

**EXHIBIT B
TO ORDINANCE**

FEDERAL TAX CERTIFICATE

[On file in the Office of the City Clerk.]

FEDERAL TAX CERTIFICATE

Dated as of May 6, 2020

OF

CITY OF COLUMBIA, MISSOURI

**[\$[*Principal*]]
SPECIAL OBLIGATION BONDS
(AIRPORT PROJECT)
SERIES 2020A**

FEDERAL TAX CERTIFICATE

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* * *

FEDERAL TAX CERTIFICATE

THIS FEDERAL TAX CERTIFICATE (the “Tax Certificate”) is executed as of May 6, 2020 (the “Issue Date”), by the **City of Columbia, Missouri**, a political subdivision organized and existing under the laws of the State of Missouri (the “City”).

RECITALS

1. This Tax Certificate is being executed and delivered in connection with the issuance by the City of \$[*Principal*] principal amount of Special Obligation Bonds (Airport Project), Series 2020A (the “Bonds”), under an Ordinance passed on April 20, 2020 (the “Bond Ordinance”), for the purposes described in this Tax Certificate and in the Bond Ordinance.

2. The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and investment of the Bond proceeds and of certain other money relating to the Bonds and set forth the conditions under which the interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The City is executing this Tax Certificate to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes and to provide guidance for complying with the arbitrage rebate provisions of Code § 148(f).

4. The City adopted a Tax-Advantaged Financing Compliance Policy and Procedure on May 19, 2014 (the “Tax Compliance Procedure”) for the purpose of setting out general procedures for the City to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations. This Tax Certificate is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Bonds.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Certificate, the City represents, covenants and agrees as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions of Words and Terms. Except as otherwise provided in this Tax Certificate or unless the context otherwise requires, capitalized words and terms used in this Tax Certificate have the same meanings as set forth in the Bond Ordinance, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Certificate have the following meanings:

“**Adjusted Gross Proceeds**” means the Gross Proceeds of the Bonds reduced by amounts (a) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (b) that as of the

Issue Date, are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period, and (c) representing grant repayments or sale or Investment proceeds of any purpose Investment.

“Airport” generally means: (a) facilities that are directly related and essential to (1) servicing aircraft or enabling aircraft to take off and land, or (2) transferring passengers or cargo to or from aircraft, provided those facilities need to be located at, or in close proximity to, the runway area in order to perform their function, and (b) storage and training facilities directly related to the facilities described in clause (a) of this definition. For example, terminals, runways, hangars, loading facilities, repair shops, land-based navigation aids (*e.g.*, radar installations), facilities for the preparation of in-flight meals, restaurants and retail stores located in terminals, and parking facilities are facilities that generally satisfy this definition.

“Annual Compliance Checklist” means a checklist for each of the Financed Improvements designed to measure compliance with the requirements of this Tax Certificate and the Tax Compliance Procedure after the Issue Date, as further described in *Section 4.02* and substantially in the form attached as *Exhibit D*.

“Available Construction Proceeds” means the sale proceeds of the Bonds, increased by (a) Investment earnings on the sale proceeds, (b) earnings on amounts in a reasonably required reserve or replacement fund allocable to the Bonds but not funded from the Bonds, and (c) earnings on such earnings, reduced by sale proceeds (1) in any reasonably required reserve fund or (2) used to pay issuance costs of the Bonds. But Available Construction Proceeds do not include Investment earnings on amounts in a reasonably required reserve or replacement fund after the earlier of (A) the second anniversary of the Issue Date or (B) the date the Financed Improvements are substantially completed.

“Bona Fide Debt Service Fund” means a fund, which may include Bond proceeds, that: (a) is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year; and (b) is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Bond Year, or (2) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year.

“Bond” or **“Bonds”** means any bond or bonds described in the recitals, authenticated and delivered under the Bond Ordinance.

“Bond Compliance Officer” means the City’s Finance Director or other person named in the Tax Compliance Procedure.

“Bond Counsel” means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the City.

“Bond Ordinance” means Ordinance No. _____ of the City duly passed by the governing body of the City on April 20, 2020, as amended and supplemented in accordance with the provisions of the Bond Ordinance.

“Bond Year” means each one-year period (or shorter period for the first Bond Year) ending October 1 or another one-year period selected by the City.

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

“Computation Date” means each date on which arbitrage rebate for the Bonds is computed. The City may treat any date as a Computation Date, subject to the following limits:

- (a) The first rebate installment payment must be made for a Computation Date not later than 5 years after the Issue Date;
- (b) Each subsequent rebate installment payment must be made for a Computation Date not later than 5 years after the previous Computation Date for which an installment payment was made; and
- (c) The date the last Bond is discharged is the final Computation Date.

The City selects May 1, 2025 as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

“Final Written Allocation” means the Final Written Allocation of expenditures prepared by the Bond Compliance Officer in accordance with the Tax Compliance Procedure and *Section 4.02(b)* of this Tax Certificate.

“Financed Improvements” means the portion of the Improvements financed or refinanced with the proceeds of the Bonds as described in the Bond Ordinance, all as described on *Exhibit C*.

“Gross Proceeds” means (a) sale proceeds (any amounts actually or constructively received by the City from the sale of the Bonds, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds or other Investment proceeds), (c) any amounts held in a sinking fund for the Bonds, (d) any amounts held in a pledged fund or reserve fund for the Bonds, and (e) any other replacement proceeds.

Specifically, the term Gross Proceeds includes (but is not limited to) amounts held in the following funds:

- (1) Project Fund;
- (2) Special Obligation Debt Service Fund; and
- (3) Rebate Fund (to the extent funded with sale proceeds or investment proceeds of the Bonds).

“Guaranteed Investment Contract” is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

“Improvements” means all of the property acquired, developed, constructed, renovated, and equipped by the City using Bond proceeds and other money contributed by the City, as described on *Exhibit C*.

