

ORDINANCE NO. O-24-\_\_

AN ORDINANCE OF THE CITY OF COVINGTON, KENTUCKY AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF ITS CITY OF COVINGTON, KENTUCKY GENERAL OBLIGATION REFUNDING BONDS AND GENERAL OBLIGATION BONDS, IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$48,430,000, FOR THE PURPOSES OF (I) REFUNDING, IN ADVANCE OF MATURITY, THE CITY'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES 2014, (II) REFUNDING, IN ADVANCE OF MATURITY, THE CITY'S OUTSTANDING TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014B, AND (III) FINANCING THE COSTS OF THE ACQUISITION, CONSTRUCTION, INSTALLATION, AND EQUIPPING OF A NEW CITY HALL; APPROVING THE FORM OF EACH SERIES OF THE SERIES 2024 BONDS; AUTHORIZING DESIGNATED OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE SERIES 2024 BONDS; AUTHORIZING AND DIRECTING THE FILING OF A NOTICE WITH THE STATE LOCAL DEBT OFFICER FOR EACH SERIES OF THE SERIES 2024 BONDS; PROVIDING FOR THE PAYMENT AND SECURITY OF THE SERIES 2024 BONDS; ESTABLISHING A BOND PAYMENT FUND FOR EACH SERIES OF THE SERIES 2024 BONDS; AFFIRMING THE EXISTING SINKING FUND; AUTHORIZING THE ACCEPTANCE OF THE BID OF THE PURCHASER FOR EACH SERIES OF THE SERIES 2024 BONDS; AND REPEALING ANY INCONSISTENT ORDINANCES.

WHEREAS, the City of Covington, Kentucky (the "City") has determined and does hereby confirm that it is a public purpose of the City to acquire, construct, equip, and install a new city hall building for the well-being and benefit of the citizens of the City (the "Project"); and

WHEREAS, the City has previously issued, and there are currently outstanding, its City of Covington, Kentucky General Obligation Bonds, Series 2014 dated August 15, 2014, in an original principal amount of \$18,635,000 (the "Series 2014A Bonds"), the proceeds of which were used (i) to finance the acquisition, construction, installation, and equipping of multiple public projects, including infrastructure improvements, economic development and neighborhood revitalization projects, fleet and equipment upgrades, and parks, facilities, and land improvements, (ii) to refund, in advance of maturity, an outstanding Lease Agreement dated as of September 12, 2008, by and between the City and the Kentucky League of Cities Funding Trust, the proceeds of which were used to finance the acquisition, construction, installation, and equipping of public works vehicles, police cruisers, 911 dispatch equipment, fire pumpers, and energy savings related improvements, and (iii) to pay the costs of issuance of the Series 2014A Bonds; and

WHEREAS, the City has previously issued, and there are currently outstanding, its City of Covington, Kentucky Taxable General Obligation Refunding Bonds, Series 2014B dated October 31, 2014, in an original principal amount of \$10,960,000 (the "Series 2014B Bonds" and, together with the Series 2014A Bonds, the "Prior Bonds"), the proceeds of which were used (i) to refund the City's Taxable Variable Rate General Obligation Funding Bonds, Series 2004, the proceeds of which were used to finance unfunded liabilities in the City's police and firemen's pension plan and in the City's employees' retirement fund, and (ii) to pay the costs of issuance of the Series 2014B Bonds; and

WHEREAS, the City has determined that it is in the best interests of the City for the City to proceed with refunding of all or a portion of the Prior Bonds in advance of maturity; and

WHEREAS, in order to achieve the foregoing objectives of the City, the City has determined and does hereby confirm that it is necessary and desirable at this time for the City to proceed with the issuance of (i) its General Obligation Refunding Bonds, Series 2024A, in an approximate aggregate principal amount of \$12,135,000, which amount may be increased by up to \$1,215,000 or decreased by any amount (the “Series 2024A Bonds”), (a) to refund, in advance of maturity, all or any portion of the Series 2014A Bonds, (b) to pay the costs of credit enhancement for the Series 2024A Bonds, if any, and (c) to pay all or a portion of the costs of issuance of the Series 2024A Bonds; (ii) its Taxable General Obligation Refunding Bonds, Series 2024B, in an approximate aggregate principal amount of \$5,305,000, which amount may be increased by up to \$535,000 or decreased by any amount (the “Series 2024B Bonds”), (a) to refund, in advance of maturity, all or any portion of the Series 2014B Bonds, (b) to pay the costs of credit enhancement for the Series 2024B Bonds, if any, and (c) to pay all or a portion of the costs of issuance of the Series 2024B Bonds; and (iii) its General Obligation Bonds, Series 2024C, in an approximate aggregate principal amount of \$26,580,000, which amount may be increased by up to \$2,660,000 or decreased by any amount (the “Series 2024C Bonds” and, together with the Series 2024A Bonds and the Series 2024B Bonds, the “Series 2024 Bonds”), (a) to finance all or a portion of the costs of the Project, (b) to pay the costs of credit enhancement for the Series 2024C Bonds, if any, and (c) to pay all or a portion of the costs of issuance of the Series 2024C Bonds; and

WHEREAS, as provided by the Constitution and laws of the Commonwealth of Kentucky, including, particularly, Sections 66.011 to 66.191, inclusive, of the Kentucky Revised Statutes, as amended (the “Act”), a city may issue bonds, subject to the requirements of the Act, for the purposes of (i) to finance or refinance the costs of any public project, to the extent that the city is authorized to cause the acquisition, construction, installation, and equipping thereof, or (ii) to refinance any existing obligation issued under the Act, to the extent such obligation was incurred to pay all or any portion of an unfunded liability of the city; and

WHEREAS, the City desires (i) to refund, in advance of maturity, all or a portion of the Prior Bonds, (ii) to finance all or a portion of the costs of the Project, (iii) to pay all or a portion of the costs of credit enhancement for the Series 2024 Bonds, if any, and (v) to pay all or a portion of the costs of issuance of the Series 2024 Bonds, all through the issuance of the Series 2024 Bonds, which are to be sold and awarded to the successful bidder for each respective series of the Series 2024 Bonds (each, a “Purchaser” and, together, the “Purchasers”), at public, competitive sales held in accordance with the provisions of Chapter 424 of the Kentucky Revised Statutes, as amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF COVINGTON, KENTUCKY, AS FOLLOWS:

Section 1. Affirmation of Recitals. It is hereby found, determined, and declared that the facts and statements set forth in the recitals of this Bond Ordinance are all true and correct, and such facts and statements are hereby affirmed, adopted, and incorporated as a part of this Bond Ordinance, and all acts described in the recitals are hereby ratified.

Section 2. Necessity, Authorization, and Purpose. The City hereby declares that it is desirable and necessary to issue, and hereby authorizes the issuance of, (a) its City of Covington, Kentucky General Obligation Refunding Bonds, Series 2024A, in an approximate aggregate principal amount of \$12,135,000, which amount may be increased by up to \$1,215,000 or decreased by any amount, for the purposes of (i) refunding, in advance of maturity, all or a portion of the Series 2014A

Bonds, (ii) paying the costs of credit enhancement for the Series 2024A Bonds, if any, and (iii) paying all or a portion of the costs of issuance of the Series 2024A Bonds; (b) its City of Covington, Kentucky Taxable General Obligation Refunding Bonds, Series 2024B, in an approximate aggregate principal amount of \$5,305,000, which amount may be increased by up to \$535,000 or decreased by any amount, for the purposes of (i) refunding, in advance of maturity, all or a portion of the Series 2014B Bonds, (ii) paying the costs of credit enhancement for the Series 2024B Bonds, if any, and (iii) paying all or a portion of the costs of issuance of the Series 2024B Bonds; and (c) its City of Covington, Kentucky General Obligation Bonds, Series 2024C, in an approximate aggregate principal amount of \$26,580,000, which amount may be increased by up to \$2,660,000 or decreased by any amount, for the purposes of (i) financing all or a portion of the costs of the acquisition, construction, installation, and equipping of the Project, (ii) paying the costs of credit enhancement for the Series 2024C Bonds, if any, and (iii) paying all or a portion of the costs of issuance of the Series 2024C Bonds.

The exact principal amount of each series of the Series 2024 Bonds shall be established in their respective Award Certificates (as defined herein).

