EXHIBIT A
ADDITIONAL TERMS OF THE BONDS

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this **Exhibit A** to the Ordinance shall have the following meanings:

"Arbitrage Instructions" means the arbitrage investment and rebate instructions contained in the Tax Compliance Agreement, as the same may be amended or supplemented in accordance with the provisions thereof.

"Bond Counsel" means Gilmore & Bell, P.C., Kansas City, Missouri, or other attorneys or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the County.

"Bond Payment Date" means any date on which principal of or interest on any Bond is payable.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the County and the Purchaser with respect to the Bonds.

"Bond Register" means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

"Bondowner" or **"Registered Owner"** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

"Bonds" means the Special Obligation Refunding Bonds (Truman Medical Center Projects) Series 2012, authorized and issued by the County pursuant to the Ordinance.

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

"Code" means the Internal Revenue Code of 1986, as amended.

"Corporation" means Truman Medical Center, Incorporated, and any successors or assigns.

"Corporation Representative" means the president or any vice president of the Corporation, or such other Person at the time designated to act on behalf of the Corporation as evidenced by written certificate furnished to the Paying Agent containing the specimen signature of such Person and signed on behalf of the Corporation by its President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Corporation Representative.

"Costs of Issuance Fund" means the fund by that name referred to in **Section 501** of this **Exhibit A**.

"County" means Jackson County, Missouri, and any successors or assigns.

"County Representative" means the County Executive, the Chief Administrative Officer, the Deputy Chief Administrative Officer, the Director of Finance, or such other Person at the time designated to act on behalf of the County as evidenced by written certificate furnished to the Paying Agent containing the specimen signature of such Person and signed on behalf of the County by the County Executive. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the County Representative.

"Debt Service Fund" means the fund by that name referred to in **Section 501** of this **Exhibit A**.

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

"Defeasance Obligations" means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates;

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust; and

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent.

(c) Cash.

"Escrow Agent" means Commerce Bank, Kansas City, Missouri, and any successors or assigns.

"Escrow Fund" means the fund by that name referred to in **Section 501** of this **Exhibit A**.

"Escrow Agreement" means the letter of instructions to redeem bonds from the County to the Escrow Agent related to the refunding of the Refunded Bonds.

"Fiscal Year" means the fiscal year of the County, currently the twelve–month period beginning January 1 and ending December 31.

"Interest Payment Date" means the Stated Maturity of an installment of interest on any Bond.

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

"Ordinance" means the Ordinance adopted by the governing body of the County, authorizing the issuance of the Bonds, as amended from time to time.

"Outstanding" means, when used with reference to Bonds, as of any particular date of determination, all Bonds theretofore authenticated and delivered hereunder, except the following Bonds:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of **Section 701** of this **Exhibit A**; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

"Paying Agent" means BOKF, N.A., and any successors or assigns.

"Permitted Investments" means any of the following securities, if and to the extent the same are at the time legal for investment of the County's funds:

(a) United States Government Obligations;

(b) bonds, notes or other obligations of the State of Missouri, or any political subdivision of the State of Missouri, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;

(c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, that are continuously and fully secured by any one or more of the securities described in clause (a), (b) or (d) and have a market value at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the County;

(d) obligations of Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks and Farmers Home Administration;

(e) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (d) above, inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit or time deposits;

(f) money market mutual funds (1) that invest in Government Obligations or that are registered with the federal Securities and Exchange Commission (SEC), meeting the requirements of Rule 2a-7 under the Investment Company Act of 1940, and (2) that are rated in either of the two highest categories by a nationally recognized rating service; and

(g) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri.

"Person" means any natural person, corporation, partnership, limited liability company, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Purchaser" means Oppenheimer & Co. Inc., Kansas City, Missouri, the original purchaser of the Bonds.

"Record Date" for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

"Redemption Date" when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of the Ordinance.

"Redemption Price" when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of the Ordinance, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Series 2001A Bonds" means the County's Tax Exempt Special Obligation Refunding and Improvement Bonds (Truman Medical Center Project), Series 2001A.

"Series 2001A Refunded Bonds" means that portion of the Series 2001A Bonds maturing on and after December 1, 2013.

"Series 2002 Bonds" means the County's Special Obligation Bonds, Series 2002.

"Series 2002 Refunded Bonds" means that portion of the Series 2002 Bonds maturing on and after December 1, 2013.

"Special Record Date" means the date fixed by the Paying Agent pursuant to **Section 202** of this **Exhibit A** for the payment of Defaulted Interest.

"Stated Maturity" when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and the Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Tax Compliance Agreement" means the Tax Compliance Agreement among the County, the Corporation and the Paying Agent.

"United Sates Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are held in a custodial account for the benefit of the County.

ARTICLE II

PROVISIONS OF THE BONDS

Section 201. Designation of Paying Agent. BOKF, N.A., Kansas City, Missouri, is hereby designated as the County's paying agent for the payment of principal of and interest on the Bonds, bond registrar with respect to the registration, transfer and exchange of Bonds, and to hold in trust and disburse funds from the Costs of Issuance Fund and the Debt Service Fund as provided herein (the "Paying Agent").

The County will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The County reserves the right to appoint a successor Paying Agent by (1) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (2) causing notice of the appointment of the successor Paying Agent to be given by first class mail to each Bondowner. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent.

Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company located in the State of Missouri organized and doing business under the laws of the United States of America or of the State of Missouri, authorized under such laws to exercise trust powers and subject to supervision or examination by federal or state regulatory authority, having a reported capital and surplus of not less than $50,000,000.

Section 202. Method and Place of Payment of Bonds. The principal of or Redemption Price and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

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

The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or (b) in the case of an interest payment to any Registered Owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice given to the Paying Agent signed by such Registered Owner, not less than 5 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed and an acknowledgment that an electronic transfer fee is payable.

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

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

Section 203. Registration, Transfer and Exchange of Bonds. The County covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same series and Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The County shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

The County and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to **Section 303** of this **Exhibit A** and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the County of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 202** of this **Exhibit A**.

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

At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners or Beneficial Owners of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

Section 204. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the County Executive and attested by the manual or facsimile signature of the County Clerk and shall have the official seal of the County affixed or imprinted thereon. In case any officer whose signature appears on any Bond ceases to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The County Executive and County Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and, when duly executed and registered, to deliver the Bonds to the Paying Agent for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit B** attached hereto, which shall be manually executed by an authorized officer or employee of the Paying Agent, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to the Purchaser upon payment of the purchase price of the Bonds plus accrued interest thereon to the date of their delivery.

Section 205. Mutilated, Destroyed, Lost and Stolen Bonds. If (a) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the Paying Agent that such Bond has been acquired by a bona fide purchaser, the County shall execute and the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same series and Stated Maturity and of like tenor and principal amount.

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

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

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

Section 206. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate describing the Bonds so cancelled and shall file an executed counterpart of such certificate with the County.

Section 207. Preliminary and Final Official Statement. The Preliminary Official Statement, in the form attached as **Exhibit C** to the Ordinance, is hereby ratified and approved, and the final Official Statement is hereby authorized and approved by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The County Executive is hereby authorized to execute the final Official Statement as so supplemented, amended and completed, and the use and public distribution of the final Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the County are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the County hereby deems the information regarding the County contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the County are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirements of such Rule.

The County agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 208. Securities Depository.

(a) The Bonds shall be initially issued as one single authenticated fully registered bond for each Stated Maturity. Upon initial issuance, the ownership of such Bonds shall be registered in the Bond Register of the County kept by the Paying Agent in the name of Cede & Co., as nominee of DTC. The Paying Agent and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Registered Owners of Bonds under this Ordinance, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Paying Agent nor the County shall be affected by any notice to the contrary. Neither the Paying Agent nor the County shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the Bond Register kept by the Paying Agent as being a Registered Owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to Owners of Bonds under this Ordinance, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as Registered Owner of the Bonds. The Paying Agent shall pay all principal of and interest on the Bonds only to Cede & Co. in accordance with the arrangements among the County, the Paying Agent and DTC, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payments of principal and interest. Upon delivery by DTC to the Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (d) hereof.

(b) In the event the County determines that it is in the best interest of the Beneficial Owners that they be able to obtain bonds, the County may notify DTC and the Paying Agent, whereupon DTC shall notify the Participants of the availability through DTC of bonds. In such event, the Bonds will be transferable in accordance with paragraph (d) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (d) hereof.

(c) Notwithstanding any other provision of the Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the arrangements among the County, the Paying Agent and DTC.

(d) In the event that any transfer or exchange of Bonds is permitted under paragraph (a) or (b) hereof, such transfer or exchange shall be accomplished upon receipt by the Paying Agent from the Registered Owners thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of the Ordinance. The Paying Agent may rely on information from the Securities Depository and its Participants as to the names and address of, and the principal amount held by, the beneficial owners of the Bonds. The cost of printing, registration, transfer, payment, redemption, authentication and delivery of Bonds pursuant to this subsection (d) shall be paid for by the County.

In the event bonds are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, or other securities depository as holder of all the Bonds, the provisions of this Ordinance shall also apply to all matters relating thereto, including, without limitation, the printing of such bonds and the method of payment of principal of and interest on such bonds.

Section 209. Bond Purchase Agreement. The County is authorized to enter into the Bond Purchase Agreement between the County and the Purchaser, in substantially the form presented to the County Legislature. The County Executive is authorized to execute the Bond Purchase Agreement with such changes therein as such official deems appropriate, for and on behalf of and as the act and deed of the County.

Section 210. Tax Compliance Agreement. The County is authorized to execute the Tax Compliance Agreement in substantially the form presented to the County Legislature. The County Executive is authorized to execute the Tax Compliance Agreement with such changes therein as such official deems appropriate, for and on behalf of and as the act and deed of the County.

Section 211. Bond Compliance Services Agreement. The County is authorized to execute the Bond Compliance Services Agreement between the County and Gilmore and Bell, P.C., in substantially the form presented to the County Legislature. The County Executive is authorized to execute the Bond Compliance Services Agreement with such changes therein as such official deems appropriate, for and on behalf of and as the act and deed of the County.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of the Bonds. The Bonds may be subject to optional and mandatory redemption prior to maturity in accordance with their terms and the applicable terms and provisions contained in this Article and as may be specified in such Bonds and the Bond Purchase Agreement.

Section 302. Selection of Bonds to Be Redeemed.

(a) The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date of written instructions of the County specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** of this **Exhibit A** are met. The foregoing provisions of this paragraph shall not apply to the mandatory redemption of Bonds hereunder, and Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the County.

(b) Bonds shall be redeemed only in the principal amount of $5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed from the Stated Maturities selected by the County, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in $5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

(c) In the case of a partial redemption of Bonds when Bonds of denominations greater than $5,000 are then Outstanding, then for all purposes in connection with such redemption each $5,000 of face value shall be treated as though it were a separate Bond of the denomination of $5,000. If it is determined that one or more, but not all, of the $5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such $5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the Redemption Price and interest to the Redemption Date of such $5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of the $5,000 unit or units of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the County by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to the Purchaser of the Bonds and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

All official notices of redemption shall be dated and shall contain the following information:

(a) the Redemption Date;

(b) the Redemption Price;

(c) if less than all Outstanding Bonds are to be redeemed, the identification of the Bonds to be redeemed (such identification to include interest rates, maturities, CUSIP numbers and such additional information as the Paying Agent may reasonably determine);

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

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

The failure of any Registered Owner to receive notice given as heretofore provided or a defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the County shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the County defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same series and Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Paying Agent on behalf of the County as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed.

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Bondowners by first class, registered or certified mail or overnight delivery, as determined by the Paying Agent, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the

Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR AND PAYMENT OF BONDS

Section 401. Security for the Bonds. The Bonds shall be special obligations of the County payable as to both principal and interest solely from annual appropriations of funds by the County for such purpose to be deposited in the Debt Service Fund. The obligation of the County to make payments into the Debt Service Fund and for any other obligations of the County under the Ordinance do not constitute a general obligation or indebtedness of the County for which the County is obligated to levy or pledge any form of taxation, or for which the County has levied or pledged any form of taxation and shall not be construed to be a debt of the County in contravention of any applicable constitutional, statutory or charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor out of (i) the income and revenues provided for such year, plus (ii) any unencumbered balances for previous years. Subject to the preceding sentence, the obligations of the County to make payments hereunder and to perform and observe any other covenant and agreement contained herein shall be absolute and unconditional.

The covenants and agreements of the County contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds to the payment of the principal of and the interest on the Bonds, or otherwise, except as to the rate of interest and Stated Maturity as provided in this Ordinance.

Section 402. Covenant to Request Appropriations. The County Legislature hereby directs that from and after delivery of the Bonds and so long as any of the Bonds remain Outstanding, subject to **Section 401** of this **Exhibit A**, the County Executive, the Director of Finance or any other officer of the County at any time charged with the responsibility of formulating budget proposals to include in each annual budget an appropriation of the amount necessary (after taking into account any moneys legally available for such purpose) to pay debt service on the Bonds and to make other payments required pursuant to this Ordinance. The County is not required or obligated to make any such annual appropriation, and the decision whether or not to appropriate such funds will be solely within the discretion of the then current County Legislature.

ARTICLE V

ESTABLISHMENT OF FUNDS;
DEPOSIT AND APPLICATION OF MONEYS

Section 501. Establishment of Funds. There has been or shall be established by the Paying Agent and shall be held and administered in trust by the Paying Agent a Costs of Issuance Fund and a Debt Service Fund. Each fund shall be maintained as a separate and distinct fund and the moneys therein shall be held, managed, invested, disbursed and administered as provided in the Ordinance. All moneys deposited in the funds shall be used solely for the purposes set forth in the Ordinance. The County and the Paying Agent shall keep and maintain adequate records pertaining to each fund within their control and all disbursements therefrom.

In addition to the funds described above, the Escrow Agreement establishes the Escrow Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement.

Section 502. Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

(a) Any accrued interest received from the sale of the Bonds shall be deposited in the Debt Service Fund and applied in accordance with **Section 504** of this **Exhibit A**.

(b) From the proceeds of the Bonds, an amount sufficient to defease and redeem the Refunded Bonds shall be deposited in the Escrow Fund and applied as described in the Escrow Agreement to pay the principal of and interest on the Refunded Bonds when called for redemption.

(c) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Costs of Issuance Fund and shall be applied in accordance with **Section 503** of this **Exhibit A**.

Section 503. Application of Moneys in the Costs of Issuance Fund. Moneys in the Costs of Issuance Fund shall be used by the County solely for the purpose of paying the costs and expenses associated with issuing the Bonds and refunding the Refunded Bonds. Moneys in the Costs of Issuance Fund shall be disbursed by the Paying Agent from time to time, upon receipt of a written request of the County Representative containing the statements, representations and certifications set forth in the form of such request attached as **Exhibit H** hereto and otherwise substantially in such form, to pay, or reimburse the County for payment of such costs. Any moneys remaining in the Costs of Issuance Fund on February 1, 2013 shall be transferred by the Paying Agent to the Debt Service Fund. In no event shall the Paying Agent be responsible for paying any such costs except from moneys on deposit in the Costs of Issuance Fund.

In making payments and disbursements pursuant to this Section, the Paying Agent may rely upon the written requests and accompanying certificates and statements. The Paying Agent is not required to make any independent investigation in connection with the matters set forth in the written requests.

Section 504. Application of Moneys in Debt Service Fund. All amounts paid and credited to the Debt Service Fund shall be expended and used by the Paying Agent for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Paying Agent. The Director of Finance is authorized and directed to transfer to the Debt Service Fund sums sufficient to pay principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Registered Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the County. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Ordinance and shall be held in trust by the Paying Agent for the benefit of the Registered Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Fund after the retirement of the Bonds of the County shall be transferred and paid to the County.

Section 505. Deposits and Investment of Moneys. Moneys in each of the funds created by and referred to in the Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the financial institutions holding such deposits as provided by the laws of the State of Missouri. All moneys held in the funds created by the Ordinance shall be accounted for separate and apart from all other funds of the County.

Moneys held in any fund referred to in the Ordinance may be invested in accordance with the investment policy of the County, as such policy may be amended from time to time, in accordance with the Ordinance and the Arbitrage Instructions, in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund.

