircraft Company), in the aggregate principal amount of \$360,000 (the “Series 2003 Bonds”) for the purpose of purchasing, acquiring constructing and installing certain equipment and tooling at the Facility (the “2003 Project Additions”); and

**WHEREAS**, pursuant to the 2003 Ordinance, the Issuer authorized (i) the execution and delivery of a Fifth Supplemental Trust Indenture dated December 19, 2003 (the “Fifth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2003 Bonds, and (ii) the execution and delivery of a Fifth Supplemental Lease dated as of December 19, 2003 (the “Fifth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2003 Bonds were used to pay the costs of the 2003 Project Additions; and

**WHEREAS**, the Series 2003 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 2003 Project Additions, the Fifth Supplemental Trust Indenture has been cancelled and released, and the Fifth Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to Resolution No. 2004-29 of the City, the Issuer 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 additional taxable industrial revenue bonds, in one or more series, for the purpose of financing further additions and/or further equipping the Facility to allow for the production of jet aircraft, the aggregate principal amount of such additional bonds not to exceed \$30,000,000 (including any remaining authority pursuant to Resolution Nos. 95-07 and 2000-36) and

**WHEREAS**, pursuant to such authorization, the Issuer has heretofore issued its second series of Taxable Industrial Revenue Bonds, Series 2005 (Cessna Aircraft Company) in the aggregate principal amount of not to exceed \$20,500,000 (the “Series 2005 Bonds”) for the purpose of purchasing, acquiring, constructing, equipping and installing modifications to the Facility to enable the production of jet aircraft; and

**WHEREAS**, the Series 1995 Bonds and Series 2005 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the Facility and has entered into a Site Lease with the Issuer to provide the Issuer a leasehold interest in the Facility; and

**WHEREAS**, pursuant to an Ordinance dated December 15, 2005 (the “2005B Ordinance”), the Issuer authorized the issuance of its seventh series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series B, 2005 (Cessna Aircraft Company), in the aggregate principal amount of \$12,700,605 (the “Series B, 2005 Bonds”) for the purpose of purchasing, acquiring constructing and installing certain equipment and tooling at the Facility (the “2005B Project Additions”); and

**WHEREAS**, pursuant to the 2005B Ordinance, the Issuer authorized (i) the execution and delivery of a Sixth Supplemental Trust Indenture dated December 22, 2005 (the “Sixth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2005B Bonds, and (ii) the execution and delivery of a Sixth Supplemental Lease dated as of December 22, 2005 (the “Sixth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2005B Bonds were used to pay the costs of the 2005B Project Additions; and

**WHEREAS**, the Series 2005B Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 2005B Project Additions, the Sixth Supplemental Trust Indenture has been cancelled and released, and the Sixth Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to Resolution No. 2006-62 of the City, the Issuer 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 additional taxable industrial revenue bonds, in one or more series, for the purpose of financing further additions and/or further equipping the Facility to allow for the production of jet aircraft, the aggregate principal amount of such additional bonds not to exceed \$75,000,000; and

**WHEREAS**, pursuant to an Ordinance dated December 14, 2006 (the “2006 Ordinance”), the Issuer authorized the issuance of its eighth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2006 (Cessna Aircraft Company), in the aggregate principal amount of \$1,600,000 (the “Series 2006 Bonds”) for the purpose of purchasing, acquiring constructing and installing certain equipment and tooling at the Facility (the “2006 Project Additions”); and

**WHEREAS**, pursuant to the 2006 Ordinance, the Issuer authorized (i) the execution and delivery of a Seventh Supplemental Trust Indenture dated December 21, 2006 (the “Seventh Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2006 Bonds, and (ii) the execution and delivery of a Seventh Supplemental Lease dated as of December 21, 2006 (the “Seventh Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2006 Bonds were used to pay the costs of the 2006 Project Additions; and

**WHEREAS**, the Series 2006 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 2006 Project Additions, the Seventh Supplemental Trust Indenture has been cancelled and released, and the Seventh Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to an Ordinance passed and approved on December 13, 2007 (the “2007 Ordinance”), the Issuer authorized the issuance of its ninth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2007 (Cessna Aircraft Company), in the

aggregate principal amount of \$1,492,100 (the “Series 2007 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2007 Project”); and

**WHEREAS**, pursuant to the 2007 Ordinance, the Issuer authorized (i) the execution and delivery of an Eighth Supplemental Trust Indenture dated December 20, 2007 (the “Eighth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2007 Bonds, and (ii) the execution and delivery of an Eighth Supplemental Lease dated as of December 20, 2007 (the “Eighth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2007 Bonds were used to pay the costs of the 2007 Project Additions; and

**WHEREAS**, the Series 2007 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 2007 Project Additions, the Eighth Supplemental Trust Indenture has been cancelled and released, and the Eighth Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to an Ordinance passed and approved on December 11, 2008 (the “2008 Ordinance”), the Issuer authorized the issuance of its tenth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2008 (Cessna Aircraft Company), in the aggregate principal amount of \$3,120,000 (the “Series 2008 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2008 Project”); and

**WHEREAS**, pursuant to the 2008 Ordinance, the Issuer authorized (i) the execution and delivery of a Ninth Supplemental Trust Indenture dated December 18, 2008 (the “Ninth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2008 Bonds, and (ii) the execution and delivery of a Ninth Supplemental Lease dated as of December 18, 2008 (the “Ninth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2008 Bonds were used to pay the costs of the 2008 Project Additions; and

**WHEREAS**, the Series 2008 Bonds no longer remain Outstanding and the Company has exercised its option to purchase the 2008 Project Additions, the Ninth Supplemental Trust Indenture has been cancelled and released, and the Ninth Supplemental Lease has been terminated and released; and

**WHEREAS**, pursuant to an Ordinance passed and approved on December 10, 2012 (the “2012 Ordinance”), the Issuer authorized the issuance of its eleventh series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2012 (Cessna Aircraft Company), in the aggregate principal amount of \$3,800,000 (the “Series 2012 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2012 Project”); and

**WHEREAS**, pursuant to the 2012 Ordinance, the Issuer authorized (i) the execution and delivery of a Tenth Supplemental Trust Indenture dated December 14, 2012 (the “Tenth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2012 Bonds, and (ii) the execution and delivery of a Tenth Supplemental Lease dated as of December 14, 2012 (the “Tenth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2012 Bonds were used to pay the costs of the 2012 Project Additions; and

**WHEREAS**, pursuant to Resolution No. 2013-09 of the City, the Issuer 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 additional taxable industrial revenue bonds, in one or more series, for the purpose of financing further additions and/or further equipping the Facility to allow for the production of jet aircraft, the aggregate principal amount of such additional bonds not to exceed \$30,600,000 (including any remaining authority pursuant to Resolution Nos. 95-07, 2000-36 and 2006-62) and

**WHEREAS**, pursuant to an Ordinance passed and approved on December 11, 2014 (the “2014 Ordinance”), the Issuer authorized the issuance of its twelfth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2014 (Cessna Aircraft Company), in the aggregate principal amount of \$1,000,000 (the “Series 2014 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2014 Project”); and

**WHEREAS**, pursuant to the 2014 Ordinance, the Issuer authorized (i) the execution and delivery of an Eleventh Supplemental Trust Indenture dated December 18, 2014 (the “Eleventh Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2014 Bonds, and (ii) the execution and delivery of an Eleventh Supplemental Lease dated as of December 18, 2014 (the “Eleventh Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2014 Bonds were used to pay the costs of the 2014 Project Additions; and

**WHEREAS**, pursuant to an Ordinance passed and approved on November 19, 2015 (the “2015 Ordinance”), the Issuer authorized the issuance of its thirteenth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2015 (Cessna Aircraft Company), in the aggregate principal amount of \$625,000 (the “Series 2015 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2015 Project”); and

**WHEREAS**, pursuant to the 2015 Ordinance, the Issuer authorized (i) the execution and delivery of a Twelfth Supplemental Trust Indenture dated December 17, 2015 (the “Twelfth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2015 Bonds, and (ii) the execution and delivery of a Twelfth Supplemental Lease dated as of December 17, 2015 (the “Twelfth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2015 Bonds were used to pay the costs of the 2015 Project Additions; and

**WHEREAS**, pursuant to an Ordinance passed and approved on November 8, 2016 (the “2016 Ordinance”), the Issuer authorized the issuance of its fourteenth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2016 (Cessna Aircraft Company), in the aggregate principal amount of \$420,000 (the “Series 2016 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2016 Project”); and

**WHEREAS**, pursuant to the 2016 Ordinance, the Issuer authorized (i) the execution and delivery of a Thirteenth Supplemental Trust Indenture dated December 15, 2016 (the “Thirteenth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2016 Bonds, and (ii) the execution and delivery of a Thirteenth Supplemental Lease dated as of December 15, 2016 (the “Thirteenth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2016 Bonds were used to pay the costs of the 2016 Project Additions; and

**WHEREAS**, pursuant to an Ordinance passed and approved on November 9, 2017 (the “2017 Ordinance”), the Issuer authorized the issuance of its fifteenth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2017 (Textron Aviation Inc.), in the aggregate principal amount of \$625,000 (the “Series 2017 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2017 Project”); and

**WHEREAS**, pursuant to the 2017 Ordinance, the Issuer authorized (i) the execution and delivery of a Fourteenth Supplemental Trust Indenture dated December 15, 2017 (the “Fourteenth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2017 Bonds, and (ii) the execution and delivery of a Fourteenth Supplemental Lease dated as of December 15, 2017 (the “Fourteenth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2017 Bonds were used to pay the costs of the 2017 Project Additions; and

**WHEREAS**, pursuant to an Ordinance passed and approved on November 20, 2018 (the “2018 Ordinance”), the Issuer authorized the issuance of its sixteenth series of Bonds, designated the City of Independence, Kansas, Taxable Industrial Revenue Bonds, Series 2018 (Textron Aviation Inc.), in the aggregate principal amount of \$850,000 (the “Series 2018 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment and tooling at the Facility (the “2018 Project”); and