Section 3. Form of the Series 2024 Bonds. Each series of the Series 2024 Bonds shall be issued as fully registered bonds and shall bear the respective designations set forth in Section 2 hereof. Each Series 2024 Bond issued under this Bond Ordinance shall (a) express upon its face the purposes for which it is issued and that it is issued under the Act, and (b) shall be substantially in the applicable form set forth in Exhibit A attached hereto. If any of the Series 2024 Bonds are issued in a calendar year after calendar year 2024 or in a different order of issuance, their designation may be adjusted to reflect their calendar year and order of issuance.

The Series 2024 Bonds shall be issued in the denominations requested by their respective Purchasers, which shall be in integral multiples of \$5,000. Each series of the Series 2024 Bonds shall be dated its date of initial issuance and delivery, or such other date as may be determined in an award certificate accepting the bid of the Purchaser for such series (each, an “Award Certificate” and, together, the “Award Certificates”) to be executed by the Mayor, the Mayor Pro Tem, or the Finance Director of the City on the date of the sale of the Series 2024 Bonds.

Interest on the Series 2024A Bonds shall be payable semiannually on April 1 and October 1 of each year (each, a “Series 2024A Interest Payment Date”), commencing April 1, 2025, at the stated interest rate or rates on the principal amounts thereof, calculated on the basis of a 360-day year with twelve 30-day months.

The Series 2024A Bonds shall be serial bonds or term bonds maturing or subject to mandatory sinking fund redemption on October 1, 2025, and each October 1 thereafter, in the years and in the amounts to be established in the Award Certificate for the Series 2024A Bonds after the advertised, competitive sale of the Series 2024A Bonds, based on the interest rates set forth in the successful bid therefor (the “Series 2024A Bid”) and the provisions of this Section; provided that the final maturity date of the Series 2024A Bonds shall be set forth in the Award Certificate for the Series 2024A Bonds, but shall be no later than thirty years after the date of issuance of the Series 2024A Bonds.

Interest on the Series 2024B Bonds shall be payable semiannually on June 1 and December 1 of each year (each, a “Series 2024B Interest Payment Date”), commencing June 1, 2025, at the stated interest rate or rates on the principal amounts thereof, calculated on the basis of a 360-day year with twelve 30-day months.

The Series 2024B Bonds shall be serial bonds or term bonds maturing or subject to mandatory sinking fund redemption on December 1, 2025, and each December 1 thereafter, in the years and in the amounts to be established in the Award Certificate for the Series 2024B Bonds after the advertised, competitive sale of the Series 2024B Bonds, based on the interest rates set forth in the successful bid therefor (the “Series 2024B Bid”) and the provisions of this Section; provided that the final maturity date of the Series 2024B Bonds shall be set forth in the Award Certificate for the Series 2024B Bonds, but shall be no later than thirty years after the date of issuance of the Series 2024B Bonds.

Interest on the Series 2024C Bonds shall be payable semiannually on June 1 and December 1 of each year (each, a “Series 2024C Interest Payment Date” and, together with the Series 2024A Interest Payment Dates and Series 2024B Interest Payment Dates, the “Interest Payment Dates”), commencing June 1, 2025, at the stated interest rate or rates on the principal amounts thereof, calculated on the basis of a 360-day year with twelve 30-day months.

The Series 2024C Bonds shall be serial bonds or term bonds maturing or subject to mandatory sinking fund redemption on December 1, 2025, and each December 1 thereafter, in the years and in the amounts to be established in the Award Certificate for the Series 2024C Bonds after the advertised, competitive sale of the Series 2024C Bonds, based on the interest rates set forth in the successful bid therefor (the “Series 2024C Bid” and, together with the Series 2024A Bid and the Series 2024B Bid, the “Bids”) and the provisions of this Section; provided that the final maturity date of the Series 2024C Bonds shall be set forth in the Award Certificate for the Series 2024C Bonds, but shall be no later than thirty years after the date of issuance of the Series 2024C Bonds.

The interest rate or rates on each series of the Series 2024 Bonds shall be determined in their respective Award Certificate based on the Bid received for such series; provided, however, that the aggregate net interest cost of each series of the Series 2024 Bonds shall not exceed 10% per annum.

Series 2024 Bonds that are issued as term bonds shall be subject to mandatory sinking fund redemption on the dates, in the years, and in the amounts set forth in the applicable Award Certificate.

Each series of the Series 2024 Bonds shall be subject to optional redemption before maturity on the dates and in the amounts set forth in the applicable Award Certificate, in whole or in part, in such order of maturity as shall be designated in writing by the City, and by lot within any maturity, at the election of the City, upon thirty-five days’ prior written notice to the applicable Paying Agent and Registrar (as defined herein), at a redemption price equal to the principal amount of Series 2024 Bonds to be redeemed, plus accrued interest on such principal amount to the date of redemption.

At least thirty days before the optional or mandatory sinking fund redemption date of any Series 2024 Bond, the applicable Paying Agent and Registrar shall cause a notice of such redemption, either in whole or in part, signed by such Paying Agent and Registrar, to be mailed, first class, postage prepaid, to all registered owners of the Series 2024 Bonds to be redeemed, at their addresses as they appear on the registration books kept by such Paying Agent and Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for the redemption of any Series 2024 Bonds for which such notice has been sent. Each redemption notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2024 Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive series, number, or letters, if any, of such Series 2024 Bonds to be redeemed. In addition, if any Series 2024 Bond is to be redeemed in part only, the notice of redemption shall also set forth the portion of the principal

amount thereof to be redeemed and include a statement that on or after the date fixed for redemption, upon the surrender of such Series 2024 Bond for redemption, a new Series 2024 Bond, of the same series as the Series 2024 Bond surrendered for redemption, will be issued in a principal amount equal to the unredeemed portion of the Series 2024 Bond so redeemed.

On any date so designated for the redemption of any of the Series 2024 Bonds, notice of such redemption having been mailed in the manner and under the conditions provided herein and moneys for payment of the redemption price of such Series 2024 Bonds being held by the applicable Paying Agent and Registrar in the applicable Series 2024 Bond Payment Fund established under Section 11 hereof, for the registered owners of the Series 2024 Bonds to be redeemed, (a) the Series 2024 Bonds so called for redemption shall become and be due and payable at the redemption price provided for the redemption of such Series 2024 Bonds on such date, (b) the interest on the Series 2024 Bonds so called for redemption shall cease to accrue, and (c) the registered owners of the Series 2024 Bonds so redeemed shall have no right in respect thereof, except the right to receive payment of the redemption price thereof.

Notwithstanding the foregoing, any such redemption may be conditioned upon moneys in an amount sufficient to carry out such redemption being deposited with the applicable Paying Agent and Registrar on or before the applicable redemption date. Any failure to make such a deposit shall not constitute an event of default under this Bond Ordinance or under the Bonds, and in such event, the redemption shall be cancelled. If the City knows in advance of any redemption date that the necessary deposit will not occur, it shall instruct the appropriate Paying Agent and Registrar to give notice to the registered owner of the cancellation of the redemption.

Section 4. Execution and Delivery. Each Series 2024 Bond shall be duly executed by the manual, facsimile, or electronic signature of the Mayor or the Mayor Pro Tem and duly attested by the manual, facsimile, or electronic signature of the City Clerk (which, together with any other person as may be authorized by resolution or municipal order of the City, including the Finance Director, are referred to herein as “Designated Officers”) and may have the seal of the City or a facsimile thereof affixed thereto. In addition, all Series 2024 Bonds shall bear the manual authenticating signature of an authorized representative of the applicable paying agent and bond registrar designated in the Award Certificate for the related series of the Series 2024 Bonds (each, a “Paying Agent and Registrar” and, collectively, the “Paying Agent and Registrars”). The Designated Officers are further authorized and directed (a) to deliver each series of the Series 2024 Bonds to their respective Purchasers, upon the terms and conditions provided herein and in the respective Award Certificate and Bid for each series; (b) to receive the proceeds of the Series 2024 Bonds, and (c) to execute and deliver such certificates and other closing documents and take such other actions as may be necessary or appropriate in order to effectuate the proper issuance, sale, and delivery of the Series 2024 Bonds.

The City hereby authorizes and directs the Paying Agent and Registrars to authenticate their respective series of the Series 2024 Bonds and to deliver such series to their respective Purchasers upon the payment of the purchase price thereof.