Section 506. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the County to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due at Maturity, the Paying Agent shall repay without liability for interest thereon, to the County the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the County, and the Registered Owner thereof shall be entitled to look only to the County for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the County shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 507. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 508. Redemption of the Refunded Bonds. The Refunded Bonds are hereby called for redemption and payment prior to maturity on December 1, 2012. The Refunded Bonds shall be redeemed at the office of the paying agent for said bonds, on said redemption date by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to the redemption date. The officers of the County and the paying agent for said bonds are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of the Refunded Bonds as herein provided.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Default and Remedies. The County covenants and agrees that if it defaults in the payment of the principal of or interest on any of the Bonds as the same become due on any Bond Payment Date, or if the County or its governing body or any of the officers, agents or employees thereof fail or refuse to comply with any of the provisions of the Ordinance or of the constitution or statutes of the State of Missouri, and such default continues for a period of 30 days after written notice specifying such default has been given to the County by any Registered Owner of any Bond then Outstanding, or if the County declares bankruptcy, then, at any time thereafter and while such default continues, the Registered Owners of 25% in principal amount of the Bonds then Outstanding may, by written notice to the County filed in the office of the County Clerk or delivered in person to said County Clerk, exercise any of the remedies specified below. This provision, however, is subject to the condition that if all arrears of interest upon all of said Bonds, except interest accrued but not yet due on such Bonds, and all arrears of principal upon all of said Bonds has been paid in full and all other defaults, if any, by the County under the provisions of the Ordinance and under the provisions of the statutes of the State of Missouri have been cured, then and in every such case the Registered Owners of a majority in principal amount of the Bonds then Outstanding, by written notice to the County given as hereinbefore specified, may rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.

The provisions of the Ordinance, including the covenants and agreements herein contained, shall constitute a contract among the County and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

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

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

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

Section 602. Limitation on Rights of Bondowners. The covenants and agreements of the County contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds. All of the Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, or date of Maturity or right of prior redemption as provided in the Ordinance. No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by the Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Bondowner, then, and in every such case, the County and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 604. No Acceleration. Notwithstanding anything herein to the contrary, the Bonds are not subject to acceleration upon the occurrence of an event of default hereunder.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Ordinance and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Bonds and interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their Stated Maturity, (1) the County has elected to redeem such Bonds, and (2) either notice of such redemption shall have been given, or the County shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with **Section 303** of this **Exhibit A**. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the County, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of the Ordinance.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 801. Tax Covenants.

(a) The County covenants and agrees that (1) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from federal gross income of the interest on the Bonds, and (2) it will not use or permit the use of any proceeds of Bonds or any other funds of the County, nor take or permit any other action, or fail to take any action, which would adversely affect the exclusion from federal gross income of the interest on the Bonds. The County will also adopt such other ordinances and take such other actions as may be necessary to comply with the Code and with other applicable future laws, regulations, published rulings and judicial decisions, to the extent any such actions can be taken by the County, in order to ensure that the interest on the Bonds will remain excluded from federal gross income. The County covenants and agrees that it will not take any action or permit any action to be taken or omit to take any action or permit the omission of any action reasonably within its control which action or omission will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, or which will cause the Bonds to be subject to treatment under Section 141 of the Code as "private activity bonds."

(b) The County covenants and agrees that (1) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued, and (2) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the County in any manner, or take or omit to take any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code. The County covenants and agrees that it will pay or provide for the payment from time to time of all rebatable arbitrage to the United States pursuant to Section 148(f) of the Code and the Arbitrage Instructions. This covenant shall survive payment in full or defeasance of the Bonds. The Arbitrage Instructions may be amended or replaced if, in the opinion of Bond Counsel nationally recognized on the subject of municipal bonds, such amendment or replacement will not adversely affect the federal income tax status of the Bonds.

(c) The covenants contained in this Section and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article VII** hereof or any other provision of the Ordinance until the final maturity date of all Bonds Outstanding.

Section 802. Annual Audit. Annually, promptly after the end of the Fiscal Year, the County will cause an audit to be made of its funds and accounts for the preceding Fiscal Year by an independent public accountant or firm of independent public accountants.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the County Clerk, and a duplicate copy of the audit shall be mailed to the Purchaser. Such audits shall at all times during the usual business hours be open to the examination and inspection by any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such Registered Owner.

As soon as possible after the completion of the annual audit, the County Legislature shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of the Ordinance, the County shall, subject to **Section 401** of this **Exhibit A**, promptly cure such deficiency.

A copy of each annual audit will be mailed to the Purchaser and, upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Bondowner or prospective Bondowner.

Section 803. Amendments. The rights and duties of the County and the Bondowners, and the terms and provisions of the Bonds or of the Ordinance, may be amended or modified at any time in any respect by ordinance of the County with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the County Clerk, but no such modification or alteration shall:

(a) extend the maturity of any payment of principal or interest due upon any Bond;

(b) effect a reduction in the amount which the County is required to pay as principal of or interest on any Bond;

(c) permit preference or priority of any Bond over any other Bond; or

(d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Ordinance.

Any provision of the Bonds or of the Ordinance may, however, be amended or modified by ordinance duly adopted by the County Legislature at any time in any legal respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Bondowners, the County may amend or supplement the Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein, or in connection with any other change therein which is not materially adverse to the security of the Bondowners.

Every amendment or modification of the provisions of the Bonds or of the Ordinance to which the written consent of the Bondowners is given, as above provided, shall be expressed in an ordinance adopted by the County Legislature amending or supplementing the provisions of the Ordinance and shall be deemed to be a part of the Ordinance. A certified copy of every such amendatory or supplemental Ordinance, if any, and a certified copy of the Ordinance shall always be kept on file in the office of the County Clerk, shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by the Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental Ordinance or of the Ordinance will be sent by the County Clerk to any such Bondowner or prospective Bondowner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the County Clerk a copy of the ordinance of the County hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The County shall furnish to the Paying Agent a copy of any amendment to the Bonds or the Ordinance which affects the duties or obligations of the Paying Agent under the Ordinance.

Section 804. Notices, Consents and Other Instruments by Bondowners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, other than the assignment of the ownership of a Bond, if made in the following manner, shall be sufficient for any of the purposes of the Ordinance, and shall be conclusive in favor of the County and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Registered Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under the Ordinance, Bonds owned by the County shall be disregarded and deemed not to be Outstanding under the Ordinance, except that, in determining whether the Bondowners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Bondowners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Bondowners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the County.

Section 805. Provisions Relating to the Paying Agent. The Paying Agent hereby accepts the trusts imposed upon it by this Ordinance, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Ordinance against the Paying Agent:

(a) The Paying Agent, prior to the occurrence of an event of default and after the curing of all events of default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Ordinance. If any event of default shall have occurred and be continuing, subject to **Section 805(k)** below, the Paying Agent shall exercise such of the rights and powers vested in it by this Ordinance, and shall use the same degree of care and skill in their exercise, as a prudent corporate trust department would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Paying Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers and shall not be responsible for any misconduct or negligence on the part of any agent, attorney or receiver appointed or chosen by it with due care, and the Paying Agent shall be entitled to act upon the opinion or advice of counsel, who may be counsel to the County or to the Corporation, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof. The Paying Agent shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of counsel addressed to the County and the Paying Agent.

(c) The Paying Agent shall not be responsible for any recital herein or in the Bonds (except with respect to the Certificate of Authentication of the Paying Agent endorsed on the Bonds), or for the recording or rerecording, filing or refiling of this Ordinance or any security agreement in connection therewith or for the validity of the execution by the County of this Ordinance or of any supplemental ordinances or instruments of further assurance, or for the sufficiency of the security of the Bonds. The Paying Agent shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Section 505** hereof.

(d) The Paying Agent shall not be accountable for the use of any Bonds authenticated and delivered hereunder. The Paying Agent, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights which it would have if it were not Paying Agent.

(e) The Paying Agent may rely and shall be protected in acting or refraining from acting upon any ordinance, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under the Ordinance believed by it to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Paying Agent pursuant to this Ordinance upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bonds and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of the Ordinance the Paying Agent shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Paying Agent shall be entitled to rely upon a certificate signed by the Corporation Representative or the County Representative as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Paying Agent has been notified as provided in subsection (h) of this Section or of which by said subsection it is deemed to have notice, the Paying Agent shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Paying Agent to do things enumerated in this Ordinance shall not be construed as a duty, and the Paying Agent shall not be answerable for other than its negligence or willful misconduct.

(h) The Paying Agent shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the County to cause to be made any of the payments to the Paying Agent, unless the Paying Agent shall be specifically notified in writing of such default by the County or by the Owners of at least 10% in aggregate principal amount of all Bonds then Outstanding.

(i) The Paying Agent shall not be required to give any bond or surety in respect to the execution of its trusts and powers hereunder.

(j) The Paying Agent shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of the Ordinance, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Paying Agent deemed desirable for the purpose of establishing the right of the County to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Paying Agent.

(k) Before taking any action under this Ordinance other than the payments from moneys on deposit in the Costs of Issuance Fund, as provided herein, or payments to be made to the owners of the Bonds, the Paying Agent may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(l) No provision contained in this Ordinance shall be construed to relieve the Paying Agent from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that the Paying Agent shall not be liable for any error of judgment made in good faith unless it shall be proved that the Paying Agent was negligent in ascertaining the pertinent facts.

(m) The Paying Agent shall have the right to own or sell the Bonds without giving notice thereof to the County and without incurring any liability whatsoever with respect thereto.

(n) The Paying Agent shall be entitled to payment or reimbursement for reasonable fees for its ordinary services and all advances, counsel fees and other ordinary expenses reasonably and necessarily made or incurred by it in connection with its ordinary services, all such fees and expenses to be paid by the County.

[remainder of page intentionally left blank]

EXHIBIT B
TO ORDINANCE #4432

(FORM OF BONDS)

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE DESCRIBED HEREIN), THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (DESCRIBED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

UNITED STATES OF AMERICA
STATE OF MISSOURI

Registered
No. __________

Registered
$____________

JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BOND
(TRUMAN SPORTS COMPLEX PROJECTS)
SERIES 2012

Interest Rate	Maturity Date	Dated Date	CUSIP Number

REGISTERED OWNER: ____

PRINCIPAL AMOUNT: ________________________________ DOLLARS

JACKSON COUNTY, MISSOURI, a home rule county and political subdivision of the State of Missouri (the "County"), for value received, hereby acknowledges itself to be indebted and promises to pay to the registered owner shown above, or registered assigns, the principal amount shown above on the maturity date shown above unless called for redemption prior to said maturity date, and to pay interest thereon at the interest rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent interest payment date to which interest has been paid or duly provided for, payable semiannually on June 1 and December 1 in each year, beginning on June 1, 2013, until said principal amount has been paid.

The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption by check or draft to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the payment office of **BOKF, N.A.**, Kansas City, Missouri (the "Paying Agent"). The interest payable on this Bond on any interest payment date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Paying Agent at the close of business on the Record Date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the interest payment date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register, or (b) in the case of an interest payment to any Registered Owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice given to the Paying Agent signed by such Owner, not less than 5 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed and an acknowledgment that an electronic transfer fee is payable. The principal or redemption price of and interest on the Bonds shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Bond is one of an authorized series of bonds of the County designated "Special Obligation Refunding Bonds (Truman Medical Center Projects), Series 2012," aggregating the principal amount of $_________________ (the "Bonds"), issued by the County for the purpose of refunding the Refunded Bonds and paying the incidental costs of issuing the Bonds and refunding the Refunded Bonds, under the authority of and in full compliance with the constitution and laws of the State of Missouri, and pursuant to an ordinance duly passed (the "Ordinance") and proceedings duly and legally had by the governing body of the County.

At the option of the County, Bonds may be called for redemption and payment prior to maturity in whole or in part at any time on December 1, 20__, and thereafter at the Redemption Price equal to 100% of the principal amount being redeemed, plus accrued interest thereon to the Redemption Date.

[Bonds maturing in the years 20__ and 20__ are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements set out in the Ordinance and the Bond Purchase Agreement, at a Redemption Price equal to 100% of the Principal Amount thereof plus accrued interest to the Redemption Date.]

Bonds shall be redeemed only in the principal amount of $5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed from the Stated Maturities selected by the County, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in $5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

Notice of redemption, unless waived, is to be given by the Paying Agent by mailing an official redemption notice by first class mail at least 30 days prior to the redemption date to the original purchaser of the Bonds and each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register maintained by the Paying Agent. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County defaults in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

The Bonds shall be special obligations of the County payable as to both principal and interest solely from annual appropriations of funds by the County for such purpose. The obligation of the County to make payments into the Debt Service Fund and for any other obligations of the County under the Ordinance do not constitute a general obligation or indebtedness of the County for which the County is obligated to levy or pledge any form of taxation, or for which the County has levied or pledged any form of taxation and shall not be construed to be a debt of the County in contravention of any applicable constitutional, statutory or charter limitation or requirement but in each Fiscal Year shall be payable solely from the amounts pledged or appropriated therefor out of (i) the income and revenues provided for such year plus (ii) any unencumbered balances for previous years.

The Bonds are issuable in the form of fully registered Bonds without coupons in the denominations of $5,000 or any integral multiple thereof.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One Bond certificate with respect to each date on which the Bonds are stated to mature, registered in the nominee name of the Securities Depository, is being issued. The Book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants. The Paying Agent and the County will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfers of principal, interest and any redemption premium payments to participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Paying Agent and the County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of and interest on this Bond shall be made in accordance with existing arrangements between the Paying Agent and the County.

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the payment office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or authorization for exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The County and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions and things required to be done and to exist precedent to and in the issuance of the Bonds have been done and performed and do exist in due and regular form and manner as required by the constitution and laws of the State of Missouri.

IN WITNESS WHEREOF, JACKSON COUNTY, MISSOURI, has caused this Bond to be executed by the manual or facsimile signature of its County Executive and attested by the manual or facsimile signature of its County Clerk and its official seal to be affixed or imprinted hereon.

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

Registration Date: ____________________

BOKF, N.A.,
Paying Agent

By ____________________________
Authorized Officer or Signatory

JACKSON COUNTY, MISSOURI

By:______________________________
Michael D. Sanders, County Executive

(Seal)

ATTEST:

____
Mary Jo Spino
Clerk of the County Legislature

ASSIGNMENT

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

____

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

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

Dated: ____________________________

____

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

Signature Guaranteed By:

____

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

By: ________________________

Title: ________________________

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of the Bonds:

GILMORE & BELL
A Professional Corporation
2405 Grand Blvd, Suite 1100
Kansas City, Missouri 64108

(LEGAL OPINION OF BOND COUNSEL)
(TO BE PROVIDED)

EXHIBIT C
TO ORDINANCE

PRELIMINARY OFFICIAL STATEMENT

(on file with the Clerk of the Legislature)

EXHIBIT D
TO ORDINANCE

BOND COMPLIANCE SERVICES AGREEMENT
ATTACHED

BOND COMPLIANCE SERVICES AGREEMENT

THIS BOND COMPLIANCE SERVICES AGREEMENT dated as of **September 1, 2012** (this "**Agreement**"), between **JACKSON COUNTY, MISSOURI**, a political subdivision of the State of Missouri (the "**County**"), and **GILMORE & BELL, P.C.**, a professional corporation ("**Gilmore & Bell**").

WHEREAS, the County has issued the municipal securities listed on **Exhibit A** (the "**Bonds**"); and

WHEREAS, the County has determined that it would like to engage Gilmore & Bell to perform the compliance services identified on **Exhibit B** in connection with the Bonds, and Gilmore & Bell has agreed to perform such services in accordance with the terms of this Agreement.

In consideration of the mutual covenants and agreements herein, the County and Gilmore & Bell agree as follows:

Section 1. Scope of Services to be Provided.

Gilmore & Bell agrees to perform the compliance services described on **Exhibit B** (the "**Services**"). The Services to be performed by Gilmore & Bell under this Agreement will be limited to those services expressly described on **Exhibit B**.

Gilmore & Bell does not provide investment advice, advice relating to any municipal financial products or financial advice relating to the issuance of municipal securities, and nothing contained in this Agreement or any services provided by Gilmore & Bell under this Agreement shall constitute advice to the County with respect to municipal financial products or the issuance of municipal securities (other than legal advice), all within the meaning of Section 15B(e) of the Securities Exchange Act of 1934, as amended.