**WHEREAS**, pursuant to the 2018 Ordinance, the Issuer authorized (i) the execution and delivery of a Fifteenth Supplemental Trust Indenture dated December 14, 2018 (the “Fifteenth Supplemental Trust Indenture”) by and between the Issuer and the Trustee, further amending and supplementing the 1996 Indenture, for the purpose of issuing and securing the Series 2018 Bonds, and (ii) the execution and delivery of a Fifteenth Supplemental Lease dated as of December 14, 2018 (the “Fifteenth Supplemental Lease”) by and between the City and the Company, further amending and supplementing the 1996 Lease, under which the proceeds of the Series 2018 Bonds were used to pay the costs of the 2018 Project Additions; and

**WHEREAS**, pursuant to the Act, the Issuer’s governing body passed and approved an Ordinance on December 12, 2019 (the “2019 Ordinance”) authorizing the Issuer to issue its Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.) in the aggregate principal amount of \$1,200,000 (the “Series 2019 Bonds”) for the purpose of purchasing, acquiring, constructing and installing certain equipment, tooling and improvements at the Facility (the “2019 Project Additions”) the 2012 Project Additions, the 2014 Project Additions, the 2015 Project Additions, the 2016 Project Additions, the 2017 Project Additions, the 2018 Project Additions and any other Project Additions collectively referred to as the “Project”) and authorizing the Issuer to lease the 2019 Project Additions to the Company pursuant to a Sixteenth Supplemental Lease (the “Sixteenth Supplemental Lease”); and

**WHEREAS**, pursuant to the 2019 Ordinance, the Issuer is authorized to execute and deliver this Sixteenth Supplemental Trust Indenture for the purpose of issuing and securing the Series 2019 Bonds, as hereinafter provided; and

**WHEREAS**, this Sixteenth Supplemental Trust Indenture further supplements the 1996 Indenture, the Ninth Supplemental Trust Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Trust Indenture, the Twelfth Supplemental Trust Indenture, the Thirteenth Supplemental Trust Indenture, the Fourteenth Supplemental Trust Indenture and the Fifteenth Supplemental Trust Indenture (said 1996 Indenture, as supplemented and amended, including by this Sixteenth Supplemental Trust Indenture collectively referred to as the “Indenture”); and

**WHEREAS**, pursuant to the Indenture, the Series 2019 Bonds shall be equally and ratably secured and on a parity with the Series 2012 Bonds, Series 2014 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2018 Bonds and any Additional Bonds; and

**WHEREAS**, the parties hereto acknowledge that Cessna Aircraft Company was a wholly owned subsidiary of Textron Aviation Inc., a Kansas corporation, and that Textron Aviation Inc. has become the successor by merger to Cessna Aircraft Company; and

**WHEREAS**, the parties hereto believe that all things necessary to make the Series 2019 Bonds herein authorized, when authenticated by the Trustee and issued as provided in this Sixteenth Supplemental Trust Indenture, the valid and legally binding limited obligations of the Issuer, and to constitute the Indenture a valid and legally binding pledge and assignment of the Trust Estate therein made for the security of the payment of the principal of, premium, if any, and interest on the Bonds issued under the Indenture, have been done and performed, and that the execution and delivery of this Sixteenth Supplemental Trust Indenture and the execution and issuance of the Series 2019 Bonds, and any further Project Additions subject to the terms hereof, have in all respects been duly authorized.

**NOW, THEREFORE, THIS SIXTEENTH SUPPLEMENTAL TRUST INDENTURE WITNESSETH:**

#### **GRANTING CLAUSES**

That the Issuer, 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 of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on all of the Bonds issued and Outstanding under the Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the Issuer of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby pledge and assign unto the Trustee and its successors and assigns forever, the property described in paragraphs (a), (b) and (c) below (said property being herein referred to as the "Trust Estate"), to wit:

(a) The Issuer's right, title and interest in and to the Project.

(b) All right, title and interest of the Issuer in, to and under the Lease (except the Issuer's right to indemnity thereunder), and all rents, revenues and receipts derived by the Issuer from the Project including, without limitation, all Rental Payments derived by the Issuer under and pursuant to and subject to the provisions of the Lease (except for the rights of the Issuer to indemnify and to receive moneys for its own account under the Lease); provided that the pledge and assignment hereby made shall not impair or diminish the obligations of the Issuer under the provisions of the Lease.

(c) All moneys and securities from time to time held by the Trustee under the terms of the Indenture, and any and all other real or personal property 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 Issuer 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 pledged and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and assigns forever;

**IN TRUST NEVERTHELESS**, upon the terms and subject to the conditions herein set forth, for the equal and proportionate benefit, protection and security of all Owners from time to time of the Bonds issued and Outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds except as expressly provided in or permitted by the Indenture;

**PROVIDED, HOWEVER**, that if the Issuer shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on all the Bonds, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, or shall provide for the payment thereof (as provided in Article XIII hereof), and shall pay or cause to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Sixteenth Supplemental Trust Indenture shall be and remain in full force and effect.

**THIS SIXTEENTH SUPPLEMENTAL TRUST 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 Issuer 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**

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

**"Additional Bonds"** means any Bonds issued in addition to the Series 2012 Bonds, the Series 2014 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2018 Bonds and the Series 2019 Bonds pursuant to the provisions of the Indenture.

**"Bonds"** means, collectively, the Series 2012 Bonds authorized by the Tenth Supplemental Trust Indenture, the Series 2014 Bonds authorized by the Eleventh Supplemental Trust Indenture, the Series 2015 Bonds authorized by the Twelfth Supplemental Trust Indenture, the Series 2016 Bonds authorized by the Thirteenth Supplemental Trust Indenture, the Series 2017 Bonds authorized by the Fourteenth Supplemental Trust Indenture, the Series 2018 Bonds authorized by the Fifteenth Supplemental Trust Indenture, the Series 2019 Bonds authorized hereby and any other Additional Bonds.

**"Company"** means Textron Aviation Inc., successor by merger to Cessna Aircraft Company (formerly The Cessna Aircraft Company), a Kansas corporation.

**"Completion Date"** means the date of completion of the 2019 Project Additions established as such pursuant to the provisions of the Lease.

**"Eleventh Supplemental Lease"** means the Eleventh Supplemental Lease dated as of December 18, 2014, by and between the Issuer and the Company, further supplementing and amending the 1996 Lease.

**“Eleventh Supplemental Trust Indenture”** means the Eleventh Supplemental Trust Indenture dated as of December 18, 2014, by and between the Issuer and the Trustee, further supplementing and amending the 1996 Indenture.

**"Facility"** means the facility for the production of single engine piston and jet aircraft located on the real property described in paragraph (b) of *Schedule I* attached to the Sixteenth Supplemental Lease and leased to the Company pursuant to the Site Lease.

**"Fifteenth Supplemental Lease"** means the Fifteenth Supplemental Lease dated as of December 14, 2018, by and between the Issuer and the Company, further supplementing and amending the 1996 Lease.

**“Fifteenth Supplemental Trust Indenture”** means the Fifteenth Supplemental Trust Indenture dated as of December 14, 2018, by and between the Issuer and the Trustee, further supplementing and amending the 1996 Indenture.

**“Fourteenth Supplemental Trust Indenture”** means the Fourteenth Supplemental Trust Indenture dated as of December 15, 2017, by and between the Issuer and the Trustee, further supplementing and amending the 1996 Indenture.

**"Fourteenth Supplemental Lease"** means the Fourteenth Supplemental Lease dated as of December 15, 2017, by and between the Issuer and the Company, further supplementing and amending the 1996 Lease.

**"Government Securities"** means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

**"Indenture"** means, collectively, the 1996 Indenture, as supplemented and amended from time to time in accordance with the provisions thereof, including by this Sixteenth Supplemental Indenture.

**"Interest Payment Date"** means, for purposes of the Series 2019 Bonds, June 15 and December 15 of each year, commencing June 15, 2020 and continuing until the principal of and premium, if any, and interest on the Series 2019 Bonds have been paid

**"Lease"** means, collectively, the 1996 Lease, as supplemented and amended from time to time in accordance with the provisions thereof, including by this Sixteenth Supplemental Lease.

**"1996 Indenture"** means that certain Trust Indenture dated as of December 20, 1996, by and between the Issuer and the Trustee.

**"1996 Lease"** means the Lease Agreement dated as of December 20, 1996, between the Issuer and the Company.

**"1996 Ordinance"** means Ordinance No. 3744 passed December 12, 1996 authorizing the 1996 Indenture and 1996 Lease.

**"Original Purchaser"** means Textron Aviation Inc., successor by merger to Cessna Aircraft Company (formerly The Cessna Aircraft Company), a Kansas corporation.

**"Principal and Interest Payment Account"** means "City of Independence, Kansas, Principal and Interest Payment Account (Cessna Aircraft Company)" created pursuant to Section 601 of the 1996 Indenture.

**"Principal Payment Date"** means, with respect to the Series 2019 Bonds, June 15, 2030.

**"Project"** means the 2012 Project Additions, the 2014 Project Additions, the 2015 Project Additions, the 2016 Project Additions, the 2017 Project Additions, the 2018 Project Additions, the 2019 Project Additions and any other Project Additions.

**"Project Additions"** means any additional improvements acquired, constructed or installed from proceeds of any Additional Bonds authorized and issued pursuant to the Indenture.

**"Project Fund"** means the account authorized and established with the Trustee pursuant to the Indenture and designated the "City of Independence, Kansas, Project Fund (Cessna Aircraft Company)".

**"Series 2012 Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2012 (Cessna Aircraft Company) issued in the original principal amount of \$3,800,000.

**"Series 2014 Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2014 (Cessna Aircraft Company) issued in the original principal amount of \$1,000,000.

**"Series 2015 Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2015 (Cessna Aircraft Company) issued in the original principal amount of \$625,000.

**"Series 2016 Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2016 (Cessna Aircraft Company) issued in the original principal amount of \$420,000.