Section 5. Registration. So long as any series of the Series 2024 Bonds issued hereunder remain outstanding, the Paying Agent and Registrar for such series shall keep and maintain, at its designated office, complete registration books for such series of the Series 2024 Bonds and shall also provide for the registration and transfer of such series of the Series 2024 Bonds in accordance with the provisions of this Bond Ordinance. Each Series 2024 Bond shall be authenticated by the applicable

Paying Agent and Registrar. Except as may be otherwise provided herein for any Series 2024 Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Series 2024 Bond shall be transferable only upon the presentation and surrender of such Series 2024 Bond at the designated office of the Paying Agent and Registrar for such series, duly endorsed for transfer or accompanied by an assignment duly executed by the registered holder of such Series 2024 Bond or its authorized representative. Upon receipt of a Series 2024 Bond duly endorsed for transfer or accompanied by an assignment for transfer, the applicable Paying Agent and Registrar shall transfer such Series 2024 Bond within a period of three days by reissuing such Series 2024 Bond, duly executed by the City and authenticated by such Paying Agent and Registrar, and delivering the same to the new registered holder thereof, with all reasonable diligence.

No Paying Agent and Registrar shall be required to transfer or exchange any Series 2024 Bond (a) during any period beginning five days before the selection by such Paying Agent and Registrar of Series 2024 Bonds to be redeemed before maturity and ending on the date of mailing of the notice of any such redemption, or (b) if such Series 2024 Bond has been selected or called for redemption in whole or in part.

Except as may be otherwise provided herein for Series 2024 Bonds registered in Book-Entry Form in the name of the Securities Depository or Securities Depository Nominee, each Series 2024 Bond shall be exchangeable upon the presentation and surrender thereof at the designated office of the applicable Paying Agent and Registrar for one or more Series 2024 Bonds of the same series and maturity, in denominations of \$5,000 or any integral multiple thereof, in an aggregate principal amount or amounts equal to the unpaid principal amount of the Series 2024 Bond so presented for exchange. The Paying Agent and Registrars for the Series 2024 Bonds shall be, and are hereby, authorized to authenticate and deliver any Series 2024 Bonds of their respective series delivered in exchange under and in accordance with this Section. Each Series 2024 Bond delivered in exchange for a surrendered Series 2024 Bond shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Bond Ordinance, to the same extent as the Series 2024 Bond or Bonds in lieu of which any Series 2024 Bond is delivered in exchange. Any Series 2024 Bonds surrendered for exchange shall be canceled by the applicable Paying Agent and Registrar, and the Paying Agent and Registrar for each series of the Series 2024 Bonds shall keep and maintain a complete record of all exchanges, transfers, and cancellations of the Series 2024 Bonds of such series and shall make a report thereof to the City on not less than an annual basis.

Except as may be otherwise provided herein for Series 2024 Bonds registered in Book-Entry Form in the name of the Securities Depository or Securities Depository Nominee, no service charge or other transfer fee shall be charged to any registered holder of Series 2024 Bonds in connection with any transfer or exchange of a Series 2024 Bond; provided, however, that the registered holder of any Series 2024 Bond may be required to pay an amount equal to any tax or other governmental charge, if any, that may be imposed in connection with the transfer or exchange of any Series 2024 Bond.

Section 6. Destruction of Series 2024 Bonds. Whenever any outstanding Series 2024 Bond shall be delivered to the applicable Paying Agent and Registrar for cancellation in accordance with this Bond Ordinance, upon the payment of the principal amount or interest represented thereby or for replacement or exchange, such Series 2024 Bond, following any such replacement or exchange, shall be promptly canceled and destroyed by such Paying Agent and Registrar, and counterparts of a certificate of destruction evidencing such destruction shall be furnished by such Paying Agent and Registrar to the City. All Series 2024 Bonds that have been redeemed shall not be reissued but shall

be canceled and destroyed by the Paying Agent and Registrars in accordance with this Section and the Paying Agent Agreements identified herein.

Section 7. Mutilated, Lost, Stolen, or Destroyed Series 2024 Bonds. If any Series 2024 Bond is mutilated, lost, stolen, or destroyed, then the City may execute and deliver, and the applicable Paying Agent and Registrar may authenticate, a new Series 2024 Bond of like series, date, maturity, and denomination as the Series 2024 Bond so mutilated, lost, stolen, or destroyed; provided, however, that in the case of any mutilated Series 2024 Bond, such Series 2024 Bond shall first be surrendered to the Paying Agent and Registrar, and in the case of any lost, stolen, or destroyed Series 2024 Bond, there shall be first furnished to the City and the applicable Paying Agent and Registrar evidence of such loss, theft, or destruction satisfactory to them, plus such indemnity as the City and such Paying Agent and Registrar may require. If any such Series 2024 Bond shall have matured, in lieu of issuing a duplicate Series 2024 Bond, the City may pay the same without surrender thereof. The City and the applicable Paying Agent and Registrar may charge the holder or owner of any mutilated, lost, stolen, or destroyed Series 2024 Bond their reasonable fees and expenses incurred in the undertaking of any action under this Section.

Section 8. Series 2024 Bonds Issued In Book-Entry Form. The Series 2024 Bonds shall initially be issued in Book-Entry Form and registered in the name of the Securities Depository or the Securities Depository Nominee, as provided in this Section. Unless and until a series of the Series 2024 Bonds is no longer issued in Book-Entry Form, as provided in this Section, the Series 2024 Bonds of such series shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and the ownership of such Series 2024 Bonds shall be maintained in Book-Entry Form by the Securities Depository, for the account of the Participants thereof. Initially, the Series 2024 Bonds shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, which shall be the initial Securities Depository. Any Designated Officer is hereby authorized to approve and execute, on behalf of the City, a letter of representations or any other appropriate instrument with The Depository Trust Company (to which the applicable Paying Agent and Registrar may also be a party) regarding the issuance and administration of any series of the Series 2024 Bonds in Book-Entry Form.

Unless and until a series of the Series 2024 Bonds is no longer issued in Book-Entry Form, as provided in this Section, the Series 2024 Bonds of such series may be transferred, in whole but not in part, only to the Securities Depository, the Securities Depository Nominee, any successor Securities Depository selected and approved by the City, or any Securities Depository Nominee nominated by any such successor Securities Depository.

As to any of the Series 2024 Bonds, the person in whose name the Series 2024 Bond shall be registered shall be the registered holder and the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on such Series 2024 Bond shall be made only to or on the order of the registered holder thereof or his legal representative.

Neither the City nor any of the Paying Agent and Registrars shall have any responsibility or obligation with respect to (a) the accuracy of the records of the Securities Depository or any Participant regarding any beneficial ownership interest in any of the Series 2024 Bonds, (b) the delivery to any Participant, any beneficial owner of Series 2024 Bonds, or any other person, other than the Securities Depository, of any notice relating to the Series 2024 Bonds, or (c) the payment to any Participant, any beneficial owner of Series 2024 Bonds, or any other person, other than the Securities Depository, of any amount with respect to the principal of or premium, if any, or interest on the Series 2024 Bonds.

So long as a series of the Series 2024 Bonds is registered in Book-Entry Form, the City and the applicable Paying Agent and Registrar may treat the Securities Depository as, and may deem the Securities Depository to be, the absolute owner and the registered holder of the Series 2024 Bonds of such series for all purposes whatsoever, including (i) the payment of principal of and interest on such Series 2024 Bonds, (ii) giving any notices of redemption and other matters with respect to such Series 2024 Bonds, (iii) registering any transfers of such Series 2024 Bonds, (iv) the selection of such Series 2024 Bonds for redemption, and (v) obtaining any consents under this Bond Ordinance.

If, at any time, the Securities Depository (A) notifies the City that it is unwilling or unable to continue as Securities Depository for the Series 2024 Bonds, or (B) shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation, and, in either case, a successor Securities Depository is not appointed by the City within ninety days after the City receives such notice or becomes aware of such condition, as the case may be, then this Section shall no longer be applicable and the City shall execute, and the Paying Agent and Registrars shall authenticate and deliver, certificates representing the Series 2024 Bonds to the registered holders thereof.

Payment of the principal of and interest on any Series 2024 Bonds not registered in Book-Entry Form shall be made as provided in Section 9 hereof.

For purposes of this Bond Ordinance, the following capitalized terms shall have the meanings provided below:

“Book-Entry Form” means, with respect to the Series 2024 Bonds, a form or system, as applicable, under which (1) the ownership of beneficial interests in the Series 2024 Bonds and the principal and interest payments thereon may be transferred only through a book entry, and (2) physical Series 2024 Bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as the registered holder thereof, with the physical Series 2024 Bond certificates held in the custody of a Securities Depository.