“Investment” means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include a tax-exempt bond, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C), but does include the investment element of most interest rate caps.

“IRS” means the United States Internal Revenue Service.

“Issue Date” means May 6, 2020.

“City” means the City of Columbia, Missouri, and its successors and assigns, or any body, agency or instrumentality of the State succeeding to or charged with the powers, duties and functions of the City.

“Lender” means Regions Capital Advantage, Inc., Birmingham, Alabama, as the purchaser of the Bonds.

“Minor Portion” means \$100,000.

“Net Proceeds” means the sale proceeds of the Bonds (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

“Opinion of Bond Counsel” means the written opinion of Bond Counsel to the effect that the proposed action or the failure to act will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Bonds, the use of the Financed Improvements and the investment of Gross Proceeds that apply after the Issue Date.

“Preliminary Expenditures” means: (a) costs incurred for architectural, engineering, surveying, soil testing, costs of issuance, and similar costs prior to commencement of acquisition, construction, or rehabilitation of the Financed Improvements, other than land acquisition, site preparation, and similar costs incident to commencement of construction of the Financed Improvements up to an amount not in excess of 20 percent of the issue price of the Bonds; and (b) costs incurred in an amount not in excess of the lesser of \$100,000 or 5% of the sale proceeds of the Bonds.

“Reasonable Retainage” means Gross Proceeds retained by the City for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed (a) for purposes of the 18-month spending test, 5% of Net Proceeds of the Bonds on the date 18 months after the Issue Date, or (b) for purposes of the 2-year spending test, 5% of the Available Construction Proceeds as of the end of the 2-year spending period.

“Rebate Analyst” means Gilmore & Bell, P.C. or any successor rebate analyst selected pursuant to this Tax Certificate.

“Regulations” means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bonds.

“State” means the State of Missouri.

“Tax Certificate” means this Federal Tax Certificate as it may from time to time be amended and supplemented in accordance with its terms.

“Tax Compliance Procedure” means the City’s Tax-Advantaged Financing Compliance Policy and Procedure, dated May 19, 2014.

“**Tax-Exempt Bond File**” means documents and records for the Bonds, maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

“**Transcript**” means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

“**Yield**” means yield on the Bonds, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.01 Representations and Covenants of the City. The City represents and covenants as follows:

(a) *Organization and Authority.* The City (1) is a constitutional charter city, duly created, organized and existing under the Constitution and laws of the State, (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Bond Ordinance, to enter into, execute and deliver the Bond Ordinance, the Bonds, and this Tax Certificate and to carry out its obligations under this Tax Certificate and under such documents, and (3) by all necessary action has been duly authorized to execute and deliver the Bond Ordinance, the Bonds, and this Tax Certificate, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bonds—General Covenant.* The City (to the extent within its power or direction) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other source, in a manner that would cause the Bonds to be “arbitrage bonds,” within the meaning of Code § 148, and will not (to the extent within its power or direction) otherwise use or permit the use of any Bond proceeds or any other funds of the City, directly or indirectly, in any manner, or take or permit to be taken any other action or actions, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(c) *Private Activity Bond Volume Cap – Not Required.* Pursuant to Code § 146(g)(3), exempt facility Airport bonds meeting the requirements of Code § 142(a)(1) do not require an allocation of private activity bond volume cap from the State.

(d) *Public Hearing and Approval.* In connection with the issuance of the Bonds, the City held a public hearing as required under Code § 147(f) regarding the proposed issuance of the Bonds, at 7:00 p.m. on April 20, 2020, at the City Hall in Columbia, Missouri, after publicly given notice of the hearing advised the public that a hearing would be held on that date to discuss the proposed issuance of the Bonds and that interested parties would have an opportunity to express their views at that hearing. The hearing was open to the public, and those present were invited to express their views relating to the issuance of the Bonds and the proposed use of the Bond proceeds. After the public hearing, the Mayor of the City approved the issuance of the Bonds as required by Code § 147(f). The Mayor’s Certificate of Approval is attached to this Tax Agreement as *Exhibit F*, together with evidence of publication of the notice of the hearing.

(e) *IRS Form 8038.* A copy of IRS Form 8038 (Information Return for Tax-Exempt Private Activity Bond Issues), prepared by Bond Counsel based on information provided by the City, which is to be filed with the IRS in connection with the Bonds under Code § 149(e), is attached to this Tax Agreement as **Exhibit A**. The City does not know of any inaccuracies in the Form 8038 included as **Exhibit A**. The City agrees to timely execute and return to Bond Counsel the execution copy of Form 8038 for filing with the IRS. The City will execute any other IRS Forms (such as IRS Form 8038T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate) in the future, based on the instructions of Bond Counsel or the Rebate Analyst. The City specifically confirms the accuracy of the following information for Part V of Form 8038:

Line 31—Type of Property Financed by Nonrefunding Proceeds:

- a Land
 - b Buildings and structures
 - c Equipment with recovery period of more than 5 years
 - d Equipment with recovery period of 5 years or less
 - e Other (Capitalized Interest, Land Improvements)
- Total** – (Should Equal Line 30 on Form 8038)

Line 32—North American Industry Classification System code: 481111

(f) *Reimbursement of Expenditures; Official Intent.* On April 6, 2020, the governing body of the City adopted a resolution declaring the intent of the City to finance the Financed Improvements with tax-exempt bonds and to reimburse the City for expenditures made for the Financed Improvements prior to the issuance of those bonds. No portion of the Net Proceeds of the Bonds will be used to reimburse an expenditure paid by the City more than 60 days prior to the date the resolution identified in this subsection (f) was adopted, except for Preliminary Expenditures. No reimbursement allocation will be made for an expenditure made more than 3 years before the date of the reimbursement allocation, except for Preliminary Expenditures. No reimbursement allocation will be made more than 18 months following the later of (i) the date of the expenditure or (ii) the date the Financed Improvements were placed in service, except for Preliminary Expenditures. The City will evidence each allocation of the proceeds of the Bonds to an expenditure in writing.