**"Series 2017 Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2017 (Textron Aviation Inc.) issued in the original principal amount of \$625,000.

**"Series 2018 Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2018 (Textron Aviation Inc.) issued in the original principal amount of \$850,000.

**"Series 2019 Bonds"** means the Issuer's Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.) issued in the original principal amount of \$1,200,000.

**"Site Lease"** means the Site Lease dated as of November 1, 2017 by and between Textron Aviation Inc., as lessor, and the City of Independence, Kansas, as lessee.

**"Sixteenth Supplemental Lease"** means the Sixteenth Supplemental Lease dated as of December 17, 2019, by and between the Issuer and the Company, further supplementing and amending the 1996 Lease.

**"Sixteenth Supplemental Trust Indenture"** means the Sixteenth Supplemental Trust Indenture dated as of December 17, 2019, by and between the Issuer and the Trustee, further supplementing and amending the 1996 Indenture.

**"Tenth Supplemental Trust Indenture"** means the Tenth Supplemental Trust Indenture dated as of December 14, 2012, by and between the Issuer and the Trustee, further supplementing and amending the 1996 Indenture.

**"Tenth Supplemental Lease"** means the Tenth Supplemental Lease dated as of December 14, 2012, by and between the Issuer and the Company, further supplementing and amending the 1996 Lease.

**“Thirteenth Supplemental Trust Indenture”** means the Thirteenth Supplemental Trust Indenture dated as of December 15, 2016, by and between the Issuer and the Trustee, further supplementing and amending the 1996 Indenture.

**"Thirteenth Supplemental Lease"** means the Thirteenth Supplemental Lease dated as of December 15, 2016, by and between the Issuer and the Company, further supplementing and amending the 1996 Lease.

**"Trust Estate"** means the Trust Estate described in the Granting Clauses of the Indenture.

**"Trustee"** presently means The Bank of New York Mellon Trust Company, N.A., with an office in St. Louis, Missouri, in its capacity as trustee, bond registrar and fiscal agent and its successor or successors, predecessor trustee, and any other corporation or association which at the time may be substituted in its place pursuant to and at the time serving as Trustee under the Indenture.

**“Twelfth Supplemental Trust Indenture”** means the Twelfth Supplemental Trust Indenture dated as of December 17, 2015, by and between the Issuer and the Trustee, further supplementing and amending the 1996 Indenture.

**"Twelfth Supplemental Lease"** means the Twelfth Supplemental Lease dated as of December 17, 2015, by and between the Issuer and the Company, further supplementing and amending the 1996 Lease.

**"2012 Ordinance"** means Ordinance No. 4138 passed December 6, 2012 authorizing the issuance of the Series 2012 Bonds.

**"2014 Ordinance"** means Ordinance No. 4188 passed December 11, 2014 authorizing the issuance of the Series 2014 Bonds.

**"2015 Ordinance"** means Ordinance No. 4210 passed November 19, 2015 authorizing the issuance of the Series 2015 Bonds.

**"2016 Ordinance"** means Ordinance No. 4234 passed December 8, 2016 authorizing the issuance of the Series 2016 Bonds.

**"2017 Ordinance"** means Ordinance No. 4256 passed November 9, 2017 authorizing the issuance of the Series 2017 Bonds.

**"2018 Ordinance"** means Ordinance No. 4281 passed November 20, 2018 authorizing the issuance of the Series 2018 Bonds.

**"2019 Ordinance"** means Ordinance No. 4314 passed December 12, 2019 authorizing the issuance of the Series 2019 Bonds.

**"2019 Project Additions"** means and includes the building improvements, machinery, equipment and tooling acquired, constructed, purchased or installed with the proceeds of the Series 2019 Bonds as more particularly described as more particularly described on ***Schedule I*** attached to the Sixteenth Supplemental Lease.

## **Section 102. Rules of Interpretation.**

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(b) Wherever herein it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(c) All references in this instrument to designated "Articles", "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this instrument as originally executed. The words "herein", "hereof", "hereunder" and other words of similar import refer to the Indenture as a whole and not to any particular Article, Section or subdivision.

(d) The Table of Contents and the Article and Section headings of this Sixteenth Supplemental Trust Indenture shall not be treated as a part of this Sixteenth Supplemental Trust Indenture or as affecting the true meaning of the provisions hereof.

## **ARTICLE II**

### **THE SERIES 2019 BONDS**

#### **Section 201. Limited Nature of Obligations.**

The Series 2019 Bonds and the interest thereon shall be limited obligations of the Issuer payable solely and only from the net earnings and revenues derived by the Issuer from the Project, including but not limited to the rents, revenues and receipts under the Lease (including, in certain circumstances, Bond proceeds and income from the temporary investment thereof and proceeds and income from condemnation awards), and are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owners of the Bonds, as provided in the Indenture. The Series 2019 Bonds and the interest thereon shall not be a debt or general obligation of Issuer or the State, or any municipal corporation thereof, and neither the Bonds, the interest thereon, nor any judgment thereon or with respect thereto, are payable in any manner from taxation of any kind or character or any other funds or revenues of the Issuer that do not constitute a part of the Trust Estate. The Series 2019 Bonds shall not constitute an indebtedness or a pledge of the faith and credit of Issuer, the State or any municipal corporation thereof, within the meaning of any constitutional or statutory limitation or restriction. The Series 2019 Bonds are equally and ratably secured and on a parity with the Series 2012 Bonds, the Series 2014 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2018 Bonds and any Additional Bonds.

#### **Section 202. Authorization of Series 2019 Bonds.**

(a) There shall be issued and secured by this Sixteenth Supplemental Trust Indenture a series of Bonds in the aggregate principal amount of \$1,200,000 for the purpose of providing funds for paying the cost of the 2019 Project Additions, which series of Bonds shall be designated "Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.)" (herein called the "Series 2019 Bonds"). The Series 2019 Bonds shall initially be issued as one bond in the denomination of \$1,200,000, shall be dated the date of their issuance and delivery, shall become due on June 15, 2030 (subject to prior redemption as hereinafter

provided in Article III) and shall bear interest at the rate of 6.00% per annum (computed on the basis of a 360-day year of twelve 30-day months). Interest shall be payable semiannually on the Interest Payment Dates on the unpaid principal amount thereof from the next preceding Interest Payment Date, until the unpaid principal amount has been paid, at the Rate as stated above.

(b) The Trustee is hereby designated as the Issuer's Paying Agent for the payment of the principal of, premium, if any, and interest on the Series 2019 Bonds.

(c) The Series 2019 Bonds shall be executed substantially in the form and manner set forth in Article IV hereof and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Series 2019 Bonds by the Trustee, there shall be filed with the Trustee the following:

(1) An original or certified copy of the Ordinance adopted by the governing body of the Issuer authorizing the issuance of the Series 2019 Bonds and the execution of the Sixteenth Supplemental Trust Indenture and the Sixteenth Supplemental Lease.

(2) An original executed counterpart of this Sixteenth Supplemental Trust Indenture.

(3) An original executed counterpart of the Sixteenth Supplemental Lease.

(4) An opinion of Bond Counsel to the effect that the Series 2019 Bonds constitute valid and legally binding limited obligations of the Issuer, that under existing Kansas law, upon proper election by the Issuer, the 2019 Project Additions are entitled to an exemption from ad valorem taxes for a 10 year period commencing in the calendar year following the year in which the Series 2019 Bonds are issued and that the execution of this Sixteenth Supplemental Trust Indenture is authorized or permitted by the 1996 Indenture and all conditions precedent to such execution have been complied with.

(5) Such other certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of the Series 2019 Bonds.

(d) When the documents specified in subsection (c) of this Section shall have been filed with the Trustee, and when the Series 2019 Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver the Series 2019 Bonds to and upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of the Series 2019 Bonds. The proceeds of the sale of the Series 2019 Bonds, including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee, and the Trustee shall deposit and apply such proceeds as provided in Article V hereof. The effective date of the registration of the Series 2019 Bonds shall be the date on which the Series 2019 Bonds are issued and delivered.

**Section 203. Authorization of Additional Bonds.** Additional Bonds may be issued under and equally and ratably secured under the Indenture on a parity with the Series 2012 Bonds, the Series 2014 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2018 Bonds, the Series 2019 Bonds and any other Additional Bonds Outstanding at any time and from time to time, upon compliance with the conditions provided in the Indenture.

**Section 204. Restriction on Transfer of Series 2019 Bonds.** No transfer, sale, assignment or hypothecation of any Series 2019 Bonds shall be made unless: 1) there shall have been delivered to the Company and the Trustee prior to the transfer, sale, assignment or hypothecation an opinion of nationally recognized bond counsel, satisfactory to the Company and the Trustee, to the effect that registration of the

Series 2019 Bonds under the Securities Act of 1933 and registration under any applicable state securities law or laws is not required; or, 2) there shall be a registration statement for the Series 2019 Bonds in effect under the Securities Act of 1933 and under any applicable state securities laws requiring a state-level registration statement with respect to the transfer, assignment, sale or hypothecation, and in the case of both (1) and (2), there shall have been compliance with all applicable state and federal securities laws and all applicable rules and regulations thereunder. The Trustee shall be deemed to be under "stop transfer" orders with respect to any requested transfer of any Series 2019 Bonds unless and until the Trustee has been furnished satisfactory proof of compliance with the foregoing conditions for transfer and the Trustee may conclusively rely on such proof.

### ARTICLE III

#### REDEMPTION OF SERIES 2019 BONDS

**Section 301. Redemption of the Series 2019 Bonds.** The Series 2019 Bonds shall be subject to redemption and payment prior to maturity, at the option of the Issuer, upon instructions from the Company, as a whole or in part at any time, at a purchase price equal to PAR (100%), plus accrued interest thereon to the date fixed for redemption and payment.

**Section 302. Notice of Redemption.** Notice of the call for any redemption identifying the Series 2019 Bonds or portions thereof to be redeemed shall be given by the Trustee, in the name of the Issuer, in the manner specified in Section 304 of the 1996 Indenture.