Section 2. Staffing.

Gilmore and Bell will provide the necessary attorneys, legal assistants and financial analysts to perform the Services. The primary points of contact for this engagement are as follows:

Gilmore & Bell:

Meghan Wiedel
Telephone: 816-218-7586
EMAIL: mwiedel@gilmorebell.com

Sid Douglas
Telephone: 816-221-1000
EMAIL: sdouglas@gilmorebell.com

County:

Troy Thomas, Director of Finance
Telephone: 816-881-3176
EMAIL: tthomas@jacksongov.org

Section 3. ***Fees.***

Gilmore & Bell's fees and expenses for Services are set forth in a separate fee letter (the "**Fee Letter**") entered into between the County and Gilmore & Bell. The County will pay Gilmore & Bell fees and expenses in accordance with the terms of the Fee Letter.

Section 4. ***Furnishing of Information; Records.***

The County agrees to provide to Gilmore & Bell any information and documentation requested by Gilmore & Bell which is necessary to complete the engagement. Unless alternate arrangements are made in advance, any papers, records or electronic media provided to Gilmore & Bell may be disposed of at the discretion of Gilmore & Bell. For various reasons, including the minimization of unnecessary storage expenses, Gilmore & Bell reserves the right to dispose of any documents or other materials related to the Services provided.

Section 5. ***Term of Agreement; Termination.***

The initial term of this Agreement shall be from the date of this Agreement through August 1, 2017. The County and Gilmore & Bell may renew this Agreement on mutually agreeable terms annually thereafter. This Agreement may be terminated at any time by either party with 30 days written notice to the other party. Upon termination of this Agreement, the County will pay all fees and expenses to Gilmore & Bell related to work completed.

Section 6. ***Electronic Transactions; Counterparts.***

The transaction described herein may be conducted and related documents may be stored by electronic means. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 7. ***Governing Law.***

This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 8. ***No Conflicts; No Prohibition of Future Roles.***

Gilmore & Bell served as bond counsel to the County in connection with the issuance of the Series 2012 Bonds, which engagement ended as of the date of issuance of the Series 2012 Bonds. The County agrees that nothing arising out of this limited engagement will preclude Gilmore & Bell from acting as bond counsel, disclosure counsel or underwriter counsel in any future securities offering by or on behalf of the County.

Section 9. ***Amendments.***

This Agreement may be amended in writing by the mutual agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have each caused this Bond Compliance Services Agreement to be executed by their duly authorized officers as of the date first above written.

JACKSON COUNTY, MISSOURI

By: ______________________________
Title: County Executive

APPROVED AS TO FORM:

____
County Counselor

GILMORE & BELL, P.C.

By: ______________________________

EXHIBIT A

LIST OF MUNICIPAL SECURITIES

- $23,945,000 Public Building Corporation Leasehold Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2003 (the "**Series 2003 Bonds**")

- $25,845,000 Public Building Corporation Leasehold Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2005 (the "**Series 2005 Bonds**")

- $19,675,000 Public Building Corporation Leasehold Refunding and Improvement Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2006A (the "**Series 2006A Bonds**")

- $14,010,00 Public Building Corporation Leasehold Improvement Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2006B (the "**Series 2006B Bonds**")

- $5,500,000 Taxable Special Obligation Bonds (Animal Shelter Project) (Build America Bonds), Series 2010 (the "**Series 2010 Build America Bonds**")

- $1,180,000 Tax Exempt Special Obligation Bonds (My Arts Building Project), Series 2010 (the "**Series 2010 Bonds**")

- $9,246,289.75 Capital Appreciation Leasehold Revenue Bonds (Truman Sports Complex/County Parks Project Additions), Series 2002 (the "**Series 2002 Bonds**")

- $447,240,000 Special Obligation Bonds (Harry S. Truman Sports Complex Project), Series 2006 (the "**Series 2006 Bonds**")

- $35,570,000 Special Obligation Refunding and Improvement Bonds (Truman Sports Complex and Truman Medical Center Projects), Series 2011 (the "**Series 2011 Bonds**")

- *$39,030,000 Special Obligation Refunding Bonds (Truman Medical Center Projects), Series 2012 (the "**Series 2012 Bonds**")

*Preliminary, subject to change based on final financing documents.

EXHIBIT B

SCOPE OF SERVICES

Continuing Disclosure Services

Gilmore & Bell will assist the County in meeting its continuing disclosure obligations with respect to its outstanding municipal securities and will provide the following services in connection with County's continuing disclosure undertakings:

- Review the County's continuing disclosure agreements/undertakings for the outstanding municipal securities identified on **Exhibit A** (the "**Disclosure Agreements**").
- Provide the County annually with a memorandum stating the information required to be disclosed as a part of a material event notice.
- Provide the County with an annual reminder of the upcoming annual report filing date.
- Assist the County in updating, as of the end of each fiscal year, the operating data and summary financial information described in the Disclosure Agreements.
- Submit the County's annual report to the MSRB, via EMMA. If the County's annual report is not available as of the report filing date, file the appropriate notice required under the Disclosure Agreements.
- Provide the County confirmation that the annual report has been submitted to the MSRB.

It is our understanding that the County's fiscal year end is December 31. By acceptance of the terms of this letter you are confirming Gilmore & Bell's appointment as a designated agent for the County for the sole purpose of submitting to the MSRB, via EMMA, annual reports, event notices, and other materials furnished by the County.

The content of the financial information and operating data to be included in each annual report is solely the responsibility of the County. Gilmore & Bell is not responsible for the accuracy or completeness of the information contained in any annual report. Gilmore & Bell will not undertake a "due diligence" review of the County, its operations or its financial condition in connection with the performance of these services. Such a review is outside the scope of our limited engagement and fee described in this Agreement.

EXHIBIT E
TO ORDINANCE

TAX COMPLIANCE AGREEMENT
ATTACHED

Tax Compliance Agreement

GILMORE & BELL, P.C.
Draft August 7, 2012
TCA v1a

TAX COMPLIANCE AGREEMENT

Dated as of September 1, 2012

Among

JACKSON COUNTY, MISSOURI,

TRUMAN MEDICAL CENTER, INCORPORATED,

And

BOKF, N.A.,
as Paying Agent

$39,030,000
Jackson County, Missouri
Special Obligation Refunding Bonds
(Truman Medical Center Projects)
Series 2012

TAX COMPLIANCE AGREEMENT

TABLE OF CONTENTS

Page

* * *

TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT (the "Tax Agreement"), dated as of September 1, 2012, among **JACKSON COUNTY, MISSOURI**, a constitutional home rule charter county and political subdivision duly organized and existing under the laws of the State of Missouri (the "**County**"), **TRUMAN MEDICAL CENTER, INCORPORATED**, a nonprofit corporation organized and existing under the laws of the State of Missouri (the "**Corporation**"), and **BOKF, N.A.**, a national association duly organized and existing under the laws of the United States of America, as Paying Agent (the "Paying Agent");

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the issuance by the County of $39,030,000 principal amount of Special Obligation Refunding Bonds (Truman Medical Center Projects), Series 2012 (the "Bonds"), pursuant to Ordinance No. ____ (the "Bond Ordinance"), for the purposes described in this Tax Agreement and 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 interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The County, the Corporation and the Paying Agent are entering into this Tax Agreement in order to set forth certain representations, facts, expectations, terms and conditions 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 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 County adopted a Tax-Exempt Financing Compliance Procedure on August 13, 2012 (the "Tax Compliance Procedure") for the purpose of setting out general procedures for the County to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Agreement 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 Agreement, the County, the Corporation and the Paying Agent represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax Agreement 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. In addition, the following words and terms used in this Tax Agreement have the following meanings:

"Adjusted Gross Proceeds" means the Gross Proceeds of the Bonds reduced by amounts (i) in a bona fide debt service fund or a reasonably required reserve or replacement fund, (ii) 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 (iii) representing grant repayments or sale or investment proceeds of any purpose investment.

"Bona Fide Debt Service Fund" means a fund, which may include Bond proceeds, that is (a) used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and (b) 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 County's Director of Finance 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 County and the Corporation.

"Bond Ordinance" has the meaning set forth in the Recitals of this Tax Agreement.

"Bond Year" means each one-year period (or shorter period for the first Bond Year) ending December 1, or another one-year period selected by the County.

"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 County 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 County selects September 1, 2017 as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

"Corporation" means Truman Medical Center, Incorporated, a Missouri nonprofit corporation.

"Corporation's Bond Compliance Officer" means the Corporation's ______________ or other person named in the Tax Compliance Procedure.

"County" means Jackson County, Missouri and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the County.

"Costs of Issuance" means, generally, any cost or expense incurred on account of and in connection with the Bonds including, (i) underwriters' spread (whether realized directly or derived through purchase of the Bonds at a discount below the price at which they are expected to be sold to the public); (ii) counsel fees (including bond counsel, underwriter's counsel, issuer's counsel, company counsel in the case of borrowings such as those for exempt facilities, as well as any other specialized counsel fees incurred in connection with the borrowing); (iii) financial advisor fees incurred in connection with the borrowing; (iv) rating agency fees; (v) trustee fees incurred in connection with the borrowing; (vi) paying agent and certifying and authenticating agent fees related to issuance of the Bonds; (vii) accountant fees (e.g., accountant verifications in the case of advance refundings) related to issuance of the bonds; (viii) printing costs (for the Bonds and of preliminary and final offering materials); (ix) costs incurred in connection with the required public approval process (e.g., publication costs for public notices generally and costs of the public hearing or voter referendum); and (x) costs of engineering and feasibility studies necessary to the issuance of the Bonds (as opposed to such studies related to completion of the Financed Facility, but not to the financing). However, Costs of Issuance do not include fees and expenses directly related to the cost of credit enhancement for the Bonds to the extent such fees or expenses may be included as a qualified guaranty in the calculation of the yield on the Bonds.

"Escrow Agent" means Commerce Bank, N.A.

"Final Written Allocation" means the written allocation of expenditures of proceeds of the Original Obligations.

"Financed Facility" means any of the property financed or refinanced with the proceeds of the Bonds and the Original Obligations as described on **Exhibit D**.

"Gross Proceeds" means (a) sale proceeds (any amounts actually or constructively received by the County 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, other investment proceeds or transferred 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, (e) any other replacement proceeds and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

(1) Costs of Issuance Fund.
(2) Debt Service Fund.
(3) Escrow Fund.

"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).

"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 it does include the investment element of most interest rate caps.

"IRS" means the United States Internal Revenue Service.

"Issue Date" means September 4, 2012.

"Management Agreement" means any management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility (as defined in Regulations § 1.141-3(b), such as a contract to manage all of the Financed Facility or a portion of the Financed Facility. However, contracts for services that are solely incidental to the primary function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing, or similar services) are not treated as Management Agreements.

"Measurement Period" means, for each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, the period beginning on the later of (i) the issue date of the Original Obligations or (ii) the date the property was placed in service, and ending on the earlier of (A) the final maturity date of the Bonds or (B) the end of the expected economic useful life of the property.

"Minor Portion" means the lesser of $100,000 or 5% of the sale proceeds of the Bonds.

"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.

"Non-Qualified Use" means use of Bond proceeds or the Financed Facility (1) in a trade or business carried on by any Non-Qualified User, (2) in any activity of a Tax-Exempt Organization which constitutes an "unrelated trade or business," determined by applying Code § 513(a), or (3) to pay Costs of Issuance. The rules set out in Regulations § 1.141-3 as modified by § 1.145-2 determines whether Bond proceeds or the Financed Facility is "used" in a trade or business.

"Non-Qualified User" means any person or entity other than a Qualified User.

"Opinion of Bond Counsel" means a written opinion of Bond Counsel. Unless otherwise specifically noted herein, an Opinion of Bond Counsel must conclude that the action or the proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

"Original Obligations" means the Series 1994 Bonds, Series 2001A Bonds and the Series 2002 Bonds.

"Paying Agent" means BOKF, N.A., and its successor or successors and any other corporation or association which at any time may be substituted in its place at the time serving as Paying Agent under the Bond Ordinance.

"Post-Issuance Tax Requirements" means those requirements related to the use of proceeds of the Bonds, the use of the Financed Facility and the investment of Gross Proceeds after the Issue Date of the Bonds.

"Proposed Regulations" means the proposed arbitrage regulations REG 106143-07 (published at 72 Fed. Reg. 54606 (Sept. 26, 2007)).

"Qualified Use Agreement" means an agreement or arrangement that does not constitute an unrelated trade or business use by the Corporation and which is described in one of the following paragraphs:

(1) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the Corporation's tax-exempt purposes.

(2) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days pursuant to an arrangement whereby (a) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (b) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(3) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days pursuant to arrangements whereby (a) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (b) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (c) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(4) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

"Qualified User" means a Tax-Exempt Organization or a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

"Rebate Analyst" means the Rebate Analyst selected by a Bond Compliance Officer to perform the services described in this Tax Agreement.

"Refunded Bonds" means (a) $11,755,000 outstanding principal amount of the Series 2001A Bonds and (b) $28,940,000 outstanding principal amount of the Series 2002 Bonds.

"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.

"Research Agreement" means any agreement or other contractual arrangement with a Non-Qualified User (including the United States or its agencies) pursuant to which the Corporation will perform services at or otherwise use the Financed Facility, if such agreement or contract can reasonably be expected to involve (i) the advancement of scientific knowledge (including the social sciences), (ii) the development or testing of a commercial product, or (iii) the creation of patentable intellectual property.

"Series 1994 Bonds" means the Jackson County, Missouri Public Facilities Authority Leasehold Revenue Refunding and Improvement Bonds (Jackson County, Missouri Capital Improvements Project) Series 1994, originally issued in the aggregate principal amount of $12,210,000 on June 21, 1994.

"Series 2001A Bonds" means the County's Tax Exempt Special Obligation Refunding and Improvement Bonds (Truman Medical Center Project), Series 2001A, originally issued in the aggregate principal amount of $35,010,000 on December 13, 2001.

"Series 2002 Bonds" means the County's Special Obligation Bonds, Series 2002, originally issued in the aggregate principal amount of $38,730,000 on December 5, 2002.

"Tax Agreement" means this Tax Compliance Agreement as it may from time to time be amended and supplemented in accordance with its terms.

"Tax Compliance Procedure" means the County's Tax-Exempt Financing Compliance Procedure, dated August 13, 2012.

"Tax-Exempt Bond File" means documents and records for the Bonds, the Refunded Obligations and the Original Obligations maintained by the Corporation's Bond Compliance Officer pursuant to the Tax Compliance Procedure.

"Tax-Exempt Organization" means a nonprofit organization, organized under the laws of the United States of America or any state, that is described in Code § 501(c)(3) and is exempt from federal income taxes under Code § 501(a).

"Transcript" means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

"Underwriter" means Oppenheimer & Co., Inc., the underwriter 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 2.1. Representations and Covenants of the County. The County represents and covenants to the Corporation and Paying Agent as follows:

(a) *Organization and Authority.* The County (1) is a constitutional home rule charter county and political subdivision duly organized and existing under the laws of the State of Missouri, (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, and this Tax Agreement and to carry out its obligations under this Tax Agreement 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 Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bonds–General Covenant.* The County (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 County, 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) *Public Hearing and Approval.* In connection with the issuance of the Bonds, the County held a public hearing as required under Code § 147(f) regarding the proposed issuance of the Bonds, at 2:00 P.M. on August 13, 2012, at the Jackson County Courthouse Annex in Independence, Missouri, after published notice of the hearing (July 30, 2012 in the *Kansas City Star*) advised the public that a public hearing would be held on such 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 County Executive approved the issuance of the Bonds as required by Code § 147(f). The Certificate of Approval is attached to this Tax Agreement as **Exhibit A**, together with an affidavit of publication of the notice of the hearing.