(g) *Registered Bonds.* The Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(h) *Single Issue; Other Issues.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c). There are no other debt obligations of the City that satisfy the following criteria: (1) are being sold within 15 days of the sale of the Bonds, (2) are being sold under the same plan of financing as the Bonds, and (3) are expected to be paid from substantially the same source of funds as the Bonds (disregarding guarantees from unrelated parties, such as bond insurance).

(i) *Purpose of Bonds – General Description.* Proceeds of the Bonds will be used to finance the Financed Improvements. The City has preliminarily allocated proceeds of the Bonds as shown on **Exhibit C**. After the Financed Improvements are placed in service, the City will complete a Final Written Allocation in the form similar to **Exhibit E**.

(j) *Use of Bond Proceeds and Improvements.*

(1) 95% Requirement. At least 95% of the Net Proceeds will be used to finance Eligible Costs (*i.e.*, costs that can or must be chargeable to the City's capital account under general federal income tax principles) of an Airport. The City will operate the Financed Improvements as an Airport in compliance with Code § 142(c), the Regulations and this Tax Certificate as long as any Bond remains outstanding.

(2) Governmental Ownership. All of the Financed Improvements will be owned by the City or other "qualified owner" (*i.e.*, a state, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, excluding the United States or any agency or instrumentality thereof) until the earlier of (A) the end of the useful life of the Financed Improvements or (B) the final maturity of the Bonds. For purposes of the foregoing, the City will be considered the "owner" of the Financed Improvements even if it enters into a lease of, or an agreement to operate or manage, the Financed Improvements so long as:

(A) the lessee or contractor makes an irrevocable election (binding also on successors in interest) not to claim depreciation or investment tax credit with respect to the property;

(B) the lease or contract term is not more than 80% of the reasonably expected economic life of the property; and

(C) the lessee or contractor has no option to purchase the property other than at fair market value as of the time the option is exercised.

The City will include the provisions described above in any lease of, or agreement to operate or manage, the Financed Improvements.

(3) Public Use. All of the Financed Improvements will be available for use by members of the general public or for use by common carriers or charter carriers that serve members of the general public or for use by other service providers that serve members of the general public.

(4) Storage and Training Facilities. Any storage and training facilities financed by the Bonds will be directly related to the Airport and physically located on or adjacent to the Airport.

(5) Offices. Any office space financed by the Bonds will be located on the premises of the Airport, and not more than a *de minimis* amount of the functions to be performed at such office is not directly related to the day-to-day operations at the Airport.

(6) Prohibition of Certain Uses. Other than as described below, no Bond proceeds will be used (directly or indirectly) to finance the following facilities without an Opinion of Bond Counsel:

(A) any lodging facility (including airport hotels);

(B) any retail facility (including food and beverage facilities) in excess of a size necessary to serve passengers and employees at the Airport;

(C) any retail facility (other than parking) for passengers or the general public located outside the Airport;

(D) any office building for individuals who are not employees of a governmental unit or of the operating authority for the Airport; and

(E) any industrial park or manufacturing facility.

The City will use a portion of the Bond proceeds to finance the construction of a new Airport terminal and related improvements. The terminal is expected to service only the passengers and employees of the Columbia Regional Airport and will not be built in excess of a size necessary to serve such passengers and employees.

(k) *Land.* Not more than 25% of the Net Proceeds of the Bonds will be used (directly or indirectly) for the acquisition of land (or any interest therein). For this purpose, the term “land” includes any rights to the air above ground to the extent such property right is not depreciable.

(l) *Acquisition of Existing Property/Rehabilitation Requirements.* No Bond proceeds will be used to acquire used property.

(m) *Prohibited Facilities.* No portion of the Bond proceeds will be used to provide any airplane, skybox, or other private luxury box, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises, as such terms are used in Code § 147(e).

(n) *Limit on Costs of Issuance.* Not more than 2% of the sale proceeds of the Bonds will be used to pay Costs of Issuance.

(o) *Bonds Not Federally Guaranteed.* The City will not take any action or permit any action to be taken that would cause the Bonds to be “federally guaranteed” within the meaning of Code § 149(b).

(p) *Hedge Bonds.* The City reasonably expects that at least 85% of the Net Proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within 3 years after the Issue Date, and not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more.

(q) *Limit on Bond Maturity.* A list of the assets of the Financed Improvements and a computation of their “average reasonably expected economic life” is attached to this Tax Certificate as *Exhibit C*. Based on this computation, the “average maturity” of the Bonds, as computed by Bond Counsel and shown on *Exhibit C*, does not exceed 120% of the average reasonably expected economic life of the Financed Improvements.

(r) *Interest Rate Swap.* As of the Issue Date, the City has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds. The City will not enter into any such arrangement in the future without obtaining an Opinion of Bond Counsel.

(s) *Guaranteed Investment Contract.* As of the Issue Date, the City does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The City will be responsible for complying with *Section 4.04(d)* hereof if it decides to enter into a Guaranteed Investment Contract at a later date.

(t) *Bank Qualified Tax-Exempt Obligation.* The Bonds are **not** “qualified tax-exempt obligations” under Code § 265(b)(3).

(u) *Compliance with Current and Future Tax Requirements; Remedial Action.* The City understands that, to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the City must comply with the requirements and restrictions governing the investment and uses of Bond proceeds and the operation of the Financed Improvements as set forth in this Tax Certificate. In addition, future changes in the Code and regulatory guidance from the IRS may impose new or different restrictions and requirements on the City in the future. The City will comply with all of the current and future restrictions or will take remedial action to redeem all or a portion of the Bonds, in accordance with Regulations § 1.142-2 (which action will be accompanied by an Opinion of Bond Counsel), as necessary to cause interest on the Bonds to remain excludable from gross income for federal income tax purposes.