### ARTICLE IV

#### FORM OF BONDS

**Section 401. Form of Series 2019 Bonds.** The Series 2019 Bonds and the Trustee's Certificate of Authentication to be endorsed thereon shall be, respectively, in substantially the form set forth on *Schedule I* hereto.

### ARTICLE V

#### CUSTODY AND APPLICATION OF BOND PROCEEDS

**Section 501. Creation of Project Fund.** There has heretofore been created and ordered to be established in the custody of the Trustee under the 1996 Indenture a special trust fund in the name of the Issuer to be designated the "City of Independence, Kansas Project Fund (The Cessna Aircraft Company)" (herein called the "Project Fund").

**Section 502. Deposits into the Project Fund.** Except as otherwise provided in *Section 4.1* of the Sixteenth Supplemental Lease, the proceeds from the sale of the Series 2019 Bonds, excluding such amounts thereof required to be paid into the Principal and Interest Payment Account pursuant to Section 602 of the 1996 Indenture, shall be paid over to and deposited by the Trustee into the Project Fund, as and when received.

## ARTICLE VI

### REVENUES AND FUNDS

**Section 601. The Principal and Interest Payment Account.** There has heretofore been created and ordered established in the custody of the Trustee pursuant to the 1996 Indenture a special trust fund in the name of the Issuer to be designated the "City of Independence, Kansas, Principal and Interest Payment Account (The Cessna Aircraft Company)" (herein called the "Principal and Interest Payment Account").

**Section 602. Deposits into the Principal and Interest Payment Account.** The Trustee shall deposit into the Principal and Interest Payment Account, as and when received, all accrued interest on the Series 2019 Bonds and premium, if any, paid upon issuance and sale thereof.

**Section 603. Application of Moneys in the Principal and Interest Payment Account.** Moneys in the Principal and Interest Payment Account shall be expended solely for the payment of the principal of, premium, if any, and interest on the Bonds as the same mature and become due or upon the redemption thereof prior to maturity as provided in the Indenture.

## ARTICLE VII

### SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

**Section 701. Authority to Execute Sixteenth Supplemental Trust Indenture and Issue Series 2019 Bonds.** The Issuer covenants that it is duly authorized under the Constitution and laws of the State of Kansas to execute this Sixteenth Supplemental Trust Indenture, to issue the Series 2019 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 Sixteenth Supplemental Trust Indenture and the issuance of the Series 2019 Bonds has been duly and effectively taken; and that the Series 2019 Bonds in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the import thereof.

**Section 702. Performance of Covenants.** The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture, in the Series 2019 Bonds and in all proceedings of its governing body pertaining thereto.

**Section 703. Instruments of Further Assurance.** The Issuer covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better pledging and assigning unto the Trustee the property and revenues herein described to secure the payment of the principal of, premium, if any, and interest on the Bonds. The Issuer covenants and agrees that, except as in the Indenture and Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project or the rents, revenues and receipts derived therefrom or from the Lease, or of its rights under the Lease.

**Section 704. Acceptance of the Trusts.** The Trustee hereby accepts the trusts imposed upon it by the Indenture, as amended by this Sixteenth Supplemental Trust Indenture, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, and 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 its exercise as a prudent trustee would exercise or use under the circumstances in the conduct of its own affairs, and upon and subject to the following express terms and conditions set forth in

Article X of the 1996 Indenture, the Ninth Supplemental Trust Indenture, the Tenth Supplemental Trust Indenture, the Eleventh Supplemental Trust Indenture, the Twelfth Supplemental Trust Indenture, the Thirteenth Supplemental Trust Indenture, the Fourteenth Supplemental Trust Indenture and this Sixteenth Supplemental Trust Indenture.

**Section 705. Supplemental Indenture.** This Sixteenth Supplemental Trust Indenture supplements and amends the Indenture by and between the parties as hereto only to the extent and for the purposes set forth herein.

**Section 706. Execution in Counterparts.** This Sixteenth Supplemental Trust 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 707. Governing Law.** This Sixteenth Supplemental Trust Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

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As Trustee

Title: Vice President

Title: Vice President

STATE OF ILLINIOS )  
 ) ss:  
COOK COUNTY )

(Trustee's Signature Page to Sixteenth Supplemental Indenture)

***SCHEDULE I***

**FORM OF THE SERIES 2019 BOND**

**THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE. NO TRANSFER, SALE, ASSIGNMENT OR HYPOTHECATION OF THIS SECURITY SHALL BE MADE UNLESS THE CONDITIONS SPECIFIED IN SECTION 204 OF THE SIXTEENTH SUPPLEMENTAL TRUST INDENTURE HAVE BEEN FULFILLED, WHICH CONDITIONS GENERALLY REQUIRE THAT: (1) THERE SHALL HAVE BEEN DELIVERED TO THE COMPANY AND THE TRUSTEE PRIOR TO THE TRANSFER, SALE, ASSIGNMENT OR HYPOTHECATION AN OPINION OF NATIONALLY RECOGNIZED BOND COUNSEL, SATISFACTORY TO THE COMPANY AND THE TRUSTEE, TO THE EFFECT THAT REGISTRATION OF THIS BOND UNDER THE SECURITIES ACT OF 1933 AND REGISTRATION UNDER ANY APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED; OR, (2) THERE SHALL BE A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THIS BOND UNDER THE SECURITIES ACT OF 1933 AND UNDER ANY APPLICABLE STATE SECURITIES LAWS REQUIRING A STATE-LEVEL REGISTRATION STATEMENT WITH RESPECT TO THE TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION, AND, IN THE CASE OF BOTH (1) AND (2), THERE SHALL HAVE BEEN COMPLIANCE WITH ALL APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER. THE TRUSTEE, AS BOND REGISTRAR, SHALL NOT TRANSFER THIS BOND EXCEPT IN ACCORDANCE WITH THIS LEGEND AND THE CORRELATIVE PROVISIONS OF THE INDENTURE.**

**THIS BOND IS NOT AN OBLIGATION ON WHICH THE INTEREST IS EXCLUDABLE FROM GROSS INCOME UNDER SECTION 103 OF THE INTERNAL REVENUE CODE OF THE UNITED STATES OF AMERICA, AS AMENDED; THE HOLDER OF THIS BOND SHOULD THEREFORE NOT REGARD THE INTEREST HEREON AS BEING EXEMPT FROM FEDERAL INCOME TAXATION.**

No. R-1

\$1,200,000

**UNITED STATES OF AMERICA**

**STATE OF KANSAS**

**CITY OF INDEPENDENCE, KANSAS  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES 2019  
(TEXTRON AVIATION INC.)**

REGISTERED OWNER: TEXTRON AVIATION INC.

PRINCIPAL AMOUNT: ONE MILLION TWO HUNDRED THOUSAND DOLLARS  
(\$1,200,000)

**THE CITY OF INDEPENDENCE, KANSAS**, a municipal corporation of the State of Kansas (the "Issuer"), for value received, promises to pay, but solely from the sources hereinafter referred to, to the Registered Owner identified above, or registered assigns, the principal sum identified above together with interest thereon from the effective date of registration of this Bond (which date is set forth on this Bond) at a rate of 6.00% percent per annum. Interest shall be payable semiannually on each June 15 and December

15, beginning June 15, 2020, on the unpaid principal amount thereof from the next preceding Interest Payment date, until the unpaid principal amount has been paid, at the Interest Rate as stated above. Principal shall be payable on June 15, 2030. Principal and interest shall be payable in immediately available funds wire transferred or otherwise delivered to the Registered Owner by The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent" and "Trustee").

**THIS BOND** is one of a duly authorized series of Bonds of the Issuer designated the "City of Independence, Kansas Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.)", in the aggregate principal amount of \$1,200,000 (the "Series 2019 Bonds"), issued for the purpose of purchasing, acquiring, constructing and installing certain improvements (the "2019 Project Additions") to an existing industrial facility (including the 2019 Project Additions, the "Project"), to be leased by the Issuer to Textron Aviation Inc., as successor by merger to Cessna Aircraft Company, a Kansas corporation, its successor and assigns (the "Company") under the terms of a Sixteenth Supplemental Lease dated as of December 17, 2019, which Sixteenth Supplemental Lease supplements a certain Lease Agreement dated as of December 20, 1996, between the Issuer and the Company (said Lease Agreement, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Lease"), and pursuant to the authority of and in conformity with the provisions, restrictions and limitations of the Constitution and statutes of the State of Kansas, including particularly K.S.A. 12-1740 *et seq.*, as amended, and pursuant to proceedings duly had by the Governing Body of the Issuer.

**THE SERIES 2019 BONDS** are issued under a Sixteenth Supplemental Trust Indenture dated as of December 17, 2019, which Sixteenth Supplemental Trust Indenture supplements a certain Trust Indenture dated as of December 20, 1996, by and between the Issuer and the Trustee (said Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Indenture"). The Series 2019 Bonds are equally and ratably secured and on a parity with the Issuer's Taxable Industrial Revenue Bonds, Series 2012 (Cessna Aircraft Company), the Issuer's Taxable Industrial Revenue Bonds, Series 2014 (Cessna Aircraft Company), the Issuer's Taxable Industrial Revenue Bonds, Series 2015 (Cessna Aircraft Company), the Issuer's Taxable Industrial Revenue Bonds, Series 2016 (Cessna Aircraft Company), the Issuer's Taxable Industrial Revenue Bonds, Series 2017 (Textron Aviation Inc.) and the Issuer's Taxable Industrial Revenue Bonds, Series 2018 (Textron Aviation Inc.). Subject to the terms and conditions set forth therein, the Indenture permits the Issuer to issue Additional Bonds (as defined therein) ratably secured and on a parity with the Series 2012 Bonds, Series 2014 Bonds, Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2018 Bonds and the Series 2019 Bonds (collectively referred to herein as the "Bonds"). Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the owners of the Bonds, and the terms upon which the Bonds are issued and secured.