“Participant” means a member of, or a participant in, the Securities Depository.

“Securities Depository” means a securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and is a “clearing agency” registered under the provisions of Section 17A of the Securities Exchange Act, operating and maintaining, with its Participants or otherwise, a book-entry system to record the ownership of beneficial interests in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

“Securities Depository Nominee” means any nominee of a Securities Depository, and means, initially, Cede & Co., New York, New York, as the nominee of The Depository Trust Company.

Section 9. Payment. Any payment of or on account of the principal of and interest on a series of the Series 2024 Bonds shall be made directly to the applicable Paying Agent and Registrar, for the account of the registered owners of such Series 2024 Bonds. The Series 2024 Bonds shall be payable in any coin or currency of the United States of America which, at the time of payment, shall

be legal tender for the payment of public and private debts. Interest on each Series 2024 Bond shall be payable on each Interest Payment Date, by check, mailed to the person whose name appears as the registered owner thereof upon the bond registration records kept by the applicable Paying Agent and Registrar, as of the fifteenth day preceding such Interest Payment Date, or by any other transfer of funds acceptable to such registered owner and such Paying Agent and Registrar. The principal of each Series 2024 Bond shall be payable upon the delivery thereof to the applicable Paying Agent and Registrar or by any other transfer of funds acceptable to the registered owner of such Series 2024 Bond and such Paying Agent and Registrar. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2024 Bonds to the extent of the sum or sums so paid.

Section 10. Filing. The Designated Officers are each hereby authorized to undertake and cause all filings which may be required by law to be filed by the City with respect to the Series 2024 Bonds, including, without limitation, any filings with the State Local Debt Officer required by law.

Section 11. Series 2024 Bond Payment Fund; Payment of Bonds.

(a) There is hereby established with the Paying Agent and Registrar for the Series 2024A Bonds a bond payment fund in the name of the City to be known as the “City of Covington, Kentucky General Obligation Refunding Bonds, Series 2024A – Bond Payment Fund” (the “Series 2024A Bond Payment Fund”), into which the City covenants to deposit, and into which the Designated Officers are hereby authorized and directed to deposit, from the City’s General Fund, on or before the twenty-fifth day of the month preceding each Series 2024A Interest Payment Date, the amount required to pay the principal and interest due on the Series 2024A Bonds on the next Series 2024A Interest Payment Date. The Paying Agent and Registrar for the Series 2024A Bonds shall, without any further authorization from the City, withdraw from the Series 2024A Bond Payment Fund, on each Series 2024A Interest Payment Date, the amounts necessary to pay the principal of and interest on the Series 2024A Bonds due on such Series 2024A Interest Payment Date to the registered owners thereof.

(b) There is hereby established with the Paying Agent and Registrar for the Series 2024B Bonds a bond payment fund in the name of the City to be known as the “City of Covington, Kentucky Taxable General Obligation Refunding Bonds, Series 2024B – Bond Payment Fund” (the “Series 2024B Bond Payment Fund”), into which the City covenants to deposit, and into which the Designated Officers are hereby authorized and directed to deposit, from the City’s General Fund, on or before the twenty-fifth day of the month preceding each Series 2024B Interest Payment Date, the amount required to pay principal and interest due on the Series 2024B Bonds on the next Series 2024B Interest Payment Date. The Paying Agent and Registrar for the Series 2024B Bonds shall, without further authorization from the City, withdraw from the Series 2024B Bond Payment Fund, on each Series 2024B Interest Payment Date, the amounts necessary to pay the principal of and interest on the Series 2024B Bonds due on such Series 2024B Interest Payment Date to the registered owners thereof.

(c) There is hereby established with the Paying Agent and Registrar for the Series 2024C Bonds a bond payment fund in the name of the City to be known as the “City of Covington, Kentucky General Obligation Bonds, Series 2024C – Bond Payment Fund” (the “Series 2024C Bond Payment Fund” and, together with the Series 2024A Bond Payment Fund and Series 2024B Bond Payment Fund, the “Series 2024 Bond Payment Funds”), into which the City covenants to deposit, and into which the Designated Officers are hereby authorized and directed to deposit, from the City’s General Fund, on or before the twenty-fifth day of the month preceding each Series 2024C Interest Payment Date, the amount required to pay principal and interest due on the Series 2024C Bonds on the next Series 2024C

Interest Payment Date. The Paying Agent and Registrar for the Series 2024C Bonds shall, without any further authorization from the City, withdraw from the Series 2024C Bond Payment Fund, on each Series 2024C Interest Payment Date, the amounts necessary to pay the principal of and interest on the Series 2024C Bonds due on such Series 2024C Interest Payment Date to the registered owners thereof.

(d) Each Paying Agent and Registrars is hereby appointed depository of its respective Series 2024 Bond Payment Fund in connection with the Series 2024 Bonds.

(e) If the City shall fail or refuse to make any required deposit into a Series 2024 Bond Payment Fund from the Sinking Fund, the applicable Paying Agent and Registrar shall (i) notify any agency or political subdivision of the Commonwealth of Kentucky which may collect and distribute taxes or revenues for the City to seek any necessary and proper remedial action available, (ii) upon being indemnified against costs and expenses, exercise any remedy provided in the Act or any other remedy provided at law or in equity for the benefit of the owners of the applicable Series 2024 Bonds or their assignees, and (iii) disburse all funds so collected to the owners of the applicable Series 2024 Bonds as payment for any amounts due on such Series 2024 Bonds.

Section 12. General Obligation. The Series 2024 Bonds shall be full general obligations of the City and the full faith, credit, and taxing power of the City are hereby pledged for the prompt payment of the Series 2024 Bonds and the interest thereon. During the period the Series 2024 Bonds are outstanding, there shall be and there hereby is levied, annually, on all of the taxable property in the City, in addition to all other taxes, without limitation as to rate, a direct tax in an amount sufficient to pay the principal of and interest on the Series 2024 Bonds as and when due, it being hereby found and determined that the current tax rates of the City are within all applicable limitations. The tax shall be, and is hereby, ordered to be computed, certified, levied, and extended upon the tax duplicate, and shall be collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of the years are certified, extended, and collected. The tax shall be placed before and in preference to all other items and for the full amount thereof; provided, however, that in each year, to the extent other lawfully available funds of the City are available for the payment of the Series 2024 Bonds and are appropriated for such purpose, the amount of such tax upon all taxable property in the City shall be reduced by the amount of such other funds so available and appropriated.

Section 13. Maintenance of Sinking Fund. The Sinking Fund previously established by the City is hereby ordered to be continued and maintained as long as any of the Series 2024 Bonds shall remain outstanding. The funds derived from the tax levy required by Section 12 hereof or any other lawfully available funds shall be placed in the Sinking Fund and, together with interest collected on the same, are irrevocably pledged for the payment of the principal of and interest on all bonds issued by the City under the Act and all Tax-Supported Leases, as defined in the Act, as and when the same become due and payable. Funds on deposit in the Sinking Fund shall be transferred to the Series 2024 Bond Payment Funds at the times and in the amounts required by Section 11 hereof.

Section 14. Sale of Series 2024 Bonds; Award Certificates. The Designated Officers are hereby directed to sell each series of the Series 2024 Bonds to the respective Purchaser thereof, at advertised, competitive sale, with the final terms of each series of the Series 2024 Bonds, including the final principal amount, the principal amortization, the annual principal maturities, any mandatory sinking fund maturities, the interest rate or rates, the identity of the Paying Agent and Registrar, and, in the case of the Series 2024C Bonds, the identity of the Construction Fund Depository described in Section 15 hereof, to be established in accordance with the requirements of this Bond Ordinance by

the execution and delivery of a separate Award Certificate for each series of the Series 2024 Bonds. The Designated Officers are hereby directed to appoint the Paying Agent and Registrar for each series of the Series 2024 Bonds in their respective Award Certificates. The Mayor, the Mayor Pro Tem, the Finance Director, and the City Clerk of the City are each hereby authorized to execute each Award Certificate establishing the terms of the related series of the Series 2024 Bonds in accordance with this Bond Ordinance, without any further action by the Board of Commissioners.