Section 2.02 Continuing Application of Representations and Covenants. All representations, covenants and certifications contained in this Tax Certificate or in any certificate or other instrument delivered by the City under this Tax Certificate, will survive the execution and delivery of such documents and the issuance of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.01 General. The purpose of this Article is to certify, under Regulations § 1.148-2(b), the City’s expectations as to the sources, uses and investment of Bond proceeds and other money, to support the City’s conclusion that the Bonds are not arbitrage bonds. The persons executing this Tax Certificate on behalf of the City are officers of the City responsible for issuing the Bonds.

Section 3.02 Reasonable Expectations. The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the City’s understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the City’s knowledge, the facts and estimates set forth in this Tax Certificate are accurate, and the expectations of the City set forth in this Tax Certificate are reasonable. The City has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Certificate are unreasonable or inaccurate or may not be relied upon.

Section 3.03 Purpose of Financing. The Bonds are being issued for the purpose of providing funds to pay a portion of the costs of the Improvements.

Section 3.04 Funds and Accounts. The following funds have been established under the Bond Ordinance:

- (a) Project Fund;
- (b) Special Obligation Debt Service Fund; and
- (c) Rebate Fund.

Section 3.05 Amount and Use of Bond Proceeds.

(a) *Amount of Bond Proceeds.* The total proceeds to be received by the City from the sale of the Bonds is \$[*Principal*].

(b) *Use of Bond Proceeds.* Bond proceeds will be deposited in the Project Fund, of which \$_____ will be used to pay or reimburse the City for costs of the Financed Improvements and \$_____ will be used to pay costs of issuing the Bonds.

Section 3.06 Multipurpose Issue. The City is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes pursuant to Regulations § 1.148-9(h)(3)(i).

Section 3.07 No Refunding. No proceeds of the Bonds will be used to pay principal of or interest on any debt obligation.

Section 3.08 Completion of Financed Improvements. The City has incurred, or will incur within 6 months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the Bonds on the Financed Improvements. The completion of the Financed Improvements and the allocation of the Net Proceeds of the Bonds to expenditures will proceed with due diligence. At least 85% of the Net Proceeds of the Bonds will be allocated to expenditures on the Financed Improvements within 3 years after the Issue Date.

Section 3.09 Sinking Funds. The City is required to make periodic payments in amounts sufficient to pay the principal of and interest on the Bonds. These payments will be deposited into the Special Obligation Debt Service Fund. Except for the Special Obligation Debt Service Fund, no sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds has been established or is expected to be established. The Special Obligation Debt Service Fund is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the City expects that the Special Obligation Debt Service Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.10 Reserve, Replacement and Pledged Funds.

(a) *No Reserve Fund.* No reserve fund has been or will be established for the Bonds.

(b) *No Replacement or Pledged Funds.* None of the Bond proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Improvements, and that instead has been or will be used to acquire higher yielding Investments. Except for the Special Obligation Debt Service Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the City encounters financial difficulty.

Section 3.11 Purpose Investment Yield. The proceeds of the Bonds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.12 Issue Price and Yield on Bonds.

(a) *Issue Price.* Based on the certifications of the Lender in the Lender’s Receipt and Representations attached to this Tax Certificate as **Exhibit B**, the issue price of the Bonds pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called “private placement rule”) is the price paid by the Lender (\$[*Principal*]).

(b) *Bond Yield.* Based on the issue price of the Bonds, the Yield on the Bonds is _____%, as computed by Bond Counsel and shown on **Schedule I** attached to this Tax Certificate. The City has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

Section 3.13 Miscellaneous Arbitrage Matters.

(a) *No Abusive Arbitrage Device.* The Bonds are not and will not be part of a transaction or series of transactions that has the effect of: (1) enabling the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) *No Over-Issuance.* The sale proceeds of the Bonds, together with expected Investment earnings thereon and other money contributed by the City do not exceed the cost of the governmental purpose of the Bonds as described above.

Section 3.14 Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Certificate, the City does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an “arbitrage bond” within the meaning of Code § 148 and the Regulations.

ARTICLE IV

TAX COMPLIANCE POLICIES AND PROCEDURES

Section 4.01 General.

(a) *Purpose of Article.* The purpose of this Article is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The City recognizes that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The City further acknowledges that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

(b) *Written Policies and Procedures of the City.* The City intends for the Tax Compliance Procedure, as supplemented by this Tax Certificate, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bonds and to supplement any other formal policies and procedures related to the Post-Issuance Tax Requirements that the City has established or establishes in the future. The provisions of this Tax Certificate are intended to be

consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Certificate, the terms of this Tax Certificate will govern.

(c) *Bond Compliance Officer.* The City, when necessary to fulfill the Post-Issuance Tax Requirements, will, through its Bond Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction payments, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12. In each case, all costs and expenses incurred by the City shall be treated as a reasonable cost of administering the Bonds and the City shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Bond Ordinance or State law.

Section 4.02 Record Keeping; Use of Bond Proceeds and Use of Financed Improvements.

(a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of Bond Counsel or to the extent otherwise provided in this Tax Certificate, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (A) ensure an accurate and complete transfer of the hardcopy records that indexes, stores, preserves, retrieves and reproduces the electronic records, (B) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (C) exhibit a high degree of legibility and readability both electronically and in hardcopy, (D) provide support for other books and records of the City and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the City's premises.

(b) *Accounting and Allocation of Bond Proceeds to Expenditures.* The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of Bond proceeds as part of the Tax-Exempt Bond File. The expected allocation of Bond proceeds to expenditures for the Improvements is set forth on *Exhibit C*. The City will prepare a Final Written Allocation to account for the allocation of Bond proceeds to expenditures for the Improvements, within 18 months after the later of (1) the date the last expenditure is made, or (2) the date the Improvements are placed in service, and in any event not later than 60 days after the fifth anniversary of the Issue Date or the date the Bonds are retired. A sample form of Final Written Allocation is attached as *Exhibit E*.