## **REDEMPTION OF BONDS**

**THE SERIES 2019 BONDS** shall be subject to redemption and payment prior to maturity, at the option of the Issuer, upon instructions from the Company, as a whole or in part at any time at PAR (100%), plus accrued interest thereon to the date fixed for redemption and payment.

**IN THE EVENT** any of the Bonds are called for redemption as aforesaid, notice thereof identifying the Bonds to be redeemed will be given by mailing a copy of the redemption notice at least 30 days prior to the date fixed for redemption to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Trustee. All Bonds so called for redemption will cease to bear interest on the specified redemption date and shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

**THE SERIES 2019 BONDS** and the interest thereon are limited obligations of the Issuer payable exclusively out of the revenues derived by the Issuer from the Project, including but not limited to the rents, revenues and receipts under the Lease, and are secured by a pledge of the Project and a pledge and assignment of such rents, revenues and receipts, including all rentals and other amounts to be received by the Issuer under and pursuant to the Lease, all as provided in the Indenture. The Bonds and the interest thereon do not constitute a debt or general obligation of Issuer, the State of Kansas or any municipal corporation thereof, and are not payable in any manner by taxation or other funds or revenues of the Issuer that do not constitute a part of the Trust Estate. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Pursuant to the provisions of the Lease, Rental Payments are to be paid by the Tenant directly to the Trustee for the account of the Issuer and deposited in a special trust account created by the Issuer and designated the "City of Independence, Kansas, Principal and Interest Payment Account (Textron Aviation Inc.)."

**THE OWNER** of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable prior to the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of this Bond or the Indenture may be made only to the extent and under the circumstances permitted by the Indenture.

**THIS BOND** is transferable, as provided in the Indenture, only upon the registration books of the Issuer kept for that purpose at the above mentioned office of the Trustee by the Owner hereof in person or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the Owner or his duly authorized attorney, and thereupon a new Bond or Bonds and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Issuer, the Trustee and any Paying Agent may deem and treat the person in whose name this Bond is registered 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 become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have 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 execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

**IN WITNESS WHEREOF**, Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk and its official seal to be affixed hereto or imprinted hereon, and has caused this Bond to be dated as of December 17, 2019.

**CITY OF INDEPENDENCE, KANSAS**

(Seal)

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

ATTEST:

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

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**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This Bond is one of the City of Independence, Kansas Taxable Industrial Revenue Bonds, Series 2019 (Textron Aviation Inc.), described in the within-mentioned Indenture. The effective date of registration of this Bond is \_\_\_\_\_.

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.**  
as Trustee

By \_\_\_\_\_  
Authorized Officer

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**(ASSIGNMENT)**

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

\_\_\_\_\_  
(Print or Type Name and Address of Transferee)

the within Bond and all rights thereunder, and hereby authorizes the transfer of the within Bond on the books kept by the Trustee for the registration and transfer of Bonds.

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:

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

GILMORE & BELL, P.C.  
12/02/2019

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**SIXTEENTH SUPPLEMENTAL LEASE**

**BY AND BETWEEN**

**CITY OF INDEPENDENCE, KANSAS**

**AND**

**TEXTRON AVIATION INC.**

**DATED AS OF DECEMBER 17, 2019**

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## **SIXTEENTH SUPPLEMENTAL LEASE**

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## **SIXTEENTH SUPPLEMENTAL LEASE**

**THIS SIXTEENTH SUPPLEMENTAL LEASE**, made and entered into as of December 17, 2019, by and between the City of Independence, Kansas, a municipal corporation of the State of Kansas (the "Issuer"), and Textron Aviation Inc., successor by merger to Cessna Aircraft Company (formerly The Cessna Aircraft Company), a corporation organized under the laws of the State of Kansas (the "Company").

### **WITNESSETH:**

**WHEREAS**, Issuer is a municipal corporation duly organized and existing under the laws of the State of Kansas, with full lawful power and authority to enter into this Lease by and through its governing body; and

**WHEREAS**, Issuer previously issued its revenue bonds pursuant to K.S.A. 12-1740 *et seq.*, as amended (the "Act"), for the purpose of financing the development and improvement of certain industrial and commercial facilities which have been leased by Issuer to the Company; and

**WHEREAS**, at the Company's request, Issuer has agreed to issue an additional series of its revenue bonds pursuant to the Act for the purpose of purchasing, acquiring, constructing and installing certain equipment, tooling and improvements at the Facility (the "2019 Project Additions"); and

**WHEREAS**, Issuer in furtherance of the purposes and pursuant to the provisions of the laws of the State, including the Act, and in order to provide for the industrial and commercial development and welfare of the City of Independence, Kansas and its environs and to provide employment opportunities for its citizens and to promote the economic stability of the State of Kansas, has proposed and does hereby propose that it shall:

- (a) Provide for the acquisition, purchasing, construction and installing of the 2019 Project Additions;
- (b) Lease the 2019 Project Additions to the Company for the rentals and upon the terms and conditions hereinafter set forth; and
- (c) Issue, for the foregoing purposes, the Series 2019 Bonds (as hereinafter defined) under and pursuant to and subject to the provisions of the Act and Indenture (as hereinafter defined), said Indenture being incorporated herein by reference and authorized by an ordinance of the governing body of the Issuer; and

**WHEREAS**, the Company, pursuant to the foregoing proposals of Issuer, desires to lease the 2019 Project Additions from the Issuer for the rentals and upon the terms and conditions hereinafter set forth;

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and agreements herein set forth, Issuer and Company do hereby covenant and agree as follows:

## ARTICLE I

**Section 1.1 Definitions.** In addition to the words, terms and phrases elsewhere defined in the Lease and the Indenture, the following words, terms and phrases as used herein shall have the following meanings unless the context or use indicates another or different meaning or intent:

**"Sixteenth Supplemental Additional Term"** means the term commencing on the last day of the Sixteenth Supplemental Basic Term and terminating five (5) years thereafter.

**"Sixteenth Supplemental Basic Term"** means the term commencing as of the date of the Sixteenth Supplemental Lease and ending on June 15, 2030, subject to prior termination as specified in this Sixteenth Supplemental Lease, but to continue thereafter until all of the principal of, redemption premium, if any, and the interest on all of the Series 2019 Bonds shall have been paid in full or provision made for their payment in accordance with the provisions of the Sixteenth Supplemental Trust Indenture.

**"Sixteenth Supplemental Term"** means, collectively, the Sixteenth Supplemental Basic Term and any Sixteenth Supplemental Additional Term of this Sixteenth Supplemental Lease.

**"Land"** means the Issuer's interest in the real property described in *Schedule I* attached hereto and made a part hereof.

**"Original Proceeds"** means all proceeds, including accrued interest, if any, derived from the sale of the Bonds to the Original Purchaser.

**"Payment Date"** means, with respect to the Series 2019 Bonds, any date on which the principal of or the interest on any Series 2019 Bond is payable.

**"Permitted Encumbrances"** shall have the meaning set forth in the Real Estate Contract dated June 27, 1995 by and between the Issuer and the Company.

**"Project Costs"** means, for purposes of this Sixteenth Supplemental Lease, those costs incurred in connection with the 2019 Project Additions, including:

- (a) all costs and expenses incident or necessary to the acquisition of the 2019 Project Additions as are acquired, purchased, constructed, installed or in progress at the date of such acquisition;
- (b) fees and expenses of architects, appraisers, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of architects, appraisers, surveyors and engineers in relation to the construction, furnishing and equipping of the 2019 Project Additions or the issuance of the Series 2019 Bonds;
- (c) all costs and expenses incurred in constructing, acquiring, installing, furnishing or equipping the 2019 Project Additions;

- (d) payment of interest actually incurred on any interim financing obtained from a lender unrelated to the Company for performance of work on the 2019 Project Additions prior to the issuance of the Series 2019 Bonds;
- (e) interest accruing on the Series 2019 Bonds prior to the Completion Date, if and to the extent proceeds of the Series 2019 Bonds set aside and deposited to the credit of the Principal and Interest Payment Account pursuant to Section 602 of the Indenture are insufficient for payment of such interest; and
- (f) Costs of Issuance.

**"2019 Supplemental Additional Rent"** means all reasonable or necessary fees, charges and expenses of the Trustee, all Impositions, all amounts required under the Lease, all other payments of whatever nature which Company has agreed to pay or assume under the provisions of this Sixteenth Supplemental Lease and all expenses (including reasonable attorney's fees) incurred by Issuer or Trustee in connection with the enforcement of any rights under this Sixteenth Supplemental Lease or the Sixteenth Supplemental Trust Indenture.

**"2019 Supplemental Basic Rent"** means the additional amount of rent when added to any 2019 Supplemental Basic Rent Credits which shall be, in the aggregate, sufficient to pay, on the next Principal and Interest Payment Date, all principal of, redemption premium, if any, and interest on the Series 2019 Bonds which are due and payable on such Principal and Interest Payment Date.

**"2019 Supplemental Basic Rent Credits"** means all funds on deposit in the Principal and Interest Payment Account and available for the payment of principal of, redemption premium, if any, and interest on the Series 2019 Bonds on any Payment Date therefor.

**"2019 Supplemental Basic Rent Payment Date"** means any Payment Date.

**"2019 Supplemental Rent"** means, collectively, the 2019 Supplemental Basic Rent and any 2019 Supplemental Additional Rent required by this Sixteenth Supplemental Lease.

**Section 1.2 Representations and Covenants by Company.** The Company hereby makes, as the basis for the undertakings on its part herein contained with respect to the Series 2019 Bonds, the covenants and representations made by it in *Section 1.2* of the 1996 Lease, and does hereby incorporate such covenants and representations herein by reference.

**Section 1.3 Representations and Covenants by Issuer.** The Issuer hereby makes, as the basis for the undertakings on its part herein contained with respect to the Series 2019 Bonds, the covenants and representations made by it in *Section 1.3* of the 1996 Lease, and does hereby incorporate such covenants and representations herein by reference.