(d) *IRS Form 8038.* Bond Counsel prepared IRS Form 8038 (Information Return for Tax-Exempt Private Activity Bond Issues) based on the representations and covenants of the Corporation and the County contained in this Tax Agreement or otherwise provided by the Corporation and the County. Bond Counsel signed the return as a paid preparer following completion and delivered copies to the County for execution and for the County's records. The County does not know of any inaccuracies in the Form 8038 included as **Exhibit B**. The County agrees to timely execute and return to Bond Counsel the execution copy of Form 8038 for filing with the IRS. A copy of the "as-filed" copy along with proof of filing will be included as **Exhibit B**.

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

(f) *County Reliance on Other Parties.* The expectations, representations and covenants of the County concerning uses of Bond proceeds, the uses of certain other money described in this Tax Agreement, the uses of the Financed Facility, and other matters are based in whole or in part upon covenants, representations and certifications of the Corporation and other parties set forth in this Tax Agreement or exhibits to this Tax Agreement. Although the County has made no independent investigation of the representations of other parties, including the Corporation, the County is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in this Tax Agreement or exhibits to this Tax Agreement.

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

(h) *Single Issue; No Other Issues.* The Bonds constitute a single "issue" under Regulations § 1.150-1(c). No other obligations of the County (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) *Compliance with Future Tax Requirements.* The County understands that the Code and the Regulations may impose new or different restrictions and requirements on such party in the future. The County will either comply with those future restrictions or will take remedial action in accordance with Regulations § 1.141-12 (which action will be accompanied by an Opinion of Bond Counsel) as necessary to maintain the exclusion of interest on the Bonds from federal gross income.

(j) *Bonds Not Federally Guaranteed.* The County will not take any action or permit any action to be taken which would cause any Bond to be "federally guaranteed" within the meaning of Code § 149(b).

(k) *Interest Rate Swap.* As of the Issue Date, the County 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 County will not enter into any such arrangement in the future without obtaining an Opinion of Bond Counsel.

(l) *Guaranteed Investment Contract.* As of the Issue Date, the County does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The County will be responsible for complying with **Section 4.4(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.

Section 2.2. Representations and Covenants of the Corporation. The Corporation represents and covenants to the County and the Paying Agent as follows:

(a) *Organization and Authority.* The Corporation (1) is a private nonprofit corporation duly organized and validly existing under the laws of the State of Missouri not operated for private or corporate profit, (2) has lawful power and authority to enter into, execute and deliver this Tax Agreement and to carry out its obligations under this Tax Agreement and (3) by all necessary corporate action, has been duly authorized to execute and deliver this Tax Agreement, acting by and through its duly authorized officers.

(b) *Tax-Exempt Status of the Corporation.* The Corporation (1) has been determined to be and is a Tax-Exempt Organization, and (2) has not declared and has not been determined to have any "unrelated business taxable income" (as defined in Code § 512) which could have a material adverse effect on its status as a Tax-Exempt Organization or which, if such income were subject to federal income taxation, could have a material adverse effect on the condition, financial or otherwise, of the Corporation. The Corporation received a letter from the IRS to the effect that it is a Tax-Exempt Organization, a copy of which is attached to this Tax Agreement as **Exhibit C**. Such letter has not been withdrawn, and no audit or investigation by the IRS of the tax-exempt status of the Corporation is presently being conducted. There has been no change or threatened change in the status of the Corporation as a Tax-Exempt Organization as of the date of this Tax Agreement. At all times during the Measurement Period, the Corporation has and will maintain its status as a Tax-Exempt Organization and will take no action or permit any action to be taken that could result in the alteration or loss of its status as a Tax-Exempt Organization.

(c) *Tax-Exempt Status of Bonds–General Covenant.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the Corporation, to the extent within its power and control: (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code, (2) will not use or invest, or permit the use or investment of, any Bond proceeds, other money held under the Bond Ordinance, or other funds of the Corporation, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would violate applicable provisions of the Code.

(d) *Qualified 501(c)(3) Bonds.*

(1) Ownership. During the Measurement Period the property comprising the Financed Facility has been and will be owned for federal income tax purposes by a Qualified User.

(2) Non-Qualified Use Limitation. During the Measurement Period the amount of Bond proceeds used in a Non-Qualified Use will not exceed 5% of the Net Proceeds of the Bonds. The Corporation understands that, for purposes of this paragraph, use of the Financed Facility is treated as the use of Bond proceeds. As of the Issue Date, except for any Costs of Issuance financed with the Net Proceeds of the Bonds, the Corporation does not expect that any proceeds of the Bonds or any portion of the Financed Facility have been or will be used in a Non-Qualified Use during the Measurement Period.

(3) Management Agreements. Except as described in **Schedule 2.2(d)(3)**, as of the Issue Date, the Corporation has not entered into any Management Agreements for any portion of the Financed Facility with Non-Qualified Users during the Measurement Period. During the Measurement Period, the Corporation will enter into or renew any Management Agreement with any Non-Qualified User without first obtaining an Opinion of Bond Counsel or written approval of the Bond Compliance Officer.

(4) Leases. As of the Issue Date, the Corporation has not entered into any leases of any portion of the Financed Facility other than Qualified Use Agreements during the Measurement Period. During the Measurement Period the Corporation will not enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first obtaining an Opinion of Bond Counsel.

(5) Research Agreements. As of the Issue Date, the Corporation has no Research Agreements in place other than "qualified basic research agreements" (defined below), and during the Measurement Period, the Corporation will not enter into any Research Agreement

other than a "qualified basic research agreement" without first obtaining and delivering to the County an Opinion of Bond Counsel. A "qualified basic research agreement" is any Research Agreement that (1) involves only "basic research" and (2) meets the "qualified license requirement." A Research Agreement involves "basic research" if the research conducted pursuant to the Research Agreement is an investigation for the advancement of scientific knowledge and the subject of the Research Agreement has no specific commercial objective. The "qualified license requirement" is met either (1) where any license granted to use any product developed as a result of the research is only on the same terms as the Corporation would permit that use by any unrelated, non-sponsoring party (i.e. the sponsor must pay a competitive price for its use) and the price paid by the licensee for use of any license or other product derived from the Research Agreement is determined at the time the invention or other resulting technology is available for use or (2) the County or Corporation determines the research to be performed and the manner in which it is to be performed under the Research Agreement, title to any patent or other product incidentally resulting from the Research Agreement lies exclusively with the County or Corporation and any sponsor or sponsors of the research are entitled to no more than a nonexclusive, royalty-free license to use any product developed as a result of work done pursuant to the Research Agreement. For purposes of the forgoing, a "license" includes rights granted to the United States under the Bayh-Dole Act (35 U.S.C. § 200 *et seq*) and the "qualified license requirement" is met with respect to such a license so long as the County or Corporation determines the research to be performed and the manner in which it is to be performed under the Research Agreement.

(e) *Reimbursement.* No portion of the Net Proceeds of the Original Obligations were used to reimburse an expenditure paid by the Corporation more than 60 days prior to the dates of the respective resolutions of intent were adopted. No reimbursement allocation was made for an expenditure made more than three years prior to the date of the reimbursement allocation. No reimbursement allocation was made more than 18 months following the later of (A) the date of the expenditure or (B) the date the Financed Facility was placed in service.

(f) *$150 Million Limitation; Qualified Hospital Bonds; Limit on Non-Hospital Bonds.*

(1) At least 95% of the Net Proceeds of the Original Obligations were used to finance the cost of a "hospital." For purposes of this representation, the term "hospital" means a Facility (i) accredited by The Joint Commission or the Healthcare Facilities Accreditation Program of the American Osteopathic Association, (HFAP); (ii) primarily used to provide by or under the direct supervision of physicians, in-patients diagnostic services and therapeutic services for medical diagnosis, treatment and care of injured, disabled or sick persons (including the mentally ill); (iii) that has a requirement that every patient be under the care and supervision of a physician; and, (iv) that provides 24-hour nursing services rendered or supervised by a registered professional nurse, and has a licensed practical nurse or registered nurse on duty at all times.

(2) The name and tax identification number of each "beneficiary" of the Financed Facility" is listed as an attachment to IRS Form 8038 (part of **Exhibit B** to this Tax Agreement). A Qualified User is considered to be a "beneficiary" of the Financed Facility if it owns or leases any portion of the Financed Facility, has contractual rights to use the Financed Facility similar to an owner or a tenant, or has a contractual right to purchase more than 10% of the output of the Financed Facility.

(g) *Limit on Maturity of Bonds.* A list of the assets of the Financed Facility and a computation of their "average reasonably expected economic life" is attached to this Tax Agreement as

Exhibit D. Based on this computation, the "average maturity" of the Bonds as computed by Bond Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Facility. For the purpose of Code § 147(b), the "average reasonably expected economic life" of the portion of the Financed Facility financed with proceeds of the Original Obligations was determined as follows: the average economic life of that portion of the Financed Facility as of the issue date of the Original Obligations was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Issue Date.

(h) *Prohibited Facilities*. No portion of the proceeds of the original obligations was 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).

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

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

(k) *Bonds Not Federally Guaranteed*. The Corporation will not take any action or permit any action to be taken which would cause the Bonds to be "federally guaranteed" within the meaning of Code § 149(b).

(l) *Hedge Bonds*. At least 85% of the net sale proceeds of the Original Obligations (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) were used to carry out the governmental purpose of the Original Obligations within three years after the issue date of such obligations, and not more than 50% of the proceeds of the Original Obligations were invested in investments having a substantially guaranteed yield for four years or more.

(m) *Arbitrage Certifications*. The facts, estimates and expectations recited in **Article III** of this Tax Agreement are true and accurate as of the Issue Date; and the Corporation believes that the estimates and expectations recited in such Article are reasonable as of the Issue Date. The County, Gilmore & Bell, P.C., Bond Counsel, and the Underwriter may rely on such statements and expectations. The Corporation 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 to the best of the Corporation's knowledge and belief, there are no other facts, estimates or circumstances that would materially change such expectations.

(n) *Interest Rate Swap*. As of the Issue Date, the Corporation 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 Corporation will not enter into any such arrangement in the future without obtaining an Opinion of Bond Counsel.

(o) *Guaranteed Investment Contract*. As of the Issue Date, the Corporation does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The Corporation will be responsible for complying with **Section 4.4(d)** if a Guaranteed Investment Contract is used for the investment of Gross Proceeds at a later date.

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

Section 2.3. Representations and Covenants of the Paying Agent. The Paying Agent represents and covenants to the County and the Corporation as follows:

(a) The Paying Agent will comply with the provisions of this Tax Agreement that apply to it as Paying Agent and any written letter or opinion of Bond Counsel, specifically referencing the Bonds and received by the Paying Agent, that sets forth any action necessary to comply with any statute, regulation or ruling that may apply to it as Paying Agent and relating to reporting requirements or other requirements necessary to preserve the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

(b) The Paying Agent, acting on behalf of the County, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Paying Agent with such information as it may request in order to determine all matters relating to (1) the Yield on the Bonds as it relates to any data or conclusions necessary to verify that the Bonds are not "arbitrage bonds" within the meaning of Code § 148, and (2) compliance with arbitrage rebate requirements of Code § 148(f). The County will pay all costs and expenses incurred in connection with supplying the foregoing information.

Section 2.4. Survival of Representations and Covenants. All representations, covenants and certifications of the County, the Corporation and the Paying Agent contained in this Tax Agreement or in any certificate or other instrument delivered by the County, the Corporation or the Paying Agent under this Tax Agreement, 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 3.1. General. The purpose of this Article III is to certify, under Regulations § 1.148-2(b), the County's and Corporation's expectations as to the sources, uses and investment of Bond proceeds and other money, in order to support the County's conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Agreement on behalf of the County and Corporation is each an officer of the County or Corporation responsible for issuing the Bonds.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this Article III are based upon the County's and Corporation's understanding of the documents and certificates that comprise the Transcript and the representations, covenants and certifications of the parties contained therein. To the knowledge of the County and Corporation, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the County set forth in this Tax Agreement are accurate, and the expectations of the County and Corporation set forth in this Tax Agreement are reasonable. Neither the County nor Corporation has any knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Agreement are unreasonable or inaccurate or may not be relied upon.

Section 3.3. **Purpose of the Financing.** The Bonds are being issued for the purpose of making providing funds to refund the Refunded Bonds. The purpose of the refunding of the Refunded Bonds is to achieve interest cost savings for the Corporation through early redemption of the Refunded Bonds.

Section 3.4. **Funds and Accounts.** The following funds and accounts have been established in the custody of the Paying Agent under the Bond Ordinance:

(a) Debt Service Fund.
(b) Cost of Issuance Fund.

In addition, the Escrow Fund is established in the custody of the Escrow Agent under the escrow letter of instruction (the "Escrow Agreement").

Section 3.5. **Amount and Use of Bond Proceeds and Other Money.**

(a) *Amount of Bond Proceeds.* The total proceeds to be received by the County from the sale of the Bonds will be as follows:

Principal Amount	$39,030,000.00
Net Original Issue Premium	
Less Underwriting Discount	
Accrued Interest	
Total Proceeds Received by County	$

(b) *Use of Bond Proceeds and Other Money.* The Bond proceeds are expected to be allocated to expenditures as follows:

(1) Bond proceeds in the amount of $__________ will be transferred to the Escrow Agent for deposit in the Escrow Fund to be applied as provided in the Escrow Agreement to pay the principal of and interest on the Refunded Bonds when called for redemption on December 1, 2012.

(2) The remaining Bond proceeds will be deposited in the Costs of Issuance Fund and disbursed by the Paying Agent from time to time, upon receipt of a written request of the County Representative, to pay costs of issuing the Bonds. Any money remaining in the Cost of Issuance Fund on February 1, 2013, will be transferred by the Paying Agent to the Debt Service Fund.

Section 3.6. **Multipurpose Issue.** Pursuant to Regulations § 1.148-9(h) separate purposes of the Bonds having the same initial temporary period for unrestricted investment will be treated as a single purpose for purposes of applying the arbitrage rules.

Section 3.7. **No Advance Refunding.** No proceeds of the Bonds will be used more than 90 days following the Issue Date to pay principal or interest on any other debt obligation.

Section 3.8. Current Refunding.

(a) *Proceeds Used For Current Refunding.* Proceeds of the Bonds will be used to pay principal and interest on the Refunded Bonds. All of these proceeds will be spent on December 1, 2012, which is not later than 90 days after the Issue Date.

(b) *Transferred Proceeds.* As of the Issue Date the following unspent proceeds of the Refunded Bonds remain: approximately $ ________ in the cost of issuance fund for the Refunded Bonds. Upon discharge of any principal amount of the Refunded Bonds with proceeds of the Bonds, a ratable portion of the remaining unspent proceeds of the Refunded Bonds will become proceeds of the Bonds (determined in accordance Regulations § 1.148-9(b).

Section 3.9. [Reserved.]

Section 3.10. Sinking Funds. The County is required to make periodic payments in amounts sufficient to pay the principal of and interest on the Bonds. The Paying Agent will deposit these payments into the Debt Service Fund under the Bond Ordinance. Except for the Debt Service Fund, neither the County nor the Corporation has established or expects to establish any sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds. The 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 County and the Corporation expect that the Debt Service Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.11. Reserve, Replacement and Pledged Funds.

(a) *Debt Service Reserve Fund.* No reserve or replacement fund has been established for the Bonds.

(b) *No Other 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 Facility or refund the Refunded Bonds, and that have been or will be used to acquire higher yielding investments. Except for the 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 County or the Corporation encounters financial difficulty.

Section 3.12. 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 3.13. Offering Prices and Yield on Bonds.

(a) *Offering Prices.* In the Bond Purchase Agreement included as part of the transcript, the Underwriter has certified that (1) all of the Bonds have been the subject of an initial offering to the public at prices no higher than those shown in the Official Statement for the Bonds, plus accrued interest (the "Offering Prices"), and (2) the Underwriter expects that at least 10% of each maturity of the Bonds will be sold to the public at initial offering prices no higher than said offering prices.

(b) *Bond Yield.* Based on the Offering Prices, the Yield on the Bonds is __________%, as computed by Bond Counsel as shown on **Exhibit G**. The County and the Corporation will apply to the Bonds Regulations § 1.148-4(b)(3)(i) as amended by the Proposed Regulations (relating to the treatment of certain bonds subject to optional early redemption – so-called "yield-to-call bonds"). Neither the County nor the Corporation has entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

Section 3.14. 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 County or the Corporation 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 Corporation, do not exceed the cost of the governmental purpose of the Bonds as described above.