(c) *Annual Compliance Checklist.* Attached as *Exhibit D* is a sample Annual Compliance Checklist for the Bonds. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Financed Improvements at least annually in accordance with the Tax Compliance Procedure. In the event the Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Certificate, the Bond Compliance Officer will take the actions identified in an Opinion of Bond Counsel or the Tax Compliance Procedure to correct any deficiency.

(d) *Opinions of Bond Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the City any Opinion of Bond Counsel required under the provisions of this Tax Certificate or the Annual Compliance Checklist.

Section 4.03 Restrictions on Investment Yield. Except as described below, Gross Proceeds must not be invested at a Yield greater than the Yield on the Bonds:

(a) *Project Fund.* Bond proceeds deposited in the Project Fund and Investment earnings on those proceeds may be invested without Yield restriction for up to 3 years following the Issue Date. If any unspent proceeds remain in such fund after 3 years, those amounts may continue to be invested without Yield restriction so long as the City pays to the IRS all Yield reduction payments in accordance with Regulations § 1.148-5(c). These payments are required whether or not the Bonds are exempt from the arbitrage rebate requirements of Code § 148.

(b) *Special Obligation Debt Service Fund.* To the extent that the Special Obligation Debt Service Fund qualifies as a Bona Fide Debt Service Fund, money in such account may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for 1 year after the date of receipt of such earnings.

(c) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.04 Procedures for Establishing Fair Market Value of Investments.

(a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with Regulations § 1.148-5.

(b) *Established Securities Market.* Except for Investments purchased for a yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with Regulations § 1.148-5.

(c) *Certificates of Deposit.* The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts.* The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

(1) *Bona Fide Solicitation for Bids.* The City makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(A) The bid specifications are in writing and are timely forwarded to potential providers, or are made available on an internet website or other similar electronic media that is regularly used to post bid specifications to potential bidders. A writing includes a hard copy, a fax, or an electronic e-mail copy.

(B) The bid specifications include all “material” terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the Guaranteed Investment Contract.

(C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City, or any other person (whether or not in connection with the bond issue), and (iii) that the bid is not being submitted solely as a courtesy to the City, or any other person, for purposes of satisfying the requirements of the Regulations.

(D) The terms of the bid specifications are “commercially reasonable.” A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the Guaranteed Investment Contract.

(E) The terms of the solicitation take into account the City’s reasonably expected deposit and draw-down schedule for the amounts to be invested.

(F) All potential providers have an equal opportunity to bid. If the bidding process affords any opportunity for a potential provider to review other bids before providing a bid, then providers have an equal opportunity to bid only if all potential providers have an equal opportunity to review other bids. Thus, no potential provider may be given an opportunity to review other bids that is not equally given to all potential providers (that is no exclusive “last look”).

(G) At least 3 “reasonably competitive providers” are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(2) *Bids Received.* The bids received by the City must meet all of the following requirements:

(A) The City receives at least 3 bids from providers that were solicited as described above and that do not have a “material financial interest” in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least 1 of the 3 bids received is from a reasonably competitive provider, as defined above.

(C) If the City uses an agent or broker to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(3) *Winning Bid.* The winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(4) *Fees Paid.* The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(5) *Records.* The City retains the following records with the bond documents until 3 years after the last outstanding Bond is redeemed:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid by the City for the Guaranteed Investment Contract, including a record of any administrative costs paid by the City, and the certification as to fees paid, described in paragraph (d)(4) above.

(C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(D) The bid solicitation form and, if the terms of the Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) *Other Investments.* If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(1) At least 3 bids on the Investment must be received from persons with no financial interest in the Bonds (e.g., as underwriters or brokers); and

(2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

Section 4.05 Certain Gross Proceeds Exempt from the Rebate Requirement.

(a) *General.* A portion of the Gross Proceeds of the Bonds may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Bonds and will not otherwise affect the application of the Investment limitations described in **Section 4.03**. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in **Section 4.06** applies even if a portion of the Gross Proceeds of the Bonds is exempt from the rebate requirement. To the extent all or a portion of the Bonds is exempt from rebate, the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in **Section 4.06**. The City may defer the final rebate Computation Date and the payment of rebate for the Bonds to the extent permitted by Regulations §§ 1.148-7(b)(1) and 1.148-3(e)(2) but only in accordance with specific written instructions provided by the Rebate Analyst.

(b) *Applicable Spending Exceptions.*

(1) The City expects that at least 75% of the Available Construction Proceeds will be used for construction or rehabilitation expenditures for property owned by the City.

(2) The following optional rebate spending exceptions can apply separately to the Bonds:

- (A) 6-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).
- (B) 18-month spending exception (Regulations § 1.148-7(d)).
- (C) 2-year spending exception (Code § 148(f)(4)(C) and Regulations § 1.148-7(e)).

(c) *Special Elections Made with Respect to Spending Exception Elections.* No special elections are being made in connection with the application of the spending exceptions.

(d) *Bona Fide Debt Service Fund.* To the extent that the Special Obligation Debt Service Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings therein cannot be taken into account in computing arbitrage rebate: (1) with respect to such portion that meets the 6-month spending exception; or (2) for a given Bond Year, if the gross earnings on the Special Obligation Debt Service Fund for such Bond Year are less than \$100,000. If the average annual debt service on the Bonds does not exceed \$2,500,000, the \$100,000 earnings test may be treated as satisfied in every Bond Year.

(e) *Documenting Application of Spending Exception.* At any time prior to the first Computation Date, the City may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the City must continue to comply with **Section 4.06**.