The City shall comply with the requirements of Chapter 66 and Chapter 424 of the Kentucky Revised Statutes by advertising for bids for the purchase of each series of the Series 2024 Bonds. All actions taken by the City in connection with the preparation of any instruments and the distribution of any information by the City as shall be necessary in order to accomplish the foregoing, including the preparation of one or more Preliminary Official Statements and Official Statements relating to the Series 2024 Bonds, which Preliminary Official Statements and Official Statements shall be deemed final by the Mayor in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), are hereby ratified and approved.

Section 15. Disposition of Series 2024 Bond Proceeds.

(a) The proceeds of the sale of the Series 2024A Bonds shall be deposited, together with other available funds of the City, as follows: (i) accrued interest and a rounding amount, if any, shall be deposited in the Series 2024A Bond Payment Fund created by Section 11 hereof; (ii) an amount sufficient to pay the costs of issuing the Series 2024A Bonds shall be deposited in a special cost of issuance fund hereby directed to be established and designated as the “City of Covington, Kentucky General Obligation Refunding Bonds, Series 2024A – Cost of Issuance Fund” (the “Series 2024A Cost of Issuance Fund”); and (iii) the remainder of the proceeds of the Series 2024A Bonds shall be deposited either (A) in an escrow account to be established with U.S. Bank Trust Company, National Association, in its capacity as escrow agent and as the successor paying agent and registrar for the Series 2014A Bonds (the “Series 2014A Escrow Agent”), under and in accordance with an Escrow Deposit Agreement to be entered into by and between the City and the Series 2014A Escrow Agent, in an amount sufficient, together with investment earnings thereon, to pay the outstanding principal balance and accrued interest on the Series 2014A Bonds to and including the first available optional redemption date thereof, or (B) in the bond payment fund established for the Series 2014A Bonds in their authorizing ordinance, if the Series 2024A Bonds are issued within ninety days before the first available optional redemption date of the Series 2014A Bonds.

(b) The proceeds of the sale of the Series 2024B Bonds shall be deposited, together with other available funds of the City, as follows: (i) accrued interest and a rounding amount, if any, shall be deposited in the Series 2024B Bond Payment Fund created by Section 11 hereof; (ii) an amount sufficient to pay the costs of issuing the Series 2024B Bonds shall be deposited in a special cost of issuance fund hereby directed to be established and designated as the “City of Covington, Kentucky Taxable General Obligation Refunding Bonds, Series 2024B – Cost of Issuance Fund” (the “Series 2024B Cost of Issuance Fund”); and (iii) the remainder of the proceeds of the Series 2024B Bonds shall be deposited either (A) in an escrow account to be established with U.S. Bank Trust Company, National Association, in its capacity as escrow agent and as the successor paying agent and registrar for the Series 2014B Bonds (the “Series 2014B Escrow Agent”), under and in accordance with an Escrow Deposit Agreement to be entered into by and between the City and the Series 2014B Escrow Agent, in an amount sufficient, together with any investment earnings thereon, to pay the outstanding principal balance and accrued interest on the Series 2014B Bonds to and including the first available

optional redemption date thereof, or (B) in the bond payment fund established for the Series 2014B Bonds in their authorizing ordinance, if the Series 2024B Bonds are issued within ninety days before the first available optional redemption date of the Series 2014B Bonds.

(c) The proceeds of the sale of the Series 2024C Bonds shall be deposited, together with other available funds of the City, as follows: (i) accrued interest and a rounding amount, if any, shall be deposited in the Series 2024C Bond Payment Fund created by Section 11 hereof; (ii) an amount sufficient to pay the costs of issuing the Series 2024C Bonds shall be deposited in a special cost of issuance fund hereby directed to be established and designated as the “City of Covington, Kentucky General Obligation Bonds, Series 2024C – Cost of Issuance Fund” (the “Series 2024C Cost of Issuance Fund”); and (iii) the remainder of the proceeds of the Series 2024C Bonds shall be deposited into a special construction fund hereby directed to be established and designated as the “City of Covington, Kentucky General Obligation Bonds, Series 2024C – Construction Fund” (the “Construction Fund”), to be held and administered by the construction fund depository designated in the Award Certificate for the Series 2024C Bonds (the “Construction Fund Depository”), and used to pay the costs incurred in connection with the acquisition, construction, installation, and equipping of the Project.

Section 16. Continuing Disclosure. Before the issuance of any series of the Series 2024 Bonds, the City shall execute a continuing disclosure undertaking (in the form of an agreement or a certificate) relating to such series of Series 2024 Bonds, dated the date of issuance and delivery of such series, which document, as originally executed and as it may be amended from time to time in accordance with its terms, is hereinafter referred to as the “Continuing Disclosure Undertaking.” The City hereby covenants and agrees that it will comply with and carry out all of the provisions of its Continuing Disclosure Undertaking for each series of the Series 2024 Bonds. Notwithstanding any other provision of this Bond Ordinance, the failure of the City to comply with any of the Continuing Disclosure Undertakings for the Series 2024 Bonds shall not be considered an event of default under this Bond Ordinance; however, any holder of any Series 2024 Bond may take such action as may be necessary in order to obtain specific performance by court order to cause the City to comply with its obligations under the applicable Continuing Disclosure Undertaking.

Section 17. Events of Default; Remedies. Each of the following items shall constitute an “event of default” on the part of the City with respect to each series of the Series 2024 Bonds:

(a) The failure to pay principal of any Series 2024 Bond of such series when due and payable, either at maturity or by proceedings for redemption (except as provided for any conditional redemptions, as provided in Section 3 hereof);

(b) The failure to pay any installment of interest on any Series 2024 Bond of such series when the same shall become due and payable or within thirty days thereafter (except as provided for any conditional redemptions, as provided in Section 3 hereof); and

(c) The default by the City in the due or punctual performance of any of the other covenants, conditions, agreements, or provisions contained in the Series 2024 Bonds of such series or in this Bond Ordinance.

Upon the occurrence of any of the events of default defined above, any registered holder of any Series 2024 Bond of the applicable series may, at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel the performance by the City, and its officers and agents, of all

of the duties imposed upon the City, or otherwise required, by law or this Bond Ordinance, including the levying and collection of sufficient taxes to pay the Series 2024 Bonds, and the application of such tax revenues in accordance with the provisions hereof.

Section 18. Discharge of Bond Ordinance; Defeasance of Series 2024 Bonds. If the City shall pay or cause to be paid, or if there shall otherwise be paid, to the owner of any Series 2024 Bond, the total principal and interest due or to become due thereon through maturity, in the manner stipulated in such Series 2024 Bond and in this Bond Ordinance, then the pledges and all covenants, agreements, and other obligations made by the City hereunder in connection with such Series 2024 Bond shall thereupon cease, terminate, and become void and be discharged and satisfied

The City may defease any Series 2024 Bond in accordance with the provisions of this Bond Ordinance. Upon the defeasance of any Series 2024 Bond in accordance with this Section, (a) this Bond Ordinance shall cease, determine, and become null and void with respect to such Series 2024 Bond, (b) the covenants, agreements, and other obligations of the City under this Bond Ordinance shall be satisfied and discharged with respect to such Series 2024 Bond, (c) the City shall execute and deliver all instruments as may be desirable in order to evidence such discharge and satisfaction, and (d) the applicable Paying Agent and Registrar shall pay over or deliver to the City all moneys or securities held by such Paying Agent and Registrar under this Bond Ordinance that are not required for the defeasance of any other Series 2024 Bonds.