Section 3.15. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the County 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

POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. 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 County and the Corporation recognize that interest on the Bonds will remain excludable from gross income only if Post-Issuance Tax Requirements are followed after the Issue Date. The County and the Corporation further acknowledge that written evidence substantiating 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 County.* The County intends for the Tax Compliance Procedure, as supplemented by this Tax Agreement, 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 tax compliance that the County has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.

(c) *Shared Responsibility for Post-Issuance Tax Requirements.* The Bond Compliance Officer has provided a copy of the Tax Compliance Procedure to the Corporation's Bond Compliance Officer. The Tax Compliance Procedure contemplates that the Corporation and the Corporation's Bond Compliance Officer will follow the Tax Compliance Procedure. The County and the Corporation acknowledge that the investment and expenditure of proceeds of the Bonds are within the control of the County, but that substantially all of the property financed or refinanced by the Bonds is controlled by the Corporation. For these reasons, the County and the Bond Compliance Officer are relying on the

Corporation and the Corporation's Bond Compliance Officer to carry out such portions of the Post-Issuance Tax Requirements as are set out this Tax Agreement and the Tax Compliance Procedure. The Corporation agrees to undertake these obligations and the obligations imposed on it by the Tax Compliance Procedure. The County and the Bond Compliance Officer will cooperate with the Corporation when necessary to enable the Corporation to fulfill its Post-Issuance Tax Requirements. Subject to this Section 4.1(c) and 4.1(d), this cooperation includes, but is not limited to, signing Form 8038-T in connection with the payment of arbitrage rebate or yield reduction payments, participating in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (VCAP) or a remedial action procedure pursuant to Regulations §§ 1.141-12 and 1.145-2.

(d) *Opinion of Bond Counsel.* Prior to taking any action requested by the Corporation's Bond Compliance Officer for the purpose of carrying out the Post-Issuance Tax Requirements, the County is entitled to seek and receive an Opinion of Bond Counsel acceptable to the County.

(e) *Payment of Costs of Post-Issuance Tax Requirements and Indemnifications.* Neither the ____________ nor the Paying Agent is required to incur any cost in connection with any action taken related to the Post-Issuance Tax Requirements, it being the intent of the parties that all costs of the Post-Issuance Tax Requirements will be paid by, or immediately reimbursed by, the ____________.

Section 4.2. Record Keeping; Use of Bond Proceeds and Use of Financed Facilities.

(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 Agreement, the Bond Compliance Officer shall retain records related to Post-Issuance Tax Requirements until three years following the final maturity of (i) the Bonds or (ii) 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 (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the County 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 County's premises.

(b) *Accounting and Allocation of Bond Proceeds to Expenditures.* Proceeds of the Bonds will be used as describe in Sections 3.5, 3.7 and 3.8. The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Bond File. The Corporation's Bond Compliance Officer has prepared and delivered to the Bond Compliance Officer written substantiation records of the allocation of proceeds the Original Obligations to the Financed Facility through requisitions from the project fund established under the indentures for the Original Obligations.

(c) *Annual Compliance Checklist.* Attached as **Exhibit E** is a form of annual compliance checklist for the Bonds to be completed by the Corporation's Bond Compliance Officer. The Corporation's Bond Compliance Officer will prepare and complete an annual compliance checklist in such form for the Financed Facility at least annually in accordance with the Tax Compliance Procedure, and provide such completed checklist to the Bond Compliance Officer. In the event the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Corporation's Bond Compliance Officer will consult with the Bond Compliance Officer and in conjunction with the Bond Compliance Officer will take the actions identified in an Opinion of Bond Counsel or Section 4.4 of the Tax Compliance Procedure to correct any deficiency.

Attached as **Exhibit F** is a form of annual compliance checklist for the Bonds to be completed by the Bond Compliance Officer. The Bond Compliance Officer will prepare and complete an annual compliance checklist in such form for the Bonds 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 Agreement, the Bond Compliance Officer will take the actions identified in an Opinion of Bond Counsel or Section 4.4 of the Tax Compliance Procedure to correct any deficiency.

(d) *Opinions of Bond Counsel.* The Bond Compliance Officer of the Corporation or the County, as applicable, is responsible for obtaining and delivering to the County and the Paying Agent any Opinion of Bond Counsel required under the provisions of this Tax Agreement, including any Opinion of Bond Counsel required by this Tax Agreement or the annual compliance checklist.

Section 4.3. Temporary Periods/Yield Restriction. Except as described below, Gross Proceeds must not be invested at a yield greater than the yield on the Bonds:

(a) *Cost of Issuance Fund.* Bond proceeds deposited in the Cost of Issuance Fund and investment earnings on such proceeds may be invested without Yield restriction for up to 13 months following the Issue Date. If any unspent proceeds remain in the Cost of Issuance Fund after 13 months, such amounts may continue to be invested without yield restriction so long as the County 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) *Debt Service Fund.* To the extent that the 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 one year after the date of receipt of such earnings.

(c) *Escrow Fund.* Proceeds of the Bonds deposited in the Escrow Fund may be invested without yield restriction for 90 days after the Issue Date.

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

Section 4.4. Fair Market Value.

(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 County and the Corporation are applying Regulations § 1.148-5(d)(6)(iii)(A) as amended by the Proposed Regulations (relating to electronic bidding of Guaranteed Investment Contracts) to the Bonds. 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 County, Corporation or the Paying Agent 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 County, the Corporation, the Paying Agent, 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 County, the Corporation, the Paying Agent, 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 County's or Corporation'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 three "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 County, Corporation or Paying Agent must meet all of the following requirements:

(A) The County, Corporation or Paying Agent receives at least three 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 one of the three bids received is from a reasonably competitive provider, as defined above.

(C) If an agent or broker is used 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 County, Corporation and the Paying Agent retain the following records with the bond documents until three 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 Corporation or Paying Agent for the Guaranteed Investment Contract, including a record of any administrative costs paid by the County, Corporation or Paying Agent, 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 three 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 4.5. Exemption of Certain Gross Proceeds 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 4.3**. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in **Section 4.6** 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 4.6**.

(b) *Applicable Spending Exceptions*. The following optional rebate spending exception can apply to the Bonds: 6-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).

(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 Debt Service Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings in the fund 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 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 Corporation may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the County and the Corporation must continue to comply with **Section 4.6** hereof.

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

(1) Using Adjusted Gross 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 6-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 6-month period, so long as this amount is spent within 1 year of the Issue Date.

Section 4.6. Computation and Payment of Arbitrage Rebate.

(a) *Computation of Rebate Amount.* The Paying Agent will provide the Rebate Analyst Investment reports relating to each fund held by the Paying Agent that contains Gross Proceeds of the Bonds at such times as reports are provided to the County, and not later than 10 days following each Computation Date. The County will provide the Rebate Analyst with copies of investment reports for any funds containing Gross Proceeds that are held by a party other than the Paying Agent 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 Paying Agent, the Corporation and the County 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. If the value of prior rebate payments is less than the arbitrage rebate due, the County will pay the rebate amount due.

(b) *Rebate Payments.* Within 60 days after each Computation Date, the County 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

Section 4.7. Successor Rebate Analyst. If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the County desires that a different firm act as the Rebate Analyst, then the County, by an instrument or concurrent instruments in writing delivered to the Paying Agent, the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, 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. In the event the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason and the County does not appoint a qualified successor Rebate Analyst within 30 days following a request to appoint a successor Rebate Analyst, then the Paying Agent will appoint a firm to act as the successor Rebate Analyst.

Section 4.8. Filing Requirements. The County, the Paying Agent and the Corporation 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 addressed and delivered to such parties.

Section 4.9. 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.

Section 4.10. Tax Audits. The County and the Corporation acknowledge that the IRS has a routine tax audit program in place and that the cost of professional representation and compliance with requests for records and other information that are a part of such an audit can be substantial, even if no violation of tax laws are found. The County and the Corporation also recognize that under current administrative procedures the IRS must direct audit inquiries to the County, even though the Corporation has the primary responsibility for maintaining the exclusion of interest on the Bonds from gross income for federal income tax purposes. Upon receipt of notice of the commencement of any audit of the Bonds, the Corporation or the County will notify the other promptly. Throughout the term of the audit and any subsequent proceedings, the County and the Corporation will provide copies to one another of any correspondence received from or transmitted to the IRS by the other. The County may hire its own legal counsel to represent its interests in connection with the audit or in any further proceeding that results from the audit. At the request of the County, the Corporation will hire separate legal counsel to represent the Corporation's interests in the audit. The Corporation, upon written request of the County, will assume responsibility for responding to information and document requests made by the auditor that are within the knowledge or possession of the Corporation. Promptly on demand by the County in writing, the Corporation will pay costs incurred by the County in connection with the audit or any legal or administrative proceeding resulting from the audit (including the County's reasonable attorney's fees and expenses).

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Agreement. This Tax Agreement 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 Agreement regarding payment of arbitrage rebate 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 4.2** relating to record keeping shall continue in force for the period described therein for records to be retained.

Section 5.2. Amendments. This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of any of the owners of the Bonds, 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 Agreement as so amended, 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 such amendment will become effective until the County, the Corporation and the Paying Agent receive an Opinion of Bond Counsel, addressed to the County, the Corporation and the Paying Agent, that such amendment will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

Section 5.3. Opinion of Bond Counsel. The County, the Corporation and the Paying Agent may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Bond Counsel addressed to each of them 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 County (to the extent within its power or direction), the Corporation and the Paying Agent further agree 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 5.4. Reliance. In delivering this Tax Agreement, the County, the Corporation and the Paying Agent are each making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. The balance of the certifications, representations and agreements contained in this Tax Agreement, except those made by the Underwriter in the Underwriter Receipt for Bonds and Closing Certificate, are those of the Corporation, and the County and the Paying Agent are relying on the Corporation with respect to them. The County, the Corporation and the Paying Agent are not aware of any facts or circumstances which would cause them to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Agreement and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. The parties to this Tax Agreement understand that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., 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 5.5. Severability. If any provision in this Tax Agreement 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 5.6. Benefit of Agreement. This Tax Agreement is binding upon the County, the Paying Agent and the Corporation and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owners of the Bonds. Nothing in this Tax Agreement or the Bonds, express or implied, gives to any person, other than the parties to this Tax Agreement and their successors and assigns, and the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement. The certifications and representations made in this Tax Agreement and the expectations presented in this Tax Agreement are intended, and may be relied upon, as a certification of an officer of the County given in good faith described in Regulations § 1.148-2(b)(2). The Corporation understands that its certifications in this Tax Agreement and in its Closing Certificate will be relied upon by the County in the issuance of the Bonds and execution of this Tax Agreement. The County and the Corporation understand that such certifications will be relied upon by the law firm of Gilmore & Bell, P.C., 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 5.7. Default, Breach and Enforcement. Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement is an event of default under this Tax Agreement. Remedies for an event of default under this Tax Agreement may be pursued pursuant to the terms of the Bond Ordinance or any other document which references this Tax Agreement and gives remedies for an event of default thereunder.

Section 5.8. Execution in Counterparts. This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

Section 5.9. Governing Law. This Tax Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

Section 5.10. Electronic Transactions. The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be stored, by electronic means.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties to this Tax Agreement have caused this Tax Agreement to be duly executed by their duly authorized officers as of the Issue Date of the Bonds.

JACKSON COUNTY, MISSOURI

____

County Executive

APPROVED AS TO FORM:

____

County Counselor

BOKF, N.A., as Paying Agent

By:
Title:

TRUMAN MEDICAL CENTER, INCORPORATED

____

By: ______________________________

Title: ______________________________

EXHIBIT A

CERTIFICATE OF APPROVAL

ATTACHMENT A TO FORM 8038:

$39,030,000
JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
(TRUMAN MEDICAL CENTER PROJECTS)
SERIES 2012

PART II: Type of Issue
Line 17: Qualified Hospital Bond

Organizations Benefiting from 501(c)(3) Qualified Hospital Bonds	Employer Identification Number
Truman Medical Center	44-0661018

ATTACHMENT A TO FORM 8038:

$39,030,000
JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
(TRUMAN MEDICAL CENTER PROJECTS)
SERIES 2012

PART II: Type of Issue
Line 17: Qualified Hospital Bond

Organizations Benefiting from 501(c)(3) Qualified Hospital Bonds	Employer Identification Number
Truman Medical Center	44-0661018

ATTACHMENT A TO FORM 8038:

$39,030,000
JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
(TRUMAN MEDICAL CENTER PROJECTS)
SERIES 2012

PART II: Type of Issue
Line 17: Qualified Hospital Bond

Organizations Benefiting from 501(c)(3) Qualified Hospital Bonds	Employer Identification Number
Truman Medical Center	44-0661018

Part VI: Description of Refunded Bonds

Line	Description	Refunded Series 1	Refunded Series 2
33	Remaining weighted average maturity of Bonds to be currently refunded		
34	Remaining weighted average maturity of Bonds to be advance refunded		
35	Last date on which Refunded Bonds will be called		
36	Dates Refunded Bonds were issued		

EXHIBIT C

CORPORATION 501(c)(3) DETERMINATION LETTER

EXHIBIT D

DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY AND LIST OF REIMBURSEMENT EXPENDITURES

EXHIBIT E

SAMPLE
ANNUAL COMPLIANCE CHECKLIST
(CORPORATION'S BOND COMPLIANCE OFFICER)

Name of tax-exempt bonds ("Bonds") financing Financed Asset:	
Issue Date of Bonds:	**September __, 2012**
Placed in service date of Project Facility:	
Name of Corporation's Bond Compliance Officer:	
Period covered by request ("Annual Period"):	

Item	Question	Response
1 **Ownership**	Was the entire Project Facility owned by the County and occupied by the Corporation during the entire Annual Period?	☐ Yes ☐ 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.	☐ Yes ☐ No
2 **Leases & Other Rights to Possession**	During the Annual Period, was any part of the Project Facility leased at any time pursuant to a lease or similar agreement for more than 50 days?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the lease or other arrangement? 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.	☐ Yes ☐ No
3 **Management or Service Agreements**	During the Annual Period, has the management of all or any part of the operations of the Financed Asset (e.g., cafeteria, gift shop, etc.) been assumed by or transferred to another entity?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the management agreement? 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.	☐ Yes ☐ No

Item	Question	Response
4 Unrelated Trade or Business	During the Annual Period, was any part of the Financed Assets used by the Corporation in an unrelated trade or business (regardless of whether or not the activity generated a profit)?	☐ Yes ☐ No
	If Yes, contact Bond Counsel and include description of the conclusions in the Tax-Exempt Bond File.	