(f) *General Requirements for Spending Exception.* The following general requirements apply in determining whether a spending exception is met:

(1) Using Adjusted Gross Proceeds or Available Construction Proceeds to pay principal of any Bonds is not taken into account as an expenditure for purposes of meeting any of the spending tests.

(2) The six-month spending exception generally is met if all Adjusted Gross Proceeds of the Bonds are spent within 6 months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial six-month period, so long as this amount is spent within one year of the Issue Date.

(3) The 18-month spending exception generally is met if all Adjusted Gross Proceeds of the Bonds are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Adjusted Gross Proceeds Spent
6 months	15%
12 months	60%
18 months (Final)	100%

(4) The 2-year spending exception generally is met if all Available Construction Proceeds are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Available Construction Proceeds Spent
6 months	10%
12 months	45%
18 months	75%
24 months (Final)	100%

(5) For purposes of applying the 18-month and 2 year spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the City uses due diligence to complete the Financed Improvements and the failure does not exceed the lesser of 3% of the aggregate issue price the Bonds or \$250,000. **No such exception applies for any other spending period.**

(6) For purposes of applying the 18-month and 2-year spending exceptions only, the Bonds meet the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such Reasonable Retainage is spent within 30 months after the Issue Date in the case of the 18-month exception or 3 years after the Issue Date in the case of the 2-year spending exception.

(g) *Investment Records.* The City will retain records related to (1) the expenditure of the sale proceeds of the Bonds; and (2) the Investment and expenditure of money on deposit in the Special Obligation Debt Service Fund in accordance with **Section 4.02(a)** of this Tax Certificate.

Section 4.06 Computation and Payment of Arbitrage Rebate.

(a) *Computation of Rebate Amount.* The City will provide the Rebate Analyst Investment reports relating to each fund held by it that contains Gross Proceeds of the Bonds together with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the City annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Bonds, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the City together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals.

(c) *Rebate Payments.* Within 60 days after each Computation Date, the City will pay to the United States the rebate amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center
Ogden, UT 84201

(d) *Successor Rebate Analyst.* If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the City desires that a different firm act as the Rebate Analyst, then the City by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Certificate, will name a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder.

(e) *Filing Requirements.* The City will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Bond Counsel.

(f) *Survival after Defeasance.* Notwithstanding anything in the Bond Ordinance to the contrary, the obligation to pay arbitrage rebate to the United States will survive the payment or defeasance of the Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01 Term of Tax Certificate. This Tax Certificate will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that the provisions of *Article IV* of this Tax Certificate regarding payment of arbitrage rebate and yield reduction amounts and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions in *Section 4.02* relating to record keeping shall continue in force for the period described therein for records to be retained.

Section 5.02 Amendments. This Tax Certificate may be amended from time to time by the City without notice to or the consent of any of the Bond Owners, but only if such amendment is in writing and is accompanied by an Opinion of Bond Counsel to the effect that, under then existing law, assuming compliance with this Tax Certificate as so amended and the Bond Ordinance, such amendment will not cause any Bond to be an arbitrage bond under Code § 148 or otherwise cause interest on any Bond to be included in gross income for federal income tax purposes. No amendment will become effective until the City receives an Opinion of Bond Counsel, addressed to the City that the amendment will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

Section 5.03 Opinion of Bond Counsel. The City may deviate from the provisions of this Tax Certificate if furnished with an Opinion of Bond Counsel to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. The City further agrees to comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the exclusion from gross income of interest on the Bonds.

Section 5.04 Reliance. In delivering this Tax Certificate the City is making only those certifications, representations and agreements as are specifically attributed to it in this Tax Certificate. The City is not aware of any facts or circumstances that would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Certificate and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. The City understands that its certifications will be relied upon by Bond Counsel in

rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

Section 5.05 Severability. If any provision in this Tax Certificate or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.06 Benefit of Certificate. This Tax Certificate is binding upon the City, its respective successors and assigns, and inures to the benefit of the City and the owners of the Bonds. Nothing in this Tax Certificate, the Bond Ordinance or the Bonds, express or implied, gives to any person, other than the City, its successors and assigns, and the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Certificate.

Section 5.07 Default, Breach and Enforcement. Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Certificate may be pursued by the Bond Owners pursuant to the terms of the Bond Ordinance or any other document that references this Tax Certificate and gives remedies for a misrepresentation or breach thereof.

Section 5.08 Governing Law. This Tax Certificate will be governed by and construed in accordance with the laws of the State.

Section 5.09 Electronic Transactions. The transactions described in this Tax Certificate may be conducted, and related documents may be stored, by electronic means.

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THE UNDERSIGNED, City Manager and Finance Director of the City, by their execution of this Tax Certificate, hereby make the foregoing certifications, representations, and agreements contained in this Tax Certificate on behalf of the City as of the Issue Date.

CITY OF COLUMBIA, MISSOURI

By: _____
Title: City Manager

By: _____
Title: Finance Director

EXHIBIT A

IRS FORM 8038

(EVIDENCE OF FILING OF FORM 8038)

EXHIBIT B

RECEIPT AND REPRESENTATION

[\$[*Principal*]

CITY OF COLUMBIA, MISSOURI

SPECIAL OBLIGATION BONDS

(AIRPORT PROJECT)

SERIES 2020A

DATED MAY 6, 2020

This certificate is being delivered by Regions Capital Advantage, Inc., Birmingham, Alabama (the “Lender”) in connection with the issuance of the above-described bonds (the “Bonds”), being issued on the date of this Receipt by the City of Columbia, Missouri (the “City”). Based on its records and information available to the undersigned that the undersigned believes to be correct, the Lender represents as follows:

The undersigned, on behalf of Regions Capital Advantage, Inc. (the “Lender”), as the purchaser of the above-described bonds (the “Bonds”), being issued on the date of this Certificate by the City of Columbia, Missouri (the “City”), hereby certifies, represents, warrants and agrees as follows:

1. Receipt for Bonds. The Lender acknowledges receipt on the date hereof of the Bonds, consisting of fully-registered Bonds numbered from 1 consecutively upward in denominations of \$100,000 plus integral multiples of \$5,000, as evidence of a loan to the City.