## ARTICLE II

**Section 2.1 Granting of Leasehold.** Issuer by these presents hereby rents, leases and lets unto Company and Company hereby rents, leases and hires from Issuer, for the rentals and upon and subject to the terms and conditions hereinafter set forth, the 2019 Project Additions for the Sixteenth Supplemental Basic Term.

## ARTICLE III

### **Section 3.1 2019 Supplemental Basic Rent.**

(a) Issuer reserves and Company covenants and agrees to pay to the Trustee hereinafter and in the Indenture designated, all 2019 Supplemental Basic Rent in immediately available funds for the account of Issuer and during the Sixteenth Supplemental Basic Term, for deposit in the Principal and Interest Payment Account established pursuant to the Indenture, on or before 10:00 a.m. on each 2019 Supplemental Basic Rent Payment Date.

(b) Notwithstanding the foregoing, if the Company is the sole Owner of the Series 2019 Bonds, payments of 2019 Supplemental Basic Rent made by the Company under the Lease which coincide with payments of principal and interest on the Series 2019 Bonds may be entered on the books of the Company as Owner of the Bonds without being deposited in the Principal and Interest Payment Account. Such payments shall be credited against the Company's obligation to make payments of 2019 Supplemental Basic Rent under the Lease and against the Issuer's obligation to make payments of principal and interest on the Series 2019 Bonds. If the Series 2019 Bonds are at any time held by more than one Owner, then payments of 2019 Supplemental Basic Rent shall be received and disbursed in accordance with the provisions of subsection (a) of this Section.

**Section 3.2 Acquisition of Series 2019 Bonds.** In the event Company acquires any Outstanding Series 2019 Bonds, it may present the same to Issuer for cancellation, and upon such cancellation, Company's obligation to pay 2019 Supplemental Basic Rent shall be reduced accordingly, but in no event shall Company's obligation to pay 2019 Supplemental Basic Rent be reduced in such a manner that the Trustee shall not have on hand in the Principal and Interest Payment Account funds sufficient to pay the maturing principal of, redemption premium, if any, and interest on the Bonds as and when the same shall become due and payable in accordance with the provisions of the Indenture.

**Section 3.3 2019 Supplemental Additional Rent.** In addition to the Additional Rent required by *Section 3.3* of the 1996 Lease, within Thirty (30) days after receipt of written notice thereof, the Company shall pay any 2019 Supplemental Additional Rent required to be paid pursuant to this Sixteenth Supplemental Lease.

**Section 3.4 Prepayment of 2019 Supplemental Basic Rent.** The Company may at any time prepay all or any part of the 2019 Supplemental Basic Rent.

**Section 3.5 Deposit of Supplemental Rent by Trustee.** The Trustee shall deposit, use and apply all payments of 2019 Supplemental Basic Rent and 2019 Supplemental Additional Rent in accordance with the provisions of the Lease and the Indenture.

## ARTICLE IV

**Section 4.1 Disposition of Original Proceeds.** The Original Proceeds of the Series 2019 Bonds shall be paid over to the Trustee for the account of Issuer. The Trustee shall, first, promptly pay from such Original Proceeds into the Principal and Interest Payment Account the full amount of any accrued interest and premium, if any, received upon such sale. The remainder of the proceeds of the Series 2019 Bonds

shall be deposited by the Trustee in the Project Fund and shall be used and applied as provided in the Lease and the Indenture.

Notwithstanding any statement set forth in the Lease or in the Indenture to the contrary, in the event the Company has completed any portion of the 2019 Project Additions prior to Closing with its own funds, then the Company shall not be required to deposit the Original Proceeds of the Series 2019 Bonds with the Trustee. In such an event, at Closing the Company shall certify to the Issuer and Trustee that such 2019 Project Additions have been completed and paid in full, whereupon the Issuer and Trustee shall deliver the Series 2019 Bonds to the Company.

## ARTICLE V

**Section 5.1 Acquisition of 2019 Project Additions.** The Company shall, prior to or concurrently with the issuance of the Series 2019 Bonds, convey or cause to be conveyed to the Issuer such of the 2019 Project Additions as are then completed, installed or in progress. The Company shall also concurrently with such conveyance make provisions for the discharge of any liens or encumbrances incurred by it in connection with the construction, installation or development of the 2019 Project Additions. Notwithstanding any provision to the contrary in the Lease, the Company may withdraw funds from the Project Fund to pay the reasonably expected estimated cost of 2019 Project Additions by submitting to the Trustee a Certificate for Payment of Estimated Project Costs (2019 Project Additions) in the form attached to this Sixteenth Supplemental Lease as Appendix A. The Company agrees that (a) any funds disbursed to it from the Project Fund based on such estimated costs shall be used to pay the Project Costs of the 2019 Project Additions by no later than February 28, 2020, (b) a detailed allocation of the use of such funds to the Project Costs of the 2019 Project Additions shall be delivered to the Issuer and the Trustee by no later than February 28, 2020, and shall be incorporated into Schedule I to this Sixteenth Supplemental Lease, (c) a bill of sale to the Issuer shall be executed and delivered to the Issuer, with a copy to the Trustee, for all personal property incorporated into Schedule I to this Sixteenth Supplemental Lease following the date of this Sixteenth Supplemental Lease, and (d) any funds disbursed for payment of the estimated cost of the 2019 Project Additions pursuant to this Section which are not used for the payment of Project Costs for the 2019 Project Additions by February 28, 2020 (the "Excess Funds"), shall, on March 1, 2020, be transferred in immediately available funds to the Trustee for deposit into the Principal and Interest Account for payment of the principal of and interest on the Series 2019 Bonds or, if the Company is the owner of the Series 2019 Bonds on February 28, 2020, or on such earlier date that the Company delivers the detailed allocation of the use of such funds to the Project Costs of the 2019 Project Additions as described in this Section, the Company may provide written direction to the Trustee and the Issuer that Excess Funds are to be deemed applied to the redemption of Series 2019 Bonds in accordance with **Section 302** of the Sixteenth Supplemental Trust Indenture and submit the Outstanding Series 2019 Bond in exchange for a new Series 2019 Bond in the reduced principal amount.

## ARTICLE VI

### **Section 6.1 Ad Valorem Taxes.**

(a) The parties acknowledge that under the existing provisions of K.S.A. 79-201a, as amended, the property constructed or purchased with the proceeds of the Series 2019 Bonds is entitled to exemption from ad valorem taxation for a period of ten (10) calendar years after the calendar year in which the Series 2019 Bonds are issued, provided proper application is made therefore. Issuer covenants that it will not

voluntarily take any action which may reasonably be construed as tending to cause or induce the levy or assessment of ad valorem taxes on the 2019 Project Additions so long as any of the Series 2019 Bonds are Outstanding and unpaid or for aforesaid periods, whichever shall be the shorter time and should any such levy or assessment be threatened or occur, Issuer shall, at Company's request, fully cooperate with Company in all reasonable ways to prevent any such levy or assessment. Issuer further covenants that it will cooperate with the Company in the completion, execution and filing of the application for such ad valorem tax exemption on or before March 1 in the calendar year following the calendar year in which the Series 2019 Bonds were issued, and will cooperate with the Company in renewing said application from time to time and take any other action as may be necessary to maintain such ad valorem tax exemption in full force and effect, in accordance with K.S.A. 79-210 *et seq.* and the State Board of Tax Appeals.

(b) The covenants contained in Subsection (a) shall not prevent the imposition of special assessments imposed by the Issuer against the Land for infrastructure improvements to be undertaken after the date of this Sixteenth Supplemental Lease that benefit the Land; provided, however, that the Issuer shall treat the Company as the Owner of such Land for purposes of initiating or protesting such infrastructure improvements.

(c) The parties further acknowledge and agree that abatement of ad valorem taxes already in effect in connection with the issuance of the Series 2012 Bonds, the Series 2014 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017 Bonds and the Series 2018 Bonds shall not be affected in any way in connection with the issuance of the Series 2019 Bonds, nor shall the period during which such abatements are not affected be extended, shortened or altered. The parties shall take such action as may be desirable or necessary in order to confirm the continuation of such abatements, including the making of appropriate filings and reports with the Kansas State Board of Tax Appeals and local taxing authorities in each jurisdiction in which the improvements are located.

## ARTICLE VII

**Section 7.1 Use of Project.** Subject to the provisions of this Sixteenth Supplemental Lease and the Permitted Encumbrances, the Company shall have the right to use the 2019 Project Additions for any and all purposes allowed by law and contemplated by the Constitution of the State and the Act. The Company shall comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to its use of the Project.

## ARTICLE VIII

**Section 8.1 Option to Purchase 2019 Project Additions.** Subject to the provisions of this Article, the Company shall have the right and option to purchase the 2019 Project Additions at any time during the Term hereof. The Company shall exercise its aforesaid option by giving Issuer written notice of the Company's election to exercise its option and specifying the date, time and place of closing, which date (the "Closing Date") shall neither be earlier than Thirty (30) days nor later than One Hundred Eighty (180) days after the notice is given. The Company may not, however, exercise its said option if the Company unless all defaults are cured on or before the Closing Date. If the Company elects to exercise such option, the procedures therefor as set forth in **Article XVI** of the 1996 Lease shall govern such purchase.

## ARTICLE IX

**Section 9.1 Termination by Reason of Change of Circumstances.** If, at any time during the Sixteenth Supplemental Basic Term, a Change of Circumstances occurs or the Series 2019 Bonds are called for redemption and payment then and in such event, the Company shall have the option to purchase the Project pursuant to Article VIII hereof or to terminate this Sixteenth Supplemental Lease by giving Issuer notice of such termination within Ninety (90) days after the Company has actual knowledge of the event giving rise to such option; provided, however, that such termination shall not become effective unless and until none of the Series 2019 Bonds are Outstanding.

## ARTICLE X

**Section 10.1 Default.** Occurrences constituting an Event of Default under this Sixteenth Supplemental Lease, and remedies, notices and grace periods on default and the rights and duties of the respective parties hereto in connection with default, shall be as set forth in the 1996 Lease.