5 Other Use	Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Asset?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the agreement? 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.	☐ Yes ☐ No

---

Corporation's Bond Compliance Officer: ______________________

Date Completed: ______________________

EXHIBIT F

SAMPLE
ANNUAL COMPLIANCE CHECKLIST
(COUNTY' BOND COMPLIANCE OFFICER)

Name of tax-exempt bonds ("Bonds") financing Financed Asset:	
Issue Date of Bonds:	**September __, 2012**
Placed in service date of Project Facility:	
Name of Bond Compliance Officer:	
Period covered by request ("Annual Period"):	

Item	Question	Response
1 Ownership	Was the entire Project Facility owned by the County during the entire Annual Period?	☐ Yes ☐ 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.	☐ Yes ☐ No
2 Continuing Disclosure Filings	Did the County file its annual report (including audited financial statements and any other financial information and operating data required for the Bonds) with the MSRB on EMMA by June 28th?	☐ Yes ☐ No
	If No, file the appropriate failure to file notice required for the Bonds with the MSRB on EMMA. In addition, contact legal counsel and/or Bond Counsel and file the deficient material with the MSRB on EMMA and include a description of the reason for the delay in the Tax-Exempt Bond File.	
3 Material Event Filings	Did any of the following events occur with respect to the Bonds? • principal and interest payment delinquencies; • non-payment related defaults, if material; • unscheduled draws on debt service reserves reflecting financial difficulties; • unscheduled draws on credit enhancements reflecting financial difficulties; • substitution of credit or liquidity providers, or their failure to perform; • adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other	☐ Yes ☐ No

	material events affecting the tax status of the Bonds; • modifications to rights of bondholders, if material; • bond calls, if material, and tender offers; • defeasances; • release, substitution or sale of property securing repayment of the Bonds, if material; • rating changes; • bankruptcy, insolvency, receivership or similar event of the obligated person; • the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and • appointment of a successor or additional paying agent or the change of name of the paying agent, if material.	
	If Yes, was notice of the material event filed with the MSRB on EMMA? If No, contact legal counsel and/or Bond Counsel immediately and prepare and file any required notice with the MSRB on EMMA.	☐ Yes ☐ No

County's Bond Compliance Officer: ____________________

Date Completed: ____________________

EXHIBIT G

DEBT SERVICE SCHEDULE AND PROOF OF BOND YIELD

EXHIBIT F
TO ORDINANCE

TAX-EXEMPT FINANCING COMPLIANCE PROCEDURE
ATTACHED

JACKSON COUNTY, MISSOURI

TAX-EXEMPT FINANCING COMPLIANCE PROCEDURE

Dated as of August 13, 2012

TAX-EXEMPT FINANCING COMPLIANCE PROCEDURE

TABLE OF CONTENTS

ARTICLE VIII

CONDUIT TAX-ADVANTAGED BONDS CURRENTLY OUTSTANDING

ARTICLE IX

COMPLIANCE PROCEDURE FOR NEW CONDUIT TAX-ADVANTAGED BOND ISSUES

ARTICLE X

ONGOING MONITORING PROCEDURES – CONDUIT TAX-ADVANTAGED BONDS

ARTICLE XI

CONTINUING DISCLOSURE – CONDUIT BONDS

* * *

TAX-EXEMPT FINANCING COMPLIANCE PROCEDURE

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized words and terms used in this Compliance Procedure have the following meanings:

"**Annual Compliance Checklist**" means (a) for Governmental Tax-Advantaged Bonds, a questionnaire and/or checklist described in **Section 6.1** that is completed each year for a Governmental Tax-Advantaged Bond issue and (b) for Conduit Tax-Advantaged Bonds, a questionnaire and/or checklist described in **Section 10.1** that is completed each year for a Conduit Tax-Advantaged Bond issue.

"**Bond Compliance Officer**" means the County's Director of Finance or, if the position of Director of Finance is vacant, the person filling the responsibilities of the Director of Finance for the Governing Body.

"**Bond Counsel**" means a law firm selected by the County to provide a legal opinion regarding the tax status of interest on Tax-Advantaged Bonds as of the issue date or the law firm selected to advise regarding matters referenced in this Compliance Procedure.

"**Bond Restricted Funds**" means the funds, accounts, and investments that are subject to arbitrage rebate and/or yield restriction rules that have been identified in the Tax Compliance Agreement for a Tax-Advantaged Bond issue.

"**Bond Transcript**" means the "transcript of proceedings" or other similar titled set of documents assembled by Bond Counsel following the issuance of Tax-Advantaged Bonds.

"**Code**" means the Internal Revenue Code, as amended.

"**Compliance Procedure**" means this Tax-Exempt Financing Compliance Procedure.

"**Conduit Bond**" means any bond, note, installment sale agreement, lease or certificate intended to be a debt or special limited obligation of the County, the proceeds of the which are to be loaned or otherwise made available to the Conduit User or applied to the costs of a facility used by the Conduit User.

"**Conduit Tax-Advantaged Bond**" means any Conduit Bond the interest on which is excludable from gross income for federal income tax purposes or is subject to other advantages, requirements or limitations of the Code and Regulations or any other United States laws related to taxation. A list of all Conduit Tax-Advantaged Bonds outstanding and subject to this Compliance Procedure as of the Effective Date, is attached as **Exhibit A-2.**

"**Conduit Tax-Advantaged Bond File**" means documents and records which may consist of paper and electronic medium, maintained for each Conduit Tax-Advantaged Bond. Each Conduit Tax-Advantaged Bond File will include the following information if applicable:

(a) Intent Resolution. (Duplicate Copy Maintained by Bond Compliance Officer)
(b) Bond Transcript. (Duplicate Copy Maintained by Bond Compliance Officer)

(c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of a Conduit Tax-Advantaged Bond and expenditures (if any) allocated to other sources of funds.
(d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculation.
(e) Forms 8038-T together with proof of filing and payment of rebate. (Duplicate Copy Maintained by Bond Compliance Officer)
(f) Investment agreement bid documents (unless included in the Bond Transcript) including:
 (1) Bid solicitation, bid responses, certificate of broker;
 (2) Written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
 (3) Copies of the investment agreement and any amendments.
(g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Conduit Tax-Advantaged Bonds.
(h) Any opinion of Bond Counsel regarding the Conduit Tax-Advantaged Bonds not included in the Bond Transcript. (Duplicate Copy Maintained by Bond Compliance Officer)
(i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript. (Duplicate Copy Maintained by Bond Compliance Officer)
(j) Any correspondence with the IRS relating to the Conduit Tax-Advantaged Bonds including all correspondence relating to an audit by the IRS of the Conduit Tax-Advantaged Bonds or any proceedings under the Tax-Advantaged Bonds Voluntary Closing Agreement Program (VCAP). (Duplicate Copy Maintained by Bond Compliance Officer)
(k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Conduit Tax-Advantaged Bond issue.
(l) For refunding bond issues, the Conduit Tax-Advantaged Bond File for the refunded Conduit Tax-Advantaged Bonds.

"Conduit User" means (1) any entity that is not related to or controlled by the County and which receives proceeds and/or is required to pay principal and interest on a Conduit Tax-Advantaged Bond issue, and (2) specifically, the Jackson County Sports Complex Authority and Truman Medical Center, Incorporated.

"Conduit User Bond Compliance Officer" means the individual officer or employee of the Conduit User named as the primary individual responsible for post-issuance tax compliance by the Conduit User in connection with a Conduit Tax-Advantaged Bond issue.

"County" means Jackson County, Missouri.

"Continuing Disclosure Undertaking" means the Continuing Disclosure Agreement(s), Continuing Disclosure Undertaking(s), Continuing Disclosure Certificate(s), Continuing Disclosure Instructions or other written certification(s) setting out covenants for satisfying the requirements for providing information to the MSRB pursuant to SEC Rule 15c2-12 on an ongoing basis for one or more series of Governmental Bonds or Conduit Bonds.

"**Cost**" or "**Costs**" means all costs and expenses paid for the acquisition, design, construction, equipping or improvement of a Project Facility or costs of issuing Tax-Advantaged Bonds.

"**Effective Date**" means August 13, 2012.

"**EMMA**" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"**Final Written Allocation**" means the Final Written Allocation of Bond proceeds prepared pursuant to **Section 5.4** of this Compliance Procedure for Governmental Tax-Advantaged Bonds and pursuant to **Section 9.4** of this Compliance Procedure for Conduit Tax-Advantaged Bonds.

"**Financed Assets**" means that part of a Project Facility treated as financed with Tax-Advantaged Bond proceeds as reflected in a Final Written Allocation or, if no Final Written Allocation was prepared, (a) the accounting records of the County and the Tax Compliance Agreement for the Governmental Tax-Advantaged Bond issue or (b) the accounting records of the Trustee and the Conduit User, and the Tax Compliance Agreement for the Conduit Tax-Advantaged Bond issue.

"**Governing Body**" means the County Legislature of the County.

"**Governmental Bond(s)**" means any bond, note, installment sale agreement, lease or certificate intended to be a debt obligation of the County or another political subdivision or government instrumentality created or controlled by the County, the proceeds of the which are to be loaned or otherwise made available to the County.

"**Governmental Tax-Advantaged Bond(s)**" means any Governmental Bond the interest on which is excludable from gross income for federal income tax purposes or is subject to other advantages, requirements or limitations of the Code and Regulations or any other United States laws related to taxation. For purposes of this definition, proceeds of obligations used to make a grant or to provide an economic incentive to another entity unrelated to the County are treated as used or made available to the County, and thus the obligations are considered "Governmental Tax-Advantaged Bonds," unless the user is required to pay principal and interest on the obligation. A list of all Governmental Tax-Advantaged Bonds outstanding and subject to this Compliance Procedure as of the Effective Date, is attached as **Exhibit A-1.**

"**Governmental Tax-Advantaged Bond File**" means documents and records which may consist of paper and electronic medium, maintained for each Governmental Tax-Advantaged Bond. Each Governmental Tax-Advantaged Bond File will include the following information if applicable:

(a) Intent Resolution.
(b) Bond Transcript.
(c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of a Governmental Tax-Advantaged Bond and expenditures (if any) allocated to other sources of funds.
(d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculation.
(e) Forms 8038-T together with proof of filing and payment of rebate.

(f) Investment agreement bid documents (unless included in the Bond Transcript) including:
(1) Bid solicitation, bid responses, certificate of broker;
(2) Written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
(3) Copies of the investment agreement and any amendments.
(g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Governmental Tax-Advantaged Bonds.
(h) Any opinion of Bond Counsel regarding the Governmental Tax-Advantaged Bonds not included in the Bond Transcript.
(i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript.
(j) Any correspondence with the IRS relating to the Governmental Tax-Advantaged Bonds including all correspondence relating to an audit by the IRS of the Governmental Tax-Advantaged Bonds or any proceedings under the Tax-Advantaged Bonds Voluntary Closing Agreement Program (VCAP).
(k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Governmental Tax-Advantaged Bond issue.
(l) For refunding bond issues, the Governmental Tax-Advantaged Bond File for the refunded Governmental Tax-Advantaged Bonds.

"Intent Resolution" means a resolution of the Governing Body stating the intent of the County to finance all or a portion of the Project Facility, stating the expected maximum size of the financing and stating the intent of the County to reimburse (a) the costs paid by the County from proceeds of the Governmental Tax-Advantaged Bonds or (b) the costs paid by the Conduit User from proceeds of the Conduit Tax-Advantaged Bonds.

"IRS" means the Internal Revenue Service.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Placed In Service" means that date (as determined by the Conduit User Bond Compliance Officer for Conduit Tax-Advantaged Bonds and as determined by the Bond Compliance Officer for Governmental Tax-Advantaged Bonds) when the Project Facility is complete and is actually used at a level substantially as originally designed.

"Project Facility" means all tangible or intangible property financed in whole or in part with Tax-Advantaged Bonds that is functionally related or integrated in use, that is located on the same physical site or proximate sites, and that is expected to be Placed In Service within a one-year period.

"Rebate Analyst" means the Rebate Analyst for the Tax-Advantaged Bonds selected pursuant to the Tax Compliance Agreement.

"Tax Compliance Agreement" means, (a) with respect to Governmental Tax-Advantaged Bonds, the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written certification or agreement of the County setting out representations and covenants for satisfying the post-issuance tax compliance requirements for a Governmental Tax-Advantaged Bond issue and (b) with respect to Conduit Tax-Advantaged Bonds, the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written certification or agreement of the County and the Conduit User setting out representations and covenants for satisfying the post-issuance tax compliance requirements for a for a Conduit Tax-Advantaged Bond issue.

"Tax-Advantaged Bond(s)" means Governmental Tax-Advantaged Bonds and Conduit Tax-Advantaged Bonds.

"Trustee" means the corporate trustee, if any, named in a trust indenture for a Tax-Advantaged Bond issue.

ARTICLE II

PURPOSE AND SCOPE

Section 2.1. Purpose of Compliance Procedure. The County uses Governmental Tax-Advantaged Bonds to fund Costs of Project Facilities and uses Conduit Tax-Advantaged Bonds and loans or otherwise makes the proceeds available to Conduit Users to fund Costs of Project Facilities. The County understands that in exchange for the right to issue Tax-Advantaged Bonds at favorable interest rates and terms, the Code and related regulations impose ongoing requirements related to the proceeds of the Tax-Advantaged Bonds and the Project Facility financed by the Tax-Advantaged Bonds. These requirements focus on the investment, use and expenditure of proceeds of the Tax-Advantaged Bonds and related funds as well as restrictions on the use of the Project Facility.

The County recognizes that the IRS has stated that all issuers of Tax-Advantaged Bonds should have a *separate* written policy and procedure regarding ongoing compliance with the federal tax requirements for Tax-Advantaged Bonds.

The County is committed to full compliance with the tax-exempt bond requirements for all of its outstanding and future tax-advantaged financings. This Compliance Procedure is adopted by the Governing Body to comply with the IRS directive and to improve tax compliance and documentation.

Since the Conduit User for each Conduit Tax-Advantaged Bond issue is primarily responsible for the expenditure and investment of its Conduit Tax-Advantaged Bonds and the use of the Financed Assets and the Project Facility, this Compliance Policy provides that the Conduit User will assume substantially all obligations related to post-issuance tax compliance for Conduit Tax-Advantaged Bonds issued for its benefit. The provisions of this Compliance Policy related to Conduit Tax-Advantaged Bonds are set forth in **Articles VIII through XI**.

Section 2.2. Scope of Compliance Procedure; Conflicts. This Compliance Procedure applies to <u>all</u> Tax-Advantaged Bonds currently outstanding and <u>all</u> Tax-Advantaged Bonds issued in the future. If the provisions of this Compliance Procedure conflict with a Tax Compliance Agreement or any other specific written instructions of Bond Counsel, the terms of the Tax Compliance Agreement or specific written instructions of Bond Counsel will supersede and govern in lieu of this Compliance Procedure. Any exception to this Compliance Procedure required by Bond Counsel as part of a future issue of Tax-Advantaged Bonds will be incorporated in the Tax Compliance Agreement for the future issue. Any requirements imposed on the County in the Tax Compliance Agreement, will be noted by the Bond Compliance Officer and incorporated into the Annual Compliance Checklist.

Section 2.3. Amendments and Publication of Compliance Procedure. This Compliance Procedure may be amended from time-to-time by the Governing Body. Copies of this Compliance Procedure and any amendments will be included in the permanent records of the County.

ARTICLE III

BOND COMPLIANCE OFFICER; TRAINING

Section 3.1. Bond Compliance Officer Duties. The Bond Compliance Officer is responsible for implementing this Compliance Procedure. The Bond Compliance Officer will work with other employees that use the Project Facility to assist in implementing this Compliance Procedure. The Bond Compliance Officer will consult with Bond Counsel, legal counsel to the County, accountants, tax return preparers and other outside experts to the extent necessary to carry out the purposes of this Compliance Procedure. The Bond Compliance Officer will report to the Governing Body as necessary, but at least annually, regarding implementation of this Compliance Procedure and any recommended changes or amendments to this Compliance Procedure.

Section 3.2. Training. When appropriate, the Bond Compliance Officer or his or her designee will attend training programs offered by the IRS or other industry professionals regarding tax-exempt financing that are relevant to the County.

ARTICLE IV

GOVERNMENTAL TAX-ADVANTAGED BONDS CURRENTLY OUTSTANDING

Section 4.1. Governmental Tax-Advantaged Bonds Covered by Article IV Procedures. This **Article IV** applies to all Governmental Tax-Advantaged Bonds issued prior to the date of adoption of this Compliance Procedure that are currently outstanding as of the date of adoption of this Compliance Procedure. These Governmental Tax-Advantaged Bonds are listed on **Exhibit A-1**.

Section 4.2. Governmental Tax-Advantaged Bond File. As soon as practical, the Bond Compliance Officer will attempt to assemble as much of the Governmental Tax-Advantaged Bond File as is available for each Governmental Tax-Advantaged Bond that is listed on **Exhibit A-1**.

Section 4.3. Annual Compliance Checklists. As soon as practical following the adoption of this Compliance Procedure, the Bond Compliance Officer will work with Bond Counsel and/or legal counsel to the County and cause Annual Compliance Checklists (an example of which is attached as **Exhibit B**) to be completed for all outstanding Governmental Tax-Advantaged Bonds and will follow the procedures specified in **Article VI** to complete the Annual Compliance Checklists and thereafter include each completed Annual Compliance Checklist in the Governmental Tax-Advantaged Bond File.

Section 4.4. Correcting Prior Deficiencies in Compliance. In the event the Bond Compliance Officer determines any deficiency in compliance with a Tax Compliance Agreement for an outstanding Governmental Tax-Advantaged Bond listed on **Exhibit A-1,** the Bond Compliance Officer will follow the procedures described in Treasury Regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the County to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

ARTICLE V

COMPLIANCE PROCEDURE FOR NEW GOVERNMENTAL TAX-ADVANTAGED BOND ISSUES

Section 5.1. Application. This **Article V** applies to Governmental Tax-Advantaged Bond financings issued on or after the Effective Date.