Any Series 2024 Bond, or any installment of interest thereon, for the payment or redemption of which funds shall have been set aside and held in trust by the applicable Paying Agent and Registrar or any other fiduciary (through the deposit by the City of moneys for such payment or redemption), shall, upon the Stated Maturity, the next applicable Redemption Date, or the immediately succeeding Interest Payment Date of such Series 2024 Bond, be deemed to have been paid and defeased within the meaning and with the effect expressed in this Section. Any outstanding Series 2024 Bond shall, before the Stated Maturity or Redemption Date thereof, be deemed to have been paid and defeased within the meaning and with the effect expressed in this Section if (a) with respect to any Series 2024 Bond to be redeemed on any date before its Stated Maturity, the City shall have given notice of the redemption of such Series 2024 Bonds in accordance with Section 3 hereof or shall have provided for the giving of such notice at the appropriate time, and (b) there shall have been deposited with the applicable Paying Agent and Registrar or any other fiduciary either (i) moneys in an amount which shall be sufficient, or (ii) Defeasance Obligations, the principal of and the interest on which, when due, will provide moneys in an amount which, together with any moneys deposited with such Paying Agent and Registrar or other fiduciary at the same time, shall be sufficient, in either case, to pay, when due, the principal or redemption price, if any, and interest due and to become due on such Series 2024 Bond on and before the Stated Maturity, the next applicable Redemption Date, or the immediately succeeding Interest Payment Date thereof, as the case may be. Neither any Defeasance Obligations, nor any moneys deposited with the Paying Agent and Registrars or any other fiduciary in accordance with this Section, nor any principal or interest payments received from any Defeasance Obligations, shall be withdrawn or used for any purposes other than, and shall be held in trust for, the payment of the principal or redemption price, if any, of any Series 2024 Bonds of the applicable series and any interest thereon; provided, however, that any cash received from such principal or interest payments on such Defeasance Obligations and deposited with the applicable Paying Agent and Registrar or any other fiduciary under this Section, if not then needed for such purposes, shall, to the extent practicable, (1) be reinvested in Defeasance Obligations maturing at such times and in such amounts as shall be sufficient to pay, when due, the principal or redemption price, if any, and interest to become due on

any Series 2024 Bond of the applicable series on and before the Stated Maturity, the next applicable Redemption Date, or the next Interest Payment Date thereof, as the case may be, and (2) be paid over to the City, following the full discharge and payment of applicable series of the Series 2024 Bonds, free and clear of any trust, lien, or pledge.

For purposes of this Section:

“Defeasance Obligations” means:

(a) any non-callable direct obligations of the United States of America, including U.S. Treasury bills, notes, bonds, and zero coupon bonds, U.S. Treasury Obligations – State and Local Government Series (SLGS), and direct obligations of the U.S. Treasury that have been stripped by the Treasury itself, including any CATS, TIGRS, and similar securities;

(b) any non-callable obligations issued or guaranteed by the Government National Mortgage Association which are backed by the full faith and credit of the United States of America; and

(c) any non-callable senior debt obligations issued or guaranteed by any Federal Home Loan Bank or Federal Home Loan Bank Board or by the Farm Credit System, Federal Home Loan Mortgage Corporation, or Federal National Mortgage Association.

“Redemption Date” means, with respect to a Series 2024 Bond, the date upon which such Series 2024 Bond, or portion thereof, is to be redeemed in accordance with the notice of such redemption given as provided in Section 3 hereof.

“Stated Maturity” means (a) with respect to any Series 2024 Bond, the date specified in such Series 2024 Bond or the related Award Certificate as the fixed principal installment dates for such Series 2024 Bond, and, (b) with respect to any installment of interest on any Series 2024 Bond, means the date specified in such Series 2024 Bond or the related Award Certificate as the interest payment dates for such Series 2024 Bond.

Notwithstanding anything in this Bond Ordinance to the contrary, any moneys held in trust by the applicable Paying Agent and Registrar or any other fiduciary for the payment and discharge of any Series 2024 Bond that remains unclaimed for six years after (i) the date when all Series 2024 Bonds of the same series shall have become due and payable, either at their Stated Maturities, by call for earlier redemption or otherwise, if such moneys were held by such Paying Agent and Registrar or such other fiduciary at such date, or (ii) the date of the deposit of such moneys, if such moneys were deposited with such Paying Agent and Registrar or such other fiduciary after the date when all of the Series 2024 Bonds of the same series became due and payable, shall, in either case, at the written request of the City, be repaid by such Paying Agent and Registrar or such other fiduciary to the City, as its absolute property and free from trust, and thereupon, such Paying Agent and Registrar or such other fiduciary shall be released and discharged; provided, however, that before being required to make any such payment to the City, such Paying Agent and Registrar or such other fiduciary shall, at the expense of the City, cause to be published in accordance with Chapter 424 of the Kentucky Revised Statutes, at least twice, at an interval of not less than seven days between each publication, notice that such moneys remain unclaimed and that after the date specified in such notice, which date

shall be no less than ten nor more than twenty days after the date of the first publication of such notice, the balance of such moneys remaining unclaimed will be returned to the City.

Section 19. Contractual Nature of Ordinance. The provisions of this Bond Ordinance shall constitute a contract between the City and the holders of the Series 2024 Bonds. After the issuance of the Series 2024 Bonds, no change or alteration of any kind to the provisions of this Bond Ordinance shall be made, except as provided herein, until all of the Series 2024 Bonds and the interest thereon have been paid or defeased; provided, however, that (a) the Board of Commissioners may adopt an ordinance, resolution, or municipal order (i) to evidence the succession of any bank or trust company as Paying Agent and Registrar for any series of the Series 2024 Bonds, (ii) for any other purpose not inconsistent with the terms of this Bond Ordinance which shall not impair the security of the holders of any Series 2024 Bonds, or (iii) for the purpose of curing any ambiguity or curing, correcting, or supplementing any defective or inconsistent provisions contained herein, and (b) the holders of 80% in principal amount of Series 2024 Bonds shall have the right to consent to and approve the adoption of ordinances or other proceedings modifying or amending any of the terms or provisions contained herein, subject to the condition that this Bond Ordinance shall not be so modified in any manner that may adversely affect the rights of any holders without similarly affecting the rights of all holders of the Series 2024 Bonds or to reduce the percentage of the number of holders whose consent is required to effect a further modification.

Section 20. Further Actions. In connection with the undertaking and implementation by the City of the plan of financing described herein, which is hereby expressly directed, the Designated Officers are hereby authorized and directed to take and carry out such further actions as are necessary, desirable, or appropriate to effect such plan of financing, including the execution and delivery of a financial advisory services agreement with RSA Advisors, LLC, Lexington, Kentucky, the City's independent registered municipal advisor.

Section 21. Severability. If any provisions of this Bond Ordinance should be determined by a court of competent jurisdiction to be contrary to law, then such provisions shall be deemed to be severable from all remaining provisions and shall not affect the validity of such other provisions.

Section 22. Inconsistent Actions. All prior ordinances, resolutions, orders, or parts thereof inconsistent herewith are hereby repealed.

Section 23. Open Meetings Compliance. All meetings of the Board of Commissioners and of its committees and of any other public bodies, at which the formal actions in connection with the issuance of the Series 2024 Bonds were taken, or at which deliberations that resulted in such formal actions were held, were open meetings, and such formal actions were taken and such deliberations took place while such meetings, after proper notice, were open to the public, in compliance with all legal requirements, including Sections 61.810 to 61.850, inclusive, of the Kentucky Revised Statutes.

Section 24. Rules of Construction. The singular form of any word used herein shall also include the plural, and vice versa. The use of a word of any gender herein shall also include correlative words of all genders. Unless otherwise specified, when used herein, the word "including" shall mean "including, without limitation," the word "or" shall mean "and/or," and the word "any" shall mean "any and all." Unless otherwise specified, references to any Articles, Sections, or other subdivisions of this Bond Ordinance are to the designated Articles, Sections, and other subdivisions of this Bond Ordinance as originally executed. The words "hereof," "herein," "hereto," and "hereunder," and other

words of similar import refer to this Bond Ordinance as a whole. The captions and headings in this Bond Ordinance are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections hereof. Exhibit A attached hereto is hereby incorporated by reference into this Bond Ordinance and constitutes a part hereof.

Section 25. Effective Date. This Bond Ordinance shall become effective immediately upon its adoption and publication of a summary thereof, as provided by law.

[Signature page to follow]

SIGNATURE PAGE TO BOND ORDINANCE

INTRODUCED AND PUBLICLY READ ON FIRST READING ON AUGUST 13, 2024.

PUBLICLY READ, ADOPTED, AND APPROVED ON SECOND READING, THIS  
AUGUST 27, 2024.

---

Mayor

ATTEST:

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City Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Covington, Kentucky, and as City Clerk, I hereby further certify that the foregoing is a true, correct, and complete copy of a Bond Ordinance duly enacted by the Board of Commissioners of the City at a duly convened meeting held on August 27, 2024, on the same occasion signed by the Mayor as evidence of his approval, and now in full force and effect, all as appears from the official records of the City in my possession and under my control.

Witness my hand as of August 27, 2024.

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City Clerk

EXHIBIT A  
to  
BOND ORDINANCE

FORM OF SERIES 2024 BONDS

\* \* \* \* \*

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to issuer or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.
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UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
CITY OF COVINGTON, KENTUCKY  
[TAXABLE] GENERAL OBLIGATION [REFUNDING] BOND, SERIES 2024 [A/B/C]

Number R-[ ] \$[ ]

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
[ ]%	[ ] 1, 20[ ]	[ ] [ ], 2024	223255 [ ]

Registered Owner: Cede & Co.