2. Issue Price.

(a) *Purchase Price.* On the date of this Certificate, the Lender is purchasing the Bonds for the amount of \$[*Principal*], equal to the principal amount thereof. The Lender is not acting as an Underwriter with respect to the Bonds. The Lender has no present intention to sell, reoffer, or otherwise dispose of the Bonds (or any portion of the Bonds or any interest in the Bonds). The Lender has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds, and the Lender has not agreed with the City pursuant to a written agreement to sell the Bonds to persons other than the Lender or a Related Party to the Lender.

(b) *Defined Terms.*

(i) The term “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(ii) The term “Related Party” is defined in U.S. Treasury Regulation § 1.150-1(b), which generally provides that the term related party means any two or more persons who have a greater than 50% common ownership, directly or indirectly.

(iii) The term “Underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or

a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The Lender expresses no views regarding the legal sufficiency of any computations or the correctness of any legal interpretation made by Gilmore & Bell, P.C., as bond counsel.

3. Reliance. The City may rely on the foregoing representations in executing and delivering its Federal Tax Certificate with respect to its certification as to issue price of the Bonds under the Internal Revenue Code of 1986, as amended (the “Code”), and Gilmore & Bell, P.C., Bond Counsel may rely on the foregoing representations in rendering its opinion relating to the exclusion from federal gross income of the interest on the Bonds under the Code. The Lender makes no representation as to the legal sufficiency of the factual matters set forth herein.

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Dated: May 6, 2020.

REGIONS CAPITAL ADVANTAGE, INC.

By: _____
Title: _____

EXHIBIT C

**DESCRIPTION OF PROPERTY COMPRISING THE FINANCED IMPROVEMENTS
AND LIST OF REIMBURSEMENT EXPENDITURES**

[\$*Principal*]

**CITY OF COLUMBIA, MISSOURI
SPECIAL OBLIGATION BONDS
(AIRPORT PROJECT)
SERIES 2020A
DATED MAY 6, 2020**

EXHIBIT D

FORM OF ANNUAL COMPLIANCE CHECKLIST

**[\$*Principal*]
 CITY OF COLUMBIA, MISSOURI
 SPECIAL OBLIGATION BONDS
 (AIRPORT PROJECT)
 SERIES 2020A
 DATED MAY 6, 2020**

The Bond Compliance Officer is the person that the City has identified in the Tax Compliance Procedure who is primarily responsible for working with other City officials, departments and administrators and for consulting with Bond Counsel, other legal counsel and outside experts to the extent necessary to carry out the Post-Issuance Tax Requirements for the Bonds. On the Issue Date, the City identified certain assets financed in whole or in part by the Bonds (the “Financed Improvements”), as evidenced on *Exhibit C* to the Federal Tax Certificate. Please complete this checklist within 90 days after the conclusion of the City’s Fiscal Year. Should you have questions or need assistance in completing the checklist, please contact Bond Counsel at the address below. A completed copy of this annual checklist should be placed in the Tax-Exempt Bond File and retained in the City’s permanent records for at least 3 years after the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds.

Bond Compliance Officer Name: [_____]
Bond Compliance Officer Signature: [_____]
Date of Report: [_____]
Annual Period Covered by Report: [_____]

****If the answers to any of the following questions identify any compliance deficiencies, the Bond Compliance Officer should immediately contact Bond Counsel and take actions required in the Tax Compliance Procedure.****

Item	Question	Response
1 Ownership	Were all of the Financed Improvements owned by the City during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was an Opinion of Bond Counsel obtained prior to the transfer? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
2 Airport Terminal	Does the airport terminal predominantly serve passengers and employees of the airport?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was an Opinion of Bond Counsel obtained? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3 Public Use	Were all of the Financed Improvements available for use by members of the general public or for use by common carriers or charter carriers that serve members of the general public or for use by other service providers that serve members of the general public?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was an Opinion of Bond Counsel obtained? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4 Proceeds & Investments	Have any Gross Proceeds of the Bonds been invested in a Guaranteed Investment Contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has the City entered into an Interest Rate Swap Agreement with respect to the Bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has any sinking or reserve fund for the payment of the Bonds been established (other than funds and accounts created in the Bond Ordinance)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Have any of the Bonds been redeemed or refunded in advance of their scheduled maturities?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer to any of the above questions was “Yes,” notify Bond Counsel with such information and place a copy of documentation in the Tax-Exempt Bond File.	
5 Arbitrage & Rebate	Have all rebate and yield reduction calculations mandated in the Tax Compliance Agreement been prepared for the current year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No, contact Rebate Analyst and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

EXHIBIT E

FORM OF FINAL WRITTEN ALLOCATION

[\$*Principal*]

CITY OF COLUMBIA, MISSOURI

SPECIAL OBLIGATION BONDS

(AIRPORT PROJECT)

SERIES 2020A

DATED MAY 6, 2020

The Bond Compliance Officer is the person that the City has identified in the Tax Compliance Procedure who is primarily responsible for the Post-Issuance Tax Requirements for the Bonds. On the Issue Date, the City identified certain categories of assets financed in whole or in part by the Bonds (the “Financed Improvements”), as evidenced on *Exhibit C* to the Federal Tax Certificate. The Tax Compliance Procedure requires the Bond Compliance Officer to complete a Final Written Allocation of the proceeds of the Bonds, in substantially the following form, when all proceeds (including Investment earnings on proceeds) are expended, but not later than 18 months after the Financed Improvements are placed in service. A completed copy of this Final Written Allocation should be placed in the Tax-Exempt Bond File and retained in the City’s permanent records for at least 3 years after the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds.