Section 5.2. Prior to Issuance of Governmental Tax-Advantaged Bonds.

(a) Intent Resolution. The Governing Body will authorize and approve the issuance of Governmental Tax-Advantaged Bonds. Prior to or as a part of this authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution.

(b) Directions to Bond Counsel. The Bond Compliance Officer will provide a copy of this Compliance Procedure to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Governmental Tax-Advantaged Bonds so that they conform to the requirements of this Compliance Procedure, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the County's costs and expenses incurred to implement this Compliance Procedure.

(c) Tax Compliance Agreement. Each Governmental Tax-Advantaged Bond issue will include a Tax Compliance Agreement signed by an officer of the County. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance, (3) for new money financings – require a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Governmental Tax-Advantaged Bond issue. The Bond Compliance Officer will confer with Bond Counsel and the County's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) Preliminary Cost Allocations. The Bond Compliance Officer in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and, when necessary, will break-out the portions of Costs that the County expects to finance with Governmental Tax-Advantaged Bonds (the "Financed Assets") from the portions expected to be financed from other sources.

(e) Tax Review with Bond Counsel. Prior to the sale of the Governmental Tax-Advantaged Bonds, the Bond Compliance Officer and Bond Counsel will review this Compliance Procedure together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by this Compliance Procedure and/or the Tax Compliance Agreement. In the event Bond Counsel determines that this Compliance Procedure conflicts with, or must be supplemented to account for special issues or requirements for the Governmental Tax-Advantaged Bonds, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Governmental Tax-Advantaged Bond issue.

Section 5.3. Accounting and Recordkeeping.

(a) Accounting for New Money Projects. The Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Governmental Tax-Advantaged Bonds. The Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. Where appropriate, the Bond Compliance Officer may use accounts established as part of the County's financial records for this purpose. In recording Costs for the Project Facility, the Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

(b) Accounting for Refunded Bonds and Related Refunded Bond Accounts. For Governmental Tax-Advantaged Bonds that refund prior issues, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced debt.

(c) Tax-Advantaged Bond File. The Bond Compliance Officer will be responsible for assembling and maintaining the Governmental Tax-Advantaged Bond File.

Section 5.4. Final Allocation of Bond Proceeds.

(a) Bond Compliance Officer Responsible for Preparation of Final Written Allocation; Timing. The Bond Compliance Officer is responsible for making a written allocation of proceeds to expenditures and the identification of Financed Assets. This process will be memorialized in the Final Written Allocation. For a new money financing, the Bond Compliance Officer will commence this process as of the earliest of (1) the requisition of all Governmental Tax-Advantaged Bond proceeds from any segregated Tax-Advantaged Bond funded account, (2) the date the Project Facility has been substantially completed or (3) four and one/half years following the issue date of the Governmental Tax-Advantaged Bonds. For Governmental Tax-Advantaged Bonds issued only to refund a prior issue of Governmental Tax-Advantaged Bonds, the Bond Compliance Officer will prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Governmental Tax-Advantaged Bonds in accordance with the advice of Bond Counsel and include it in the Tax Compliance Agreement.

(b) Contents and Procedure. The Bond Compliance Officer will consult the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Governmental Tax-Advantaged Bond proceeds and other money of the County to the Costs of the Project Facility. If no special allocation is required or recommended, the Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Governmental Tax-Advantaged Bonds in accordance with the County's accounting records. Each Final Written Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility, (2) the percentage of the cost of the Project Facility financed with proceeds of the Governmental Tax-Advantaged Bonds (sale proceeds plus any investment earnings on those sale proceeds), (3) the Project Facility's Placed in Service date, (4) the estimated economic useful life of the Project Facility, and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Governmental Tax-Advantaged Bonds).

(c) Finalize Annual Compliance Checklist. As part of the preparation of the Final Written Allocation, the Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the Tax Compliance Agreement. The Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Governmental Tax-Advantaged Bonds in the Annual Compliance Checklist.

(d) Review of Final Written Allocation and Annual Compliance Checklist. Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the County or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and this Compliance Procedure. Following the completion of the review, the Bond Compliance Officer will execute the Final Written Allocation.

ARTICLE VI

ONGOING MONITORING PROCEDURES – GOVERNMENTAL TAX-ADVANTAGED BONDS

Section 6.1. Annual Compliance Checklist. An Annual Compliance Checklist will be completed for Governmental Tax-Advantaged Bonds by the Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or this Compliance Procedure and obtaining documents (such as investment records, arbitrage calculations, or other documentation for the Project Facility) that are required to be incorporated in the Governmental Tax-Advantaged Bond File. The Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the County or Bond Counsel and, if recommended by counsel, will follow the procedure set out in **Section 4.4** to remediate the non-compliance.

Section 6.2. Arbitrage and Rebate Compliance. The Bond Compliance Officer will monitor the investment of Bond Restricted Funds for Governmental Tax-Advantaged Bonds and provide investment records to the Rebate Analyst on a timely basis. The Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

ARTICLE VII

CONTINUING DISCLOSURE – GOVERNMENTAL BONDS

Section 7.1. General. The Bond Compliance Officer acknowledges that the County has entered into certain Continuing Disclosure Undertakings with respect to Governmental Tax-Advantaged Bonds and other taxable securities issued by the County. This **Article VII** applies to Continuing Disclosure Undertakings entered into by the County prior to, on and after the date of this Compliance Procedure.

Section 7.2. Annual Disclosure Filings. For each issuance of Governmental Bonds, the Bond Compliance Officer will review the Continuing Disclosure Undertaking to determine the financial information and operating data required to be included in the Annual Report to be filed by the County with the MSRB on EMMA. The Bond Compliance Officer will cause the Annual Report to be filed with the MSRB on EMMA within the timeframe provided in the Continuing Disclosure Undertaking for the Governmental Bonds.

Section 7.3. Material Event Disclosure Filings. For each outstanding issue of Governmental Tax-Advantaged Bonds, the Bond Compliance Officer will review the Continuing Disclosure Undertaking to determine the "material events" that require prompt notice to be filed with the MSRB. Generally, the occurrence of any of the events listed on **Exhibit C** with respect to the Governmental Tax-Advantaged Bonds represents a "material event:"

After obtaining actual knowledge of the occurrence of any event that the Bond Compliance Officer believes may constitute an event requiring disclosure, the Bond Compliance Officer will contact Bond Counsel to determine if notice of the event is required to be given to the MSRB under the applicable Continuing Disclosure Undertaking. If it is determined that notice should be provided to the MSRB or is required to be provided to the MSRB by the Continuing Disclosure Undertaking, the Bond Compliance Officer will cause the appropriate notice to be filed with the MSRB on EMMA within the applicable time frame set forth in the Continuing Disclosure Undertaking (e.g., 10 business days after the occurrence of the event) or as otherwise advised by Bond Counsel.

ARTICLE VIII

CONDUIT TAX-ADVANTAGED BONDS CURRENTLY OUTSTANDING

Section 8.1. Conduit Tax-Advantaged Bonds Covered by Procedures. This **Article VIII** applies to all Conduit Tax-Advantaged Bonds issued prior to the Effective Date that are currently outstanding as of the Effective Date. These Conduit Tax-Advantaged Bonds are listed on **Exhibit A-2.** The Governing Body reserves the right to charge a fee to administer the Procedures as they relate to Conduit Tax-Advantaged Bonds.

Section 8.2. Conduit Tax-Advantaged Bond File. As soon as practical, the Conduit User Bond Compliance Officer will attempt to assemble as much of the Conduit Tax-Advantaged Bond File as is available for each Conduit Tax-Advantaged Bond that is listed on **Exhibit A-2.** Upon request, the Conduit User Bond Compliance Officer will provide copies to the County of items contained in the Conduit Tax-Advantaged Bond File.

Section 8.3. Conduit User Contact. As soon as practical the Bond Compliance Officer will send to each Conduit User of a Conduit Tax-Advantaged Bond listed on **Exhibit A-2,** a copy of the Tax Compliance Agreement for the financing along with a letter reminding the Conduit User that under the agreement it is responsible for post-issuance tax compliance related to the investment of Bond Restricted Funds, record keeping, use of Conduit Tax-Advantaged Bond proceeds, and use of the Project Facility. The letter will contain a list of records comprising the Conduit Tax-Advantaged Bond File that the Conduit User should retain. The Bond Compliance Officer shall also send a copy of this Compliance Policy with specific reference to **Articles VIII to XI**. A copy of the letter should also be provided to the Trustee, if any, for the Conduit Tax-Advantaged Bond.

Section 8.4. Annual Certification. As soon as practical following the adoption of this Compliance Procedure, the Bond Compliance Officer will request each Conduit User to confirm annually in writing its compliance with the terms of the Tax Compliance Agreement for the Conduit Tax-Advantaged Bond issue. Where possible, the Bond Compliance Officer will combine this certification request with other disclosures the Conduit User regularly provides to the Trustee (such as ongoing continuing disclosure). Certifications completed by the Conduit User will be retained by the Bond Compliance Officer.

Section 8.5. Correcting Prior Deficiencies in Compliance. In the event a Conduit User informs the Bond Compliance Officer of a deficiency in compliance with a Tax Compliance Agreement for an outstanding Conduit Tax-Advantaged Bond listed on **Exhibit A-2**, the Bond Compliance Officer will direct the Conduit User to follow the procedures described in Treasury Regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the County to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

ARTICLE IX

COMPLIANCE PROCEDURE FOR NEW CONDUIT TAX-ADVANTAGED BOND ISSUES

Section 9.1. Application. This **Article IX** applies to Conduit Tax-Advantaged Bond financings issued on or after the date of adoption of this Compliance Procedure.

Section 9.2. Prior to Issuance of Conduit Tax-Advantaged Bonds.

(a) Intent Resolution. The Governing Body will authorize and approve the issuance of Conduit Tax-Advantaged Bonds. Prior to or as a part of this authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution. The Bond Compliance Officer will provide the Conduit User with a copy of this Compliance Procedure prior to adoption of the Intent Resolution.

(b) Directions to Bond Counsel. The Bond Compliance Officer will provide a copy of this Compliance Procedure to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Conduit Tax-Advantaged Bonds so that they conform to the requirements of this Compliance Procedure, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the County's costs and expenses incurred to implement this Compliance Procedure. To the extent the County relies on or acts at the direction of the Conduit User, the Tax Compliance Agreement will contain appropriate provision for County indemnification by the Conduit User.

(c) Tax Compliance Agreement. Each Conduit Tax-Advantaged Bond issue will include a Tax Compliance Agreement signed by the Conduit User Bond Compliance Officer or another officer of the Conduit User. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance by the Conduit User, (3) for new money financings – require the Conduit User to complete a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Conduit Tax-Advantaged Bond issue. The Conduit User Bond Compliance Officer will confer with Bond Counsel, the Bond Compliance Officer and the County's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) Preliminary Cost Allocations. The Conduit User Bond Compliance Officer in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and, when necessary, will break-out the portions of Costs that the Conduit User expects to finance with proceeds of Conduit Tax-Advantaged Bonds (the "Financed Assets") from the portions expected to be financed from other sources.

(e) Tax Review with Bond Counsel. Prior to the sale of the Conduit Tax-Advantaged Bonds, the Bond Compliance Officer, the Conduit User Bond Compliance Officer and Bond Counsel will review this Compliance Procedure together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by this Compliance Procedure and/or the Tax Compliance Agreement. In the event Bond Counsel determines that this Compliance Procedure conflicts with, or must be supplemented to account for special issues or requirements for the Conduit Tax-Advantaged Bonds, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Conduit Tax-Advantaged Bond issue.

Section 9.3. Accounting and Recordkeeping.

(a) Accounting for New Money Projects. The Conduit User Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Conduit Tax-Advantaged Bonds. The Conduit User Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. The Conduit User Bond Compliance Officer may use accounts established pursuant to a trust indenture for the Conduit Tax-Advantaged Bonds to assist it in accounting for the investment and expenditure of Conduit Tax-Advantaged Bonds. In recording Costs for the Project Facility, the Conduit User Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

(b) Accounting for Refunded Bonds and Related Refunded Bond Accounts. For Conduit Tax-Advantaged Bonds that refund prior issues, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced debt.

(c) Conduit Tax-Advantaged Bond File. The Conduit User Bond Compliance Officer will be responsible for assembling and maintaining the Conduit Tax-Advantaged Bond File. Upon request, the Conduit User Bond Compliance Officer will provide copies to the County of items contained in the Conduit Tax-Advantaged Bond File.

Section 9.4. Final Allocation of Bond Proceeds.

(a) Bond Compliance Officer Responsible for Preparation of Final Written Allocation; Timing. The Conduit User Bond Compliance Officer is responsible for making a written allocation of proceeds to expenditures and the identification of Financed Assets. This process will be memorialized in the Final Written Allocation. For a new money financing, the Conduit User Bond Compliance Officer will commence this process as of the earliest of (1) the requisition of all Conduit Tax-Advantaged Bond proceeds from any segregated Conduit Tax-Advantaged Bond funded account, (2) the date the Project Facility has been substantially completed or (3) four and one/half years following the issue date of the Conduit Tax-Advantaged Bonds. For Conduit Tax-Advantaged Bonds issued only to refund a prior issue of Conduit Tax-Advantaged Bonds, the Conduit User Bond Compliance Officer will prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Conduit Tax-Advantaged Bonds in accordance with the advice of Bond Counsel and include it in the Tax Compliance Agreement.

(b) Contents and Procedure. The Conduit User Bond Compliance Officer will review the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Conduit Tax-Advantaged Bond proceeds and other money to the Costs of the Project Facility. If no special allocation is required or recommended, the Conduit User Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Conduit Tax-Advantaged Bonds in accordance with the Conduit User's accounting records. Each Final Written Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility, (2) the percentage of the cost of the Project Facility financed with proceeds of the Conduit Tax-Advantaged Bonds (sale proceeds plus any investment earnings on those sale proceeds), (3) the Project Facility's Placed in Service date, (4) the estimated economic useful life of the Project Facility, and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Conduit Tax-Advantaged Bonds).

(c) Finalize Annual Compliance Checklist. As part of the preparation of the Final Written Allocation, the Conduit User Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the Tax Compliance Agreement. The Conduit User Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Conduit Tax-Advantaged Bonds in the Annual Compliance Checklist.

(d) Review of Final Written Allocation and Annual Compliance Checklist. Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the Conduit User or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and this Compliance Procedure. Following the completion of the review, the Conduit User Bond Compliance Officer will execute the Final Written Allocation and provide a copy to the Bond Compliance Officer and the Trustee for the Conduit Tax-Advantaged Bonds.

(e) Conduit User Certification of Compliance. The Conduit User Bond Compliance Officer will certify in writing to the Trustee (or the County, if there is no Trustee with respect to the Conduit Tax-Advantaged Bonds) completion of its responsibilities under this **Section 9.4**.

ARTICLE X

ONGOING MONITORING PROCEDURES – CONDUIT TAX-ADVANTAGED BONDS

Section 10.1. Annual Compliance Checklist. An Annual Compliance Checklist will be completed for Conduit Tax-Advantaged Bonds by the Conduit User Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or this Compliance Procedure and obtaining documents (such as investment records, arbitrage calculations, or other documentation for the Project Facility) that are required to be incorporated in the Conduit Tax-Advantaged Bond File. The Conduit User Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the Conduit User or Bond Counsel and, if recommended by counsel, will follow the procedure set out in **Section 8.5** to remediate the non-compliance.

Section 10.2. Arbitrage and Rebate Compliance. The Conduit User Bond Compliance Officer will monitor the investment of Bond Restricted Funds and provide investment records to the Rebate Analyst on a timely basis. The Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

ARTICLE XI

CONTINUING DISCLOSURE- CONDUIT BONDS

Section 11.1. General. Certain Conduit Users have entered into Continuing Disclosure Undertakings with respect to certain Conduit Bonds issued by the County for the benefit of Conduit Users. This **Article XI** applies to Continuing Disclosure Undertakings entered into by Conduit Users prior to, on and after the date of this Compliance Procedure.