Principal Amount: [ ] Dollars

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Covington, Kentucky (the “City”), for value received, hereby acknowledges itself obligated to, and promises to pay to the Registered Owner identified above, or its registered assigns, the Principal Amount identified above (or, if any part thereof has been paid, the balance thereof remaining unpaid), on the Maturity Date specified above, and to pay interest on the Principal Amount (or, if any part thereof has been paid, the balance thereof remaining unpaid) from the Date of Original Issue set forth above, at the Interest Rate per annum identified above, calculated on the basis of a 360-day year with twelve 30-day months, payable each [ ] 1 and [ ] 1, commencing [ ] 1, 2025, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto. The Principal Amount of and interest on this Series 2024[A/B/C] Bond are payable, without deduction for exchange, collection, or service charges, in lawful money of the United States of America. The Principal Amount of this Series 2024[A/B/C] Bond is payable at the designated corporate trust office of [Paying Agent Name], [Paying Agent City], [Paying Agent State], or any successor (the “Paying Agent and Registrar”), or by any other transfer of funds acceptable to the Paying Agent and Registrar and the Registered Owner hereof. All interest on this Series 2024[A/B/C] Bond payable before the Maturity Date hereof shall be paid by check or draft mailed to the Registered Owner hereof, as of the record date, at the address shown on the registration records kept by the Paying Agent and Registrar, or by any other transfer of funds

acceptable to the Paying Agent and Registrar and the Registered Owner hereof. The record date shall be the fifteenth day of the month preceding each interest payment date.

This Series 2024[A/B/C] Bond is one of an issue of Series 2024[A/B/C] Bonds of like tenor and effect, except as to denomination and maturity, numbered from R-1 upward, inclusive, of the denomination of \$5,000 or any integral multiple thereof originally aggregating [ ] Dollars (\$[ ]) in principal amount, issued to (i) refund, in advance of maturity, all [or a portion] of the outstanding City of Covington, Kentucky General Obligation Bonds, Series 2014 dated August 15, 2014, (ii) pay the costs of credit enhancement for the Series 2024A Bonds, if any, and (iii) pay the costs of issuance of the Series 2024A Bonds/(i) refund, in advance of maturity, all [or a portion] of the outstanding City of Covington, Kentucky Taxable General Obligation Refunding Bonds, Series 2014B dated October 31, 2014, (ii) pay the costs of credit enhancement for the Series 2024B Bonds, if any, and (iii) pay the costs of issuance of the Series 2024B Bonds/(i) finance all or a portion of the costs of the acquisition, construction, installation, and equipping of a new city hall building, (ii) pay the costs of credit enhancement for the Series 2024C Bonds, if any, and (iii) pay the costs of issuance of the Series 2024C Bonds], all under and in full compliance with the general laws of the Commonwealth of Kentucky, including, particularly, Chapter 66 of the Kentucky Revised Statutes, and in accordance with an ordinance duly adopted by the Board of Commissioners of the City on August 27, 2024, upon the affirmative vote of at least a majority of the members of its Board of Commissioners at a public meeting duly and regularly held, and after filing proper notice with the State Local Debt Officer of the Commonwealth of Kentucky.

This Series 2024[A/B/C] Bond and the issue of which it forms a part is a general obligation of the City and the full faith, credit, and taxing power of the City are pledged to the payments due hereunder. THIS SERIES 2024[A/B/C] BOND IS CONTINUALLY SECURED BY THE FULL FAITH, CREDIT, AND TAXING POWER OF THE CITY.

The Series 2024[A/B/C] Bonds mature on [ ] 1 of the following years, in the respective principal amounts and bear interest at the following rates of interest:

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate Per Annum</u>
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u> <u>Per Annum</u>
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%
[ ], 20[ ]	\$( )	[ ]%

The Series 2024[A/B/C] Bonds maturing on or after [ ] 1, 203[ ] shall be subject to optional redemption before maturity on [ ] 1, 203[ ] or any date thereafter, in whole or in part, in such order of maturity as shall be designated in writing by the City, and by lot within a maturity, at the election of the City upon thirty-five days' written notice to the Paying Agent and Registrar at a redemption price equal to the par amount thereof, plus accrued interest to the date of redemption.

[INSERT ANY MANDATORY SINKING FUND REDEMPTION REQUIREMENTS]

At least thirty days before the redemption date of any Series 2024[A/B/C] Bonds the Paying Agent and Registrar shall cause a notice of such redemption, signed by the Paying Agent and Registrar, to be mailed, first class, postage prepaid, to all registered owners of the Series 2024[A/B/C] Bonds to be redeemed at their addresses as they appear on the registration books kept by the Paying Agent and Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption of Series 2024[A/B/C] Bonds for which such notice has been sent. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2024[A/B/C] Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the series of the Series 2024[A/B/C] Bonds, and the distinctive number or letters, if any, of such Series 2024[A/B/C] Bonds to be redeemed.

On the date so designated for redemption, notice having been published in the manner under the conditions hereinabove provided and moneys for payment of the redemption price being held in the Payment Fund by the Paying Agent and Registrar for the registered owners of the Series 2024[A/B/C] Bonds to be redeemed, the Series 2024[A/B/C] Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2024[A/B/C] Bonds on such date, interest on the Series 2024[A/B/C] Bonds so called for redemption shall cease to accrue, and the registered owners of such Series 2024[A/B/C] Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof.

Notwithstanding the foregoing, any such redemption may be conditioned upon funds being deposited with the Paying Agent and Registrar on or before the applicable redemption date in an amount sufficient to carry out such redemption. A failure to make such deposit shall not constitute an event of default under this Resolution and the redemption in such event shall be cancelled. If the City knows in advance of an applicable redemption date that the necessary deposit will not occur, the City shall notify the Paying Agent and Registrar with instructions to give notice to the registered owner of the cancellation of the redemption.

No recourse shall be had for the payment of the principal of or the interest on this Series 2024[A/B/C] Bond, or for any claim based hereon, against any officer, agent or employee, past, present, or future, of the City, as such, either directly or through the City, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such officers, agents or employees is hereby renounced, waived, and released as a condition of and as consideration for the issuance, execution, and acceptance of this Series 2024[A/B/C] Bond.

It is hereby certified that all acts, conditions, and things required to be done, to occur, or to be performed precedent to and in the issuance of this Series 2024[A/B/C] Bond, or in the creation of the obligations of which this Series 2024[A/B/C] Bond is evidence, have been done, have occurred, and have been performed in regular and due form and manner, as required by law; that the full faith, credit, and taxing power of the City are hereby irrevocably pledged for the prompt payment of the principal hereof and the interest hereon; that the repayment obligation represented by this Series 2024[A/B/C] Bond is not in excess of any constitutional or statutory limitation; and that due provision has been made for the levy and collection of a tax sufficient in amount to pay the interest on this Series 2024[A/B/C] Bond as it falls due and to provide for the redemption of this Series 2024[A/B/C] Bond at maturity or upon earlier redemption.

[Signature page to follow]

SIGNATURE PAGE TO SERIES 2024[A/B/C] BOND

IN WITNESS WHEREOF, the City has caused this Series 2024[A/B/C] Bond to be executed in its name by the manual, facsimile, or electronic signature of the Mayor and attested by the manual, facsimile, or electronic signature of the City Clerk, and has caused an impression or facsimile of the City's seal to be imprinted hereon, all as of the date set forth above.

[Seal]

CITY OF COVINGTON, KENTUCKY

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

Attest:

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

CERTIFICATE OF AUTHENTICATION

This is to certify that this Series 2024[A/B/C] Bond is one of the Series 2024[A/B/C] Bonds described hereinabove.

\_\_\_\_\_  
Authorized Signature  
[Paying Agent Name],  
Paying Agent and Registrar

Date of Authentication: \_\_\_\_\_

ASSIGNMENT

The following abbreviations, when used in the inscription on this Series 2024[A/B/C] Bond or in the assignment below, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM – as tenants in common
- TEN ENT – as tenants by the entireties
- JT TEN – as joint tenants with right of survivorship and not as tenants in common and not as community property
- UNIF TRANS  
MIN ACT – \_\_\_\_\_ Custodian \_\_\_\_\_  
(Custodian) (Minor)  
under Uniform Transfer to Minors Act  
\_\_\_\_\_  
(State)

Additional abbreviations may be used although not in the above list.