The undersigned is the Bond Compliance Officer of the City of Columbia, Missouri (the “City”) and in that capacity is authorized to execute federal income tax returns required to be filed by the City and to make appropriate elections and designations regarding federal income tax matters on behalf of the City. This allocation of the proceeds of the bond issue referenced above (the “Bonds”) is necessary for the City to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of Bond proceeds to expenditures for purposes of §§ 141, 142 and 148 of the Internal Revenue Code (the “Code”). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the City or, if later, the date the “Financed Improvements” were “placed in service” (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Bonds.

Definitions. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Federal Tax Certificate, relating to the Bonds, issued May 6, 2020 (the “Issue Date”).

Background. The Bonds were issued pursuant to the Bond Ordinance in order to provide funds needed to finance the Financed Improvements. Proceeds of the Bonds were deposited into the Funds and Accounts as described in the Federal Tax Certificate.

Sources Used to Fund Improvements and Allocation of Proceeds to Costs of Financed Improvements. A portion of the costs of the Improvements were paid from sale proceeds of the Bonds, and earnings from the investment of Bond sale proceeds as shown on *Schedule 1* to this Final Written Allocation.

Identification of Financed Improvements. The Financed Improvements are listed on *Schedule 2* to this Final Written Allocation.

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the City allocates the proceeds of the Bonds to the various expenditures described in the invoices, requisitions or other substantiation attached as **Schedule 2** to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the City for an amount it had previously paid or incurred. Amounts allocated to interest expense are treated as paid on the Interest Payment Dates for the Bonds.

Placed In Service. The Financed Improvements were “placed in service” on the date(s) set out on **Schedule 2** to this Final Written Allocation. For this purpose, the assets are considered to be “placed in service” as of the date on which, based on all the facts and circumstances: (a) the constructing and equipping of the asset has reached a degree of completion that would permit its operation at substantially its design level; and (b) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The City reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

CITY OF COLUMBIA, MISSOURI

Date: _____

By: _____
Bond Compliance Officer

This Final Written Allocation has been prepared in the manner required by the Tax Compliance Procedure:

[City Counsel/Bond Counsel]

Date of review: _____

**SCHEDULE 1
TO FINAL WRITTEN ALLOCATION**

ALLOCATION OF SOURCES AND USES

**SCHEDULE 2
TO FINAL WRITTEN ALLOCATION**

IDENTIFICATION OF FINANCED ASSETS

Description	Actual Date Placed in Service	Estimated Useful Life	Actual Total Cost	Actual Amount Financed From Bonds
	[month/year]	[] years	\$[]	\$[]

*note: exclude land costs

DETAILED LISTING OF EXPENDITURES*

<i>Item No.</i>	<i>Date Paid</i>	<i>Amount Paid</i>	<i>Category</i>	<i>Payee</i>	<i>Description</i>	<i>Reference</i>

* or attach General Ledger or Project Ledger

EXHIBIT F

**CERTIFICATE OF APPROVAL OF THE MAYOR
OF THE CITY OF COLUMBIA, MISSOURI**

**CITY OF COLUMBIA, MISSOURI
SPECIAL OBLIGATION BONDS
(AIRPORT PROJECT)
SERIES 2020A
DATED MAY 6, 2020**

ISSUER & GOVT. UNIT: City of Columbia, Missouri (the “City”)

**MAXIMUM PRINCIPAL
AMOUNT OF OBLIGATIONS:** \$14,500,000

PROJECT DESCRIPTION: The issuance of the City’s tax-exempt obligations in an amount not to exceed \$14,500,000, to provide funds for City municipal airport projects as set forth in the attached notice of public hearing (the “Project”).

ORIGINAL POSTING DATE: April __, 2020 on the meeting schedule webpage of the City’s official website.

PUBLIC HEARING DATE: April 20, 2020

I, the undersigned, Mayor and chief elected executive officer of the City, do hereby certify that a public hearing was held at the offices of the City, on the above-stated public hearing date, concerning the City’s issuance of tax-exempt obligations to finance costs of the above-described Project. Attached hereto is a certificate of the City regarding posting of notice of the public hearing and the public hearing.

Based on the foregoing, the issuance of tax-exempt obligations by the City to finance costs of the Project is hereby approved in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended.

Date: April __, 2020

Mayor

**CERTIFICATE REGARDING
PUBLIC HEARING AND NOTICE OF SUCH HEARING**

The City of Columbia, Missouri (the “City”), does hereby certify in connection with the proposed issuance of its not to exceed \$14,500,000 principal amount of Special Obligation Bonds (Airport Project), Series 2020A (the “Bonds”) as follows.

1. Public Hearing. In connection with the issuance of the Bonds, the City was authorized to hold a hearing as required under Section 147 of the Internal Revenue Code of 1986, as amended, regarding the proposed issuance of the Bonds. On **April 20, 2020** at the City Hall, 701 East Broadway in Columbia, Missouri, a public hearing was held concerning the Bonds as provided in the notice of public hearing described below. The hearing was open to the public, and the public was invited to express their views prior to or at the hearing relating to the issuance of the Bonds and the proposed use of the proceeds of the Bonds.

2. Notice of Public Hearing. The posted notice of the public hearing as shown on **Exhibit A** advised the public that a public hearing would be held on April 20, 2020 to discuss the proposed issuance of the Bonds and that interested parties would be afforded an opportunity to express their views at that hearing. The notice of public hearing was posted and publicly available on **April __, 2020**, through the hearing date, by posting on the City’s official website at www.como.gov, which website is used to inform its residents of public meeting and events affecting its residents and their corresponding dates and times.

IN WITNESS WHEREOF, the City has caused this certificate to be executed as of this ____ day of April, 2020.

CITY OF COLUMBIA, MISSOURI

By _____
Finance Director

EXHIBIT A

Website Postings Screenshots

SCHEDULE 1

DEBT SERVICE SCHEDULE AND PROOF OF YIELD