## ARTICLE XI

**Section 11.1 Other Lease Provisions.** Except as may be specifically set forth in this Sixteenth Supplemental Lease, all of the provisions of the 1996 Lease, the Tenth Supplemental Lease, the Eleventh Supplemental Lease, the Twelfth Supplemental Lease, the Thirteenth Supplemental Lease, the Fourteenth Supplemental Lease and the Fifteenth Supplemental Lease shall be in force and effect and shall be applicable to the Land and Improvements described in *Schedule I* hereto and to the Series 2019 Bonds and to this Sixteenth Supplemental Lease.

**Section 11.2 Ratification and Confirmation of the Lease.** Except as may be specifically amended, supplemented or modified by the terms of this Sixteenth Supplemental Lease, the 1996 Lease, the Tenth Supplemental Lease, the Eleventh Supplemental Lease, the Twelfth Supplemental Lease, the Thirteenth Supplemental Lease the Fourteenth Supplemental Lease and the Fifteenth Supplemental Lease are hereby ratified and confirmed by the parties.

**Section 11.3 Invalidity of Provisions.** If, for any reason, any provision of this Sixteenth Supplemental Lease shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

**Section 11.4 Covenants Binding on Successors and Assigns.** The covenants, agreements and conditions herein contained shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**Section 11.5 Section Headings.** The section headings hereof are for the convenience of reference only and shall not be treated as a part of this Sixteenth Supplemental Lease or as affecting the true meaning of the provisions hereof. The reference to section numbers herein shall be deemed to refer to the numbers preceding each section.

**Section 11.6 Execution of Counterparts.** This Sixteenth Supplemental Lease may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

[balance of this page intentionally left blank]

**IN WITNESS WHEREOF**, the parties hereto have executed these presents as of the day and year first above written.

**CITY OF INDEPENDENCE, KANSAS**

[SEAL]

By: \_\_\_\_\_  
Louis Ysusi, Mayor

ATTEST:

David Schwenker, City Clerk

## ACKNOWLEDGMENT

STATE OF KANSAS )  
 ) SS:  
MONTGOMERY COUNTY )

BE IT REMEMBERED that on this \_\_\_\_\_, 2019, before me, a notary public in and for said County and State, came Louis Ysusi, Mayor of the City of Independence, Kansas, a municipal corporation of the State of Kansas, and David Schwenker, City Clerk of said City, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

Notary Public in and for  
said County and State

**TEXTRON AVIATION INC.**

(Seal)

By \_\_\_\_\_  
Jodi S. Noah, Vice President & Controller

ATTEST:

\_\_\_\_\_  
Sherry L. Fleming, Assistant Secretary

**“COMPANY”**

**ACKNOWLEDGMENT**

STATE OF KANSAS                    )  
  ) SS.  
SEDGWICK COUNTY                 )

BE IT REMEMBERED that on this December \_\_\_\_\_, 2019, before me, a notary public in and for said County and State, came Jodi S. Noah, Vice President and Controller, and Sherry L. Fleming, Assistant Secretary of Textron Aviation Inc., a Kansas corporation, on behalf of said corporation, and such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

(Seal)

\_\_\_\_\_  
Notary Public

**APPENDIX A**

Certificate for Payment of Project Costs

CITY OF INDEPENDENCE, KANSAS  
PROJECT FUND  
(TEXTRON AVIATION INC.)  
PAYMENT ORDER NO. \_\_\_\_\_

The Bank of New York Mellon Trust Company, N.A.  
St. Louis, Missouri

Dear Ladies and Gentlemen:

You are hereby authorized and directed by the undersigned, the Authorized Company Representative, acting on behalf of Textron Aviation Inc., successor by merger to Cessna Aircraft Company (the "Company") to disburse funds held by you as Trustee in the above-mentioned Project Fund for the purposes and in the amounts set forth in the Estimated Payment Schedule attached hereto and incorporated herein by reference (the "Estimated Payment Schedules").

I hereby certify that the amounts requested in the attached Estimated Payment Schedule is reasonably believed to be equal to amounts which have either been advanced by the Company or are justly due to contractors, subcontractors, suppliers, vendors, materialmen, engineers, architects, or other persons named in the Payment Schedules who have performed necessary and appropriate work in connection with any installation of machinery, equipment, or personal property, or have furnished necessary and appropriate materials in the construction or acquisition of land, buildings and improvements constituting a part of the Project. I further certify that the fair value of such work or materials, machinery, and equipment is not reasonably expected to be exceeded by the amount requested.

I further certify that no part of the amounts set forth in the Estimated Payment Schedule have been the basis for any previous withdrawal of any moneys from the said Project Fund.

I further certify that the amounts set forth in the Estimated Payment Schedule are reasonably expected to pay for Project Costs, as said term is defined in the Lease and that a detailed list of the final allocation of such amounts to 2019 Project Additions will be submitted to the Trustee by no later than February 28, 2020.

I acknowledge that the Company, as Purchaser of the Series 2019 Bonds, will be receiving such Series 2019 Bond in compensation for the expenditures set forth in the Estimated Payment Schedules to acquire, construct and equip the Project and that the Series 2019 Bond will constitute full payment for these costs

EXECUTED at Wichita, Kansas, this \_\_\_\_ day of December, 2019.

\_\_\_\_\_  
Authorized Company Representative

**EXHIBIT A**

**PAYMENT ORDER NO. \_\_**

**PAYMENT SCHEDULE**

## ***SCHEDULE I***

SCHEDULE I TO THE SIXTEENTH SUPPLEMENTAL TRUST INDENTURE OF THE CITY OF INDEPENDENCE, KANSAS, AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE, DATED AS OF DECEMBER 17, 2019 AND TO THE SIXTEENTH SUPPLEMENTAL LEASE DATED AS OF DECEMBER 17, 2019 BY AND BETWEEN SAID CITY AND TEXTRON AVIATION INC.

### **PROPERTY SUBJECT TO LEASE**

(a) All building improvements, machinery, equipment and tooling purchased with the proceeds of the Series 2019 Bonds and located on the real property described in paragraph (b) below, and more specifically described as follows:

[See “***Exhibit A***” to Schedule I for specific description of improvements]

(b) A leasehold interest in the following described real estate located in Montgomery County, Kansas, to wit:

#### **Parcel A**

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

Beginning at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the center line of "F" Street;

THENCE S.88°32'23"W. along a line that is 50 feet north of the centerline of "F" Street, a distance of 2183.72 feet to a point that is 234.00 feet East of the Building Restriction Line;

THENCE N.01°23'08"W. parallel with the Building Restriction Line a distance of 190.00 feet to a point;

THENCE S.88°32'23"W. a distance of 234.00 feet to a point on the Building Restriction Line;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 2433.24 feet to a point;

THENCE S.44°51'44"E. a distance of 341.27 feet to a point;

THENCE S.43°35'39"W. a distance of 211.43 feet to a point on the West line extended of "K" Street;

THENCE S.45°02'55"E. along said West line extended of "K Street" a distance of 502.62 feet to the point of intersection with the North line of "Q.M. Street";

THENCE N.43°40'06"E. along said North line of "Q.M. Street" a distance of 1648.25 feet to the point of intersection with the West line of "4th Avenue";

THENCE N.02°10'27"W. along said West line of "4th Avenue" a distance of 389.51 feet to the point of intersection with the South line of "A.C. Street".

THENCE S.42°55'02"W. along said South line of "A.C. Street" a distance of 634.26 feet to a point;

THENCE N.46°28'06"W. a distance of 24.48 feet to a point on the North line of "A.C. Street";

THENCE S.43°31'54"W. along said North line of "A.C. Street" a distance of 272.16 feet;

THENCE N.47°21'32"W. a distance of 113.04 feet;

THENCE S.43°37'20"W. a distance of 395.17 feet to a point;

THENCE N.46°04'58"W. a distance of 111.04 feet to a point;

THENCE S.33°15'30"W. a distance of 137.26 feet to a point;

THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet to a point;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 1154.89 feet to a point on the North line of the Northeast Quarter of said Section 21;

THENCE N.88°29'14"E. along said North line a distance of 2418.26 feet to the POINT OF BEGINNING and containing 8,501,781 square feet or 195.174 acres.

#### **Parcel B**

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

BEGINNING at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the centerline of "F" Street;

THENCE S.88°32'23"W. along a line that is 50 feet north of the centerline of "F" Street, a distance of 2183.72 feet to a point that is 234.00 feet East of the Building Restriction Line;

THENCE N.01°23'08"W. parallel with the Building Restriction Line a distance of 190.00 feet to a point;

THENCE S.88°32'23"W. a distance of 234.00 feet to a point on the Building Restriction Line;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 2433.24 feet to the point of beginning;

THENCE S. 44°51'44"E. a distance of 341.27 feet to a point;

THENCE S. 43°35'39"W. a distance of 211.43 feet to a point on the West line extended of "K Street";

THENCE S. 45°02'55"E. along said West line extended of "K Street" a distance of 502.62 feet to the point of intersection with the North line of "Q.M. Street";

THENCE N.43°40'06"E. along said North line of "Q.M. Street" a distance of 1648.25 feet to the point of intersection with the West line of "4th Avenue";

THENCE N.02°10'27"W. along said West line of "4th Avenue" a distance of 389.51 feet to the point of intersection with the South line of "A.C. Street";

THENCE S.42°55'02"W. along said South line of "A.C. Street" a distance of 634.26 feet to a point;

THENCE N.46°28'06"W. a distance of 24.48 feet to a point on the North line of "A.C. Street";

THENCE S.43°31'54"W. along said North line of "A.C. Street" a distance of 272.16 feet;

THENCE N.47°21'32"W. a distance of 113.04 feet;

THENCE S.43°37'20"W. a distance of 395.17 feet to a point;

THENCE N.46°04'58"W. a distance of 111.04 feet to a point;

THENCE S.33°15'30"W. a distance of 137.26 feet to a point;

THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet ± to the Building Restriction Line;

THENCE South along the Building Restriction Line to the POINT OF BEGINNING, containing 18.003 acres.