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

\_\_\_\_\_  
(please print or typewrite social security number or other identifying number and name and address of transferee)

the within Series 2024[A/B/C] Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ or its successor as Paying Agent and Registrar to transfer the Series 2024[A/B/C] Bond on the books kept for registration thereof with full power of substitution in the premises.

Signature guaranteed: \_\_\_\_\_

\_\_\_\_\_  
(Type or Print Name)

\_\_\_\_\_  
(Signature)

NOTE: The assignor’s signature must be guaranteed by an eligible guarantor institution which is a member of or participant in a signature guarantee program, under Securities and Exchange Commission Rule 17Ad-15 or any successor provision.

Dinsmore & Shohl LLP  
Attorneys at Law  
50 East RiverCenter Boulevard #1150  
Covington, Kentucky 41011  
Phone (859) 431-7000  
Fax (859) 431-0673

August 28, 2024

The Kentucky Enquirer  
312 Plum Street, Suite 1250  
Cincinnati, Ohio 45202

Email: SSlegalads@enquirer.com

Re: Publication of Legal Notice(s)

Ladies and Gentlemen:

We wish to have the enclosed Summary of Ordinance and Notice of Adoption of the City of Covington, Kentucky published in the THE KENTUCKY ENQUIRER as soon as possible. We will also require an affidavit of the publication of such notice.

You may bill us at the following address:

Dinsmore & Shohl LLP  
c/o Shawna Herman  
50 East RiverCenter Boulevard #1150  
Covington, Kentucky 41011

Please reference "Covington 2024 Bonds" on your billing statement and acknowledge receipt of this correspondence by replying to this email. Thank you for your assistance in this matter.

Very truly yours,

DINSMORE & SHOHL LLP

*/s/ Mark S. Franklin*

The undersigned hereby acknowledges receipt of the foregoing request for publication of a Summary of Ordinance and Notice of Adoption of the City of Covington, Kentucky.

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

THE KENTUCKY ENQUIRER

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

## SUMMARY OF ORDINANCE AND NOTICE OF ADOPTION

The Board of Commissioners of the City of Covington, Kentucky (the “City”), at regular meetings held on August 13, 2024, and August 27, 2024, adopted an ordinance (the “Ordinance”) titled as follows:

AN ORDINANCE OF THE CITY OF COVINGTON, KENTUCKY AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF ITS CITY OF COVINGTON, KENTUCKY GENERAL OBLIGATION REFUNDING BONDS AND GENERAL OBLIGATION BONDS, IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$48,430,000, FOR THE PURPOSES OF (I) REFUNDING, IN ADVANCE OF MATURITY, THE CITY’S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES 2014, (II) REFUNDING, IN ADVANCE OF MATURITY, THE CITY’S OUTSTANDING TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014B, AND (III) FINANCING THE COSTS OF THE ACQUISITION, CONSTRUCTION, INSTALLATION, AND EQUIPPING OF A NEW CITY HALL; APPROVING THE FORM OF EACH SERIES OF THE SERIES 2024 BONDS; AUTHORIZING DESIGNATED OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE SERIES 2024 BONDS; AUTHORIZING AND DIRECTING THE FILING OF A NOTICE WITH THE STATE LOCAL DEBT OFFICER FOR EACH SERIES OF THE SERIES 2024 BONDS; PROVIDING FOR THE PAYMENT AND SECURITY OF THE SERIES 2024 BONDS; ESTABLISHING A BOND PAYMENT FUND FOR EACH SERIES OF THE SERIES 2024 BONDS; AFFIRMING THE EXISTING SINKING FUND; AUTHORIZING THE ACCEPTANCE OF THE BID OF THE PURCHASER FOR EACH SERIES OF THE SERIES 2024 BONDS; AND REPEALING ANY INCONSISTENT ORDINANCES.

The Ordinance authorizes the issuance by the City of three series of its general obligation bonds to be designated as the (i) City of Covington, Kentucky General Obligation Refunding Bonds, Series 2024A, in a maximum aggregate principal amount of \$13,350,000 (the “Series 2024A Bonds”) for the purposes of (a) refunding, in advance of maturity, all or a portion of the outstanding City of Covington, Kentucky General Obligation Bonds, Series 2014 dated August 15, 2014, (b) paying the costs of credit enhancement for the Series 2024A Bonds, if any, and (c) paying the costs of issuance of the Series 2024A Bonds; (ii) City of Covington, Kentucky Taxable General Obligation Refunding Bonds, Series 2024B, in a maximum aggregate principal amount of \$5,840,000 (the “Series 2024B Bonds”), for the purposes of (a) refunding, in advance of maturity, all or a portion of the outstanding City of Covington, Kentucky Taxable General Obligation Refunding Bonds, Series 2014B dated October 31, 2014, (b) paying the costs of credit enhancement for the Series 2024B Bonds, if any, and (c) paying the costs of issuance of the Series 2024B Bonds; and (iii) City of Covington, Kentucky General Obligation Bonds, Series 2024C, in a maximum aggregate principal amount of \$29,240,000 (the “Series 2024C Bonds” and, together with the Series 2024A Bonds and the Series 2024B Bonds, the “Series 2024 Bonds”), for the purposes of (a) paying all or a portion of the costs of the acquisition, construction, installation, and equipping of a new city hall, (b) paying the costs of credit enhancement for the Series 2024C Bonds, if any, and (c) paying the costs of issuance of the Series 2024C Bonds.

Provisions are made in the Ordinance for the payment of the Series 2024 Bonds and the security therefor, the application of the proceeds of the Series 2024 Bonds, the establishment of a Bond Payment Fund for each series of the Series 2024 Bonds, and the continuation of the City’s

existing Sinking Fund. The Ordinance also contains covenants made by the City in connection with the issuance of the Series 2024 Bonds. Each series of the Series 2024 Bonds are to be sold at public, competitive sale, and shall mature, or be subject to mandatory sinking fund redemption, in varying amounts on October 1, 2025, and each October 1 thereafter, with respect to the Series 2024A Bonds, and on December 1, 2025, and each December 1 thereafter, with respect to the Series 2024B Bonds and the Series 2024C Bonds. The Series 2024 Bonds pledge the full faith, credit, and taxing power of the City and provision is made in Section 12 of the Ordinance for the collection of a tax to pay the principal of and interest on the Series 2024 Bonds, subject to certain credits, as provided therein. As required by KRS Section 83A.060, Section 12 of the Ordinance is set forth below in its entirety:

“Section 12. General Obligation. The Series 2024 Bonds shall be full general obligations of the City and the full faith, credit, and taxing power of the City are hereby pledged for the prompt payment of the Series 2024 Bonds and the interest thereon. During the period the Series 2024 Bonds are outstanding, there shall be and there hereby is levied, annually, on all of the taxable property in the City, in addition to all other taxes, without limitation as to rate, a direct tax in an amount sufficient to pay the principal of and interest on the Series 2024 Bonds as and when due, it being hereby found and determined that the current tax rates of the City are within all applicable limitations. The tax shall be, and is hereby, ordered to be computed, certified, levied, and extended upon the tax duplicate, and shall be collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of the years are certified, extended, and collected. The tax shall be placed before and in preference to all other items and for the full amount thereof; provided, however, that in each year, to the extent other lawfully available funds of the City are available for the payment of the Series 2024 Bonds and are appropriated for such purpose, the amount of such tax upon all taxable property in the City shall be reduced by the amount of such other funds so available and appropriated.”

The undersigned, as City Clerk of the City of Covington, Kentucky, hereby certifies that the foregoing Summary of Ordinance and Notice of Adoption of the City of Covington, Kentucky, was approved by the Board of Commissioners for first reading on August 13, 2024, and second reading on August 27, 2024, and was further approved for publication following adoption according to law.

By: /s/ Susan Ellis  
City Clerk  
City of Covington, Kentucky

The undersigned Attorney at Law, licensed to practice in the Commonwealth of Kentucky, hereby certifies that the foregoing Summary of Ordinance and Notice of Adoption of the City of Covington, Kentucky, was prepared by the undersigned and constitutes a general summary of the essential provisions of the Ordinance, reference to the full text of which is hereby made for a complete statement of its provisions and terms.

By: /s/ Mark S. Franklin  
Dinsmore & Shohl LLP  
50 East RiverCenter Boulevard #1150  
Covington, Kentucky 41011