The property described in paragraph (a) of this Schedule I constitutes the "2019 Project Additions" as referred to in the Sixteenth Supplemental Lease and said Sixteenth Supplemental Trust Indenture.

***EXHIBIT A TO SCHEDULE I***

*[insert description of 2019 Project Additions]*

BEFORE THE BOARD OF TAX APPEALS OF THE STATE OF KANSAS

Industrial Revenue Bond Informational Statement  
(K.S.A. 12-1744a)

APPLICANT:

CITY OF INDEPENDENCE, KANSAS  
City or County issuing I.R.B.s

MONTGOMERY COUNTY  
County in which City is located

Please answer all questions. If a question is not applicable, please indicate (N/A).

1. Proposed lessee name and address  
for whom bonds issued:

Textron Aviation Inc.  
successor by merger to Cessna Aircraft Company  
One Cessna Blvd., Building C1  
Wichita, Kansas 67215

Guarantor for Bonds, if any: N/A

Paying (Fiscal) Agent:

The Bank of New York Mellon Trust Company, N.A.  
St. Louis, Missouri

Underwriter, if any: N/A

Attorney(s) who issued opinion:

Bond Counsel: Gilmore & Bell, P.C.  
Wichita, Kansas

Tenant Counsel: Blake A. Meyen, Esq.  
Wichita, Kansas

City Attorney: Jeffrey A. Chubb, Esq.  
Independence, Kansas

Underwriter's Counsel: N/A

(For State of Kansas use only)

IRB Statement No. \_\_\_\_\_-IRB

Fee: \_\_\_\_\_ Amt Rec. \_\_\_\_\_

Rec. Date: \_\_\_\_\_ Ck # \_\_\_\_\_

2. Will an exemption of the property be requested? Yes X No \_\_\_\_\_

If exemption will be sought:

- a. Provide the legal description of the property. (If legal description is lengthy, attach additional pages.)

No land will be purchased with the proceeds of the Bonds. The improvements, tooling, equipment and machinery financed or refinanced with the proceeds of the Bonds, and for which property tax exemption is sought, will be located on the land described in Exhibit A attached hereto.

- b. Provide the appraised valuation (not assessed) as listed by the county appraiser of property to be acquired, purchased, etc. as of the next preceding January 1.

Land:	N/A
Improvements:	N/A
Equipment and Machinery	N/A

3. Estimated TOTAL cost of the property:

Land:	N/A
Building and Land Improvements:	\$ 412,155
Equipment and Machinery	\$ 720,514

4. If facility financed is an addition or improvement to existing facility already financed by prior IRB issuance, supply following:

Date Prior IRB's issued:	December 14, 2012
If existing facility exempted, Period of exemption	January 1, 2013 to December 31, 2022
Board of Tax Appeals #:	2012-10081-IRB

Date Prior IRB's issued:	December 18, 2014
If existing facility exempted, Period of exemption	January 1, 2015 to December 31, 2024
Board of Tax Appeals #:	2014-7456-IRB

Date Prior IRB's issued:	December 17, 2015
If existing facility exempted, Period of exemption	January 1, 2016 to December 31, 2025
Board of Tax Appeals #:	2015-7213-IRB

Date Prior IRB's issued:	December 15, 2016
If existing facility exempted, Period of exemption	January 1, 2017 to December 31, 2026
Board of Tax Appeals #:	2016-7038-IRB

Date Prior IRB's issued: December 15, 2017  
If existing facility exempted,  
Period of exemption January 1, 2018 to December 31, 2027  
Board of Tax Appeals #: 2017-6645-IRB

Date Prior IRB's issued: December 14, 2018  
If existing facility exempted,  
Period of exemption January 1, 2019 to December 31, 2028  
Board of Tax Appeals #: 2018-7142-IRB

5. IRB principal amount to be issued: \$1,200,000
6. Please provide the following:
  - a. Itemized list of any payments in lieu of taxes. N/A
  - b. The amount of any service fee or charges with detailed description of services to be rendered by city for same. N/A
  - c. Detailed description of ultimate use of bond proceeds (e.g. acquisition of real estate, remodeling of physical plant) with the amount of IRB proceeds to be used for each purpose. See Exhibit "B" attached.
7. What is the proposed date of issuance of these I.R.B.s? (Must be a least 7 days after receipt of preliminary filing with the Board of Tax Appeals.) December 17, 2019

*[balance of this page left blank intentionally]*

VERIFICATION

I, David Schwenker, do solemnly swear or affirm that the information set forth herein is true and correct, to the best of my knowledge and belief. So help me God.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
David Schwenker, City Clerk  
Printed Name and Title

State of Kansas            )  
County of Montgomery )

This instrument was acknowledged before me on December \_\_\_\_, 2019 by David Schwenker, City Clerk.

Seal

\_\_\_\_\_  
Signature of Notary Public

My appointment expires: \_\_\_\_\_

\_\_\_\_\_  
Send this statement along with the filing fee of \$500.00 to:

Kansas Board of Tax Appeals  
Eisenhower State Office Building  
700 SW Harrison, 10<sup>th</sup> Floor, Suite 1022  
Topeka, KS 66603

***EXHIBIT "A"***

A leasehold interest in the following described real estate located in Montgomery County, Kansas,  
to wit:

Parcel A

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

Beginning at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the center line of "F" Street;

THENCE S.88°32'23"W. along a line that is 50 feet north of the centerline of "F" Street, a distance of 2183.72 feet to a point that is 234.00 feet East of the Building Restriction Line;

THENCE N.01°23'08"W. parallel with the Building Restriction Line a distance of 190.00 feet to a point;

THENCE S.88°32'23"W. a distance of 234.00 feet to a point on the Building Restriction Line;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 2433.24 feet to a point;

THENCE S.44°51'44"E. a distance of 341.27 feet to a point;

THENCE S.43°35'39"W. a distance of 211.43 feet to a point on the West line extended of "K" Street;

THENCE S.45°02'55"E. along said West line extended of "K Street" a distance of 502.62 feet to the point of intersection with the North line of "Q.M. Street";

THENCE N.43°40'06"E. along said North line of "Q.M. Street" a distance of 1648.25 feet to the point of intersection with the West line of "4th Avenue";

THENCE N.02°10'27"W. along said West line of "4th Avenue" a distance of 389.51 feet to the point of intersection with the South line of "A.C. Street".

THENCE S.42°55'02"W. along said South line of "A.C. Street" a distance of 634.26 feet to a point; THENCE N.46°28'06"W. a distance of 24.48 feet to a point on the North line of "A.C. Street";

THENCE S.43°31'54"W. along said North line of "A.C. Street" a distance of 272.16 feet;

THENCE N.47°21'32"W. a distance of 113.04 feet;

THENCE S.43°37'20"W. a distance of 395.17 feet to a point;

THENCE N.46°04'58"W. a distance of 111.04 feet to a point;

THENCE S.33°15'30"W. a distance of 137.26 feet to a point;

THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet to a point;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 1154.89 feet to a point on the North line of the Northeast Quarter of said Section 21;

THENCE N.88°29'14"E. along said North line a distance of 2418.26 feet to the POINT OF BEGINNING and containing 8,501,781 square feet or 195.174 acres.

#### Parcel B

A tract of land located in a portion of Section 21, Township 33 South, Range 15 East of the 6th Principal Meridian, Montgomery County, Kansas, and being more particularly described as follows:

BEGINNING at the Northeast corner of said Section 21;

THENCE S.01°22'39"E. (assumed bearing) along the East line of said Section 21, a distance of 3860.00 feet to a point that is 50 feet north of the extension of the centerline of "F" Street;

THENCE S.88°32'23"W. along a line that is 50 feet north of the centerline of "F" Street, a distance of 2183.72 feet to a point that is 234.00 feet East of the Building Restriction Line;

THENCE N.01°23'08"W. parallel with the Building Restriction Line a distance of 190.00 feet to a point;

THENCE S.88°32'23"W. a distance of 234.00 feet to a point on the Building Restriction Line;

THENCE N.01°23'08"W. along the Building Restriction Line a distance of 2433.24 feet to the point of beginning;

THENCE S.44°51'44"E. a distance of 341.27 feet to a point;

THENCE S.43°35'39"W. a distance of 211.43 feet to a point on the West line extended of "K Street";

THENCE S. 45°02'55"E. along said West line extended of "K Street" a distance of 502.62 feet to the point of intersection with the North line of "Q.M. Street";

THENCE N.43°40'06"E. along said North line of "Q.M. Street" a distance of 1648.25 feet to the point of intersection with the West line of "4th Avenue";

THENCE N.02°10'27"W. along said West line of "4th Avenue" a distance of 389.51 feet to the point of intersection with the South line of "A.C. Street";

THENCE S.42°55'02"W. along said South line of "A.C. Street" a distance of 634.26 feet to a point;

THENCE N.46°28'06"W. a distance of 24.48 feet to a point on the North line of "A.C. Street";

THENCE S.43°31'54"W. along said North line of "A.C. Street" a distance of 272.16 feet;

THENCE N.47°21'32"W. a distance of 113.04 feet;

THENCE S.43°37'20"W. a distance of 395.17 feet to a point;

THENCE N.46°04'58"W. a distance of 111.04 feet to a point;

THENCE S.33°15'30"W. a distance of 137.26 feet to a point;

THENCE N.46°23'55"W. a distance of 396.44 feet to a point;

THENCE S.46°37'07"W. a distance of 193.55 feet  $\pm$  to the Building Restriction Line;

THENCE South along the Building Restriction Line to the POINT OF BEGINNING, containing 18.003 acres.

***EXHIBIT "B"***

**SOURCES AND ESTIMATED USE OF BOND PROCEEDS**

**APPLICATION OF FUNDS**

The expected use of the proceeds of the Series 2019 Bonds as of this date are as follows:

Use of Funds:

Building and Land Improvements	\$412,155
Tooling, Machinery & Equipment	720,514
Costs of Issuance	67,331
<b>TOTAL</b>	<b>\$1,200,000.00</b>