Section 11.2. Annual and Quarterly Disclosure Filings. For each issuance of Conduit Bonds, the Conduit User Bond Compliance Officer will review the Continuing Disclosure Undertaking (if any) to determine the financial information and operating data required to be included in the Annual Report and Quarterly Reports, if any, to be filed by the Conduit User with the MSRB on EMMA. The Conduit User Bond Compliance Officer will cause the Annual Report to be filed with the MSRB on EMMA within the timeframe provided in the Continuing Disclosure Undertaking for the Tax-Exempt Bonds.

Section 11.3. Material Event Disclosure Filings. For each outstanding issue of Conduit Bonds, the Conduit User Bond Compliance Officer will review the Continuing Disclosure Undertaking (if any) to determine the "material events" that require prompt notice to be filed with the MSRB. Generally, the occurrence of any of the following events listed on **Exhibit C** with respect to the Tax-Exempt Bonds represents a "material event:"

Generally, a Continuing Disclosure Undertaking for a Tax-Advantaged Bond issue will require that after obtaining actual knowledge of the occurrence of any material event, the Conduit User will, after consultation with Bond Counsel, cause the appropriate notice to be filed with the MSRB on EMMA within the applicable time frame set forth in the Continuing Disclosure Undertaking (e.g., 10 business days after the occurrence of the event) or as otherwise advised by Bond Counsel.

ADOPTED BY THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI ON AUGUST 13, 2012

EXHIBIT A-1

LIST OF GOVERNMENTAL TAX-ADVANTAGED BONDS COVERED BY THIS COMPLIANCE PROCEDURE

- Jackson County, Missouri Public Building Corporation Leasehold Revenue Bonds (Jackson County, Missouri, Capital Improvements Project), Series 2003
- Jackson County, Missouri Public Building Corporation Leasehold Revenue Bonds (Jackson County, Missouri, Capital Improvements Project), Series 2005
- Jackson County, Missouri Public Building Corporation Leasehold Refunding and Improvement Revenue Bonds (Jackson County, Missouri, Capital Improvements Project), Series 2006A *
- Jackson County, Missouri Public Building Corporation Leasehold Improvement Revenue Bonds (Jackson County, Missouri, Capital Improvements Project), Series 2006B
- Taxable Special Obligation Bonds (Animal Shelter Project) (Build America Bonds), Series 2010
- Tax Exempt Special Obligation Bonds (My Arts Building Project), Series 2010

---

* To the extent issued to fund improvements to Truman Medical Center, these bonds shall be treated as Conduit Tax-Advantaged Bonds.

EXHIBIT A-2

LIST OF CONDUIT TAX-ADVANTAGED BONDS COVERED BY THIS COMPLIANCE PROCEDURE

- Jackson County, Missouri Capital Appreciation Leasehold Revenue Bonds (Truman Sports Complex/County Parks Project Additions), Series 2002 *
- Special Obligation Bonds (Harry S. Truman Sports Complex Project), Series 2006
- Special Obligation Refunding Bonds (Truman Sports Complex Project), Series 2011A
- Special Obligation Bonds (Truman Medical Center Project), Series 2011B
- Special Obligation Refunding Bonds (Truman Medical Center Projects), Series 2012

* To the extent issued to fund improvements unrelated to the Truman Sports Complex, these bonds shall be treated as Governmental Tax-Advantaged Bonds.

EXHIBIT B

SAMPLE

ANNUAL COMPLIANCE CHECKLIST FOR GOVERNMENTAL TAX-ADVANTAGED BONDS

Name of tax-advantaged bonds ("Bonds") financing Financed Asset:	
Issue Date of Bonds:	
Name of Bond Compliance Officer:	
Period covered by request ("Annual Period"):	

Description of Project Facility

(Note: in lieu of completing the table below, the County may attach a copy of the Preliminary Cost Allocation or Final Written Allocation, as may be updated from time to time)

Description	Actual Date Placed in Service	Estimated Useful Life	Actual Total Cost	Actual Amount Financed From Bonds

Item	Question	Response
1 Ownership	Was the entire Project Facility owned by the County during the entire Annual Period?	☐ Yes ☐ 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-Advantaged Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	☐ Yes ☐ No

2 Leases & Other Rights to Possession	During the Annual Period, was any part of the Project Facility leased at any time pursuant to a lease or similar agreement for more than 50 days?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the lease or other arrangement? If Yes, include a copy of the Opinion in the Tax-Advantaged Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	☐ Yes ☐ No

Item	Question	Response
3 **Management or Service Agreements**	During the Annual Period, has the management of all or any part of the operations of the Project Facility (e.g., cafeteria, gift shop, etc.) been assumed by or transferred to another entity?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the management agreement? If Yes, include a copy of the Opinion in the Tax-Advantaged Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	☐ Yes ☐ No
4 **Other Use**	Was any other agreement entered into with an individual or entity that grants special legal rights to the Project Facility?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the agreement? If Yes, include a copy of the Opinion in the Tax-Advantaged Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	☐ Yes ☐ No
5 **Arbitrage & Rebate**	Have all rebate and yield reduction calculations mandated in the Tax Compliance Agreement been prepared for the current year?	☐ Yes ☐ No
	If No, contact Rebate Analyst and incorporate report or include description of resolution in the Tax-Advantaged Bond File.	
6 **Continuing Disclosure Filings**	Did the County file its annual report (including audited financial statements and any other financial information and operating data required for the Bonds) with the MSRB on EMMA by June 28?	☐ Yes ☐ No
	If No, file the appropriate failure to file notice required for the Bonds with the MSRB on EMMA. In addition, contact Bond Counsel and file the deficient material with the MSRB on EMMA and include a description of the reason for the delay in the Tax-Advantaged Bond File.	

Bond Compliance Officer: ______________________

Date Completed: ______________________

EXHIBIT C

MATERIAL EVENTS

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) Modifications to rights of bondholders, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the obligated person;

(13) The consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) Appointment of a successor or additional trustee or the change of name of the trustee, if material.

EXHIBIT G
TO ORDINANCE

BOND PURCHASE AGREEMENT
ATTACHED

$39,030,000
JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
(TRUMAN MEDICAL CENTER PROJECTS)
SERIES 2012

August __, 2012

BOND PURCHASE AGREEMENT

Jackson County, Missouri
415 East 12th Street
Kansas City, Missouri 64106

Ladies and Gentlemen:

The undersigned, Oppenheimer & Co. Inc. (the "Purchaser"), hereby offers to purchase from Jackson County, Missouri (the "County") $39,030,000 aggregate principal amount of Special Obligation Refunding Bonds (Truman Medical Center Projects), Series 2012 (the "Bonds") to be issued by the County under and pursuant to an ordinance adopted by the County Legislature of the County on August 13, 2012 (the "Bond Ordinance"). The words and terms used herein shall have the respective meanings ascribed to them in the Bond Ordinance unless some other meaning is plainly indicated.

The Bonds are to be issued by the County pursuant to and in accordance with the provisions of the Constitutional Home Rule Charter of the County and the Revised Statutes of Missouri, as amended. The Bonds shall be special obligations of the County payable solely from amounts appropriated in each fiscal year (i) out of the income and revenues of the County provided for such fiscal year, plus (ii) any unencumbered balances from previous years. The Bonds are being issued for the purpose of providing funds to (a) refund that portion of the County's outstanding Tax Exempt Special Obligation Refunding and Improvement Bonds (Truman Medical Center Project), Series 2001A maturing on and after December 1, 2013 and that portion of the County's outstanding Special Obligation Bonds, Series 2002 maturing on and after December 1, 2013 (altogether, the "Refunded Bonds") and (b) pay the costs associated with issuing the Bonds and refunding the Refunded Bonds. The Refunded Bonds were issued to finance and refinance the costs of improvements to Truman Medical Center Hospital Hill and Truman Medical Center Lakewood, which facilities are leased, managed or operated by Truman Medical Center, Incorporated (the "Corporation").

The Bonds shall mature, shall bear interest and shall be subject to redemption as set forth in **Schedule I** hereto.

This offer is made subject to your acceptance of this Bond Purchase Agreement on or before 5:00 p.m., Kansas City, Missouri time, on August ___, 2012 (the "Sale Date"). Upon your acceptance of the offer, the following agreement will be binding upon you and the Purchaser.

The words "Transaction Documents" when used herein shall mean, individually and collectively, the following: the Bonds; the Bond Ordinance; this Bond Purchase Agreement; the Continuing Disclosure Agreement; the Tax Compliance Agreement, the Preliminary Official Statement; the Official

Statement and any and all other documents or instruments that evidence or are a part of the transactions referred to herein or in the Official Statement or contemplated hereby or by the Official Statement; provided, however, that when the words "Transaction Documents" are used in the context of the authorization, execution, delivery, approval or performance of Transaction Documents by a party hereto, the same shall mean only those Transaction Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

1. ***Purchase of Bonds***. Upon the terms and conditions and upon the basis of the respective representations, warranties and covenants hereinafter set forth, the Purchaser hereby agrees to purchase from the County, and the County hereby agrees to sell to the Purchaser, all (but not less than all) of the Bonds at a purchase price of $______________ (which is equal to the aggregate principal amount of the Bonds, plus original issue premium of $______________, less an underwriting discount of $______________), plus accrued interest, if any, to the date of delivery.

The County acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the County and the Purchaser, (ii) in connection with such transaction, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of the County, (iii) the Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the County with respect to the offering of the Bonds or the process leading thereto (whether or not the Purchaser has advised or is currently advising the County on other matters) or any other obligation to the County except the obligations expressly set forth in this Agreement, and (iv) the County has consulted with its own professionals to the extent it deemed appropriate in connection with the offering of the Bonds.

2. ***Public Offering***. The Purchaser intends to make an initial bona fide public offering of all of the Bonds at the prices set forth in **Schedule I** attached hereto; provided, however, that the Purchaser may subsequently change such offering price or prices. The Purchaser agrees to notify the County of such changes, if such changes occur prior to Closing, but failure to so notify shall not invalidate such changes. The Purchaser may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the principal amount thereof.

On or prior to the Closing Time, the Purchaser will execute and deliver to the County a written certification (the "Issue Price Certificate") containing the following representations: (1) the initial offering price and interest rate for each maturity of the Bonds; (2) that all of the Bonds were offered to the public in a bona fide public offering at the initial offering prices on the Sale Date, and (3) that on the Sale Date the Purchaser reasonably expected that at least 10% of each maturity of the Bonds would be sold to the "public" at prices not higher than the initial offering prices. For purposes of the preceding sentence "public" means persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers.

At the request of the County, the Purchaser will provide information, to the extent of the Purchaser's actual knowledge and subject to the Purchaser's privacy policies respecting the confidentiality of customer information, explaining the factual basis for the Purchaser's Issue Price Certificate. This agreement by the Purchaser to provide such information will continue to apply after the Closing if (1) the County requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (2) the information is required to be retained by the County pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

3. *Official Statement.* The County hereby agrees to deliver to the Purchaser, within seven business days after the date hereof, the Official Statement, dated the date hereof, relating to the Bonds (which, together with the cover page, and all exhibits, appendices, maps, pictures, diagrams, reports and statements included therein or attached thereto and any amendments and supplements that may be authorized for use with respect to the Bonds are herein called the "Official Statement") executed on behalf of the County by a duly authorized officer in such quantity that the Purchaser may request to enable the Purchaser to provide the Official Statement to potential customers and to comply with any rules of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission. The County hereby deems the information contained in the Preliminary Official Statement regarding the County to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1) of the Securities and Exchange Commission, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

The County consents to the use by the Purchaser (subject to the right of the County to withdraw such consent for cause by written notice to the Purchaser) prior to the date upon which the Official Statement is executed and available for distribution, of the Preliminary Official Statement dated August ___, 2012 (the "Preliminary Official Statement"), in connection with the proposed offering of the Bonds.

4. *County's Representations and Warranties.* The County hereby represents and warrants to the Purchaser that:

(a) The County is and will be at Closing a Constitutional Charter County of the first class and a political subdivision of the State of Missouri created and existing under the laws of the State of Missouri.

(b) The County is authorized by the laws of the State of Missouri, including the County's Constitutional Home Rule Charter and the Revised Statutes of Missouri (i) to issue, sell and deliver the Bonds for the purposes set forth in the opening paragraphs hereof and in the Bond Ordinance and (ii) to enter into and perform its obligations under this Bond Purchase Agreement and the Bond Ordinance.

(c) The County has full power and authority to consummate the transactions contemplated by the Transaction Documents and has duly authorized and approved the execution and delivery of this Bond Purchase Agreement.

(d) The information contained in the Official Statement with respect to the County is and, as of the date of Closing, will be correct in all material respects and does not, and at the Closing, will not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in light of the circumstances under which it was made, not misleading.

(e) Prior to the Closing, the County shall have duly authorized all necessary action to be taken by it for: (i) the issuance and sale of the Bonds upon the terms set forth herein and in the Official Statement; (ii) the approval, execution, delivery and receipt by the County of the Bond Ordinance, the Bonds, this Bond Purchase Agreement, and any and all such other agreements and documents as may be required to be executed, delivered and received by the County in order to carry out, give effect to, and consummate the transactions contemplated hereby and by the Official Statement; and (iii) the approval of the use of the Official Statement.

(f) The Bonds when executed, issued, authenticated, delivered and paid for as herein and in the Bond Ordinance provided and the Transaction Documents to which the County is a party when executed will have been duly authorized and issued and will constitute valid and binding obligations of the County enforceable in accordance with their terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar law or laws affecting the enforcement of creditors' rights generally or against municipal corporations such as the County from time to time in effect and further subject to the availability of equitable remedies).

(g) Except as may be set forth in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body, pending or, to the knowledge of the County, threatened against the County wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated hereby or by the Official Statement, (ii) the validity or enforceability in accordance with their respective terms of the Bonds, the Bond Ordinance, this Bond Purchase Agreement or any agreement or instrument to which the County is a party, used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement, (iii) the exemption of the interest on the Bonds from state and federal income taxation, or (iv) the existence or powers of the County.

(h) The execution and delivery by the County of the Transaction Documents and the other documents contemplated hereby and by the Official Statement to be executed and delivered by the County, and compliance with the provisions thereof, and the approval of the use of the Official Statement do not conflict with or constitute on the part of the County a breach of or a default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the County is or may be bound.

(i) The County agrees to reasonably cooperate with the Purchaser in any endeavor to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Purchaser may request; provided, however, that the County shall not be required with respect to the offer or sale of the Bonds, or otherwise, to file written consent to suit or to file written consent to service of process in any jurisdiction. The County consents to the use of drafts of the Preliminary Official Statement, the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement, by the Purchaser in obtaining such qualifications, subject to the right of the County to withdraw such consent for cause by written notice to the Purchaser. The Purchaser shall pay all expenses and costs (including registration and filing fees and legal fees of bond counsel) incurred in connection therewith.

(j) Any certificate signed by an authorized officer of the County and delivered to the Purchaser shall be deemed a representation and warranty by the County to the Purchaser as to the statements made therein.

(k) The County has entered or will enter into a continuing disclosure undertaking and, except as described in the Official Statement, the County has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under SEC Rule 15c2-12.

5. *Closing*. Prior to or at 12:00 noon, Kansas City, Missouri time, on September __, 2012 or at such other time or such other date as shall have been mutually agreed upon by the County and the Purchaser (the "Closing Time"), the County will deliver, or cause to be delivered, to the Purchaser, the Bonds, in definitive form duly executed and authenticated by the Paying Agent, together with the other documents hereinafter mentioned; and the Purchaser will accept such delivery and pay the purchase price of the Bonds by delivery to the County by electronic transfer of funds immediately available in Kansas City, Missouri in an amount equal to the purchase price.

Payment and delivery of the Bonds as aforesaid shall be made in Kansas City, Missouri as more specifically described on **Schedule II** attached hereto and made a part hereof. Such payment and delivery is herein called the "Closing." The Bonds will be delivered in denominations as set forth in the Bond Ordinance as definitive Bonds in fully registered form, and in such amounts as the Purchaser may request not less than five business days prior to the Closing, and will be made available for checking and packaging by the Purchaser at such place as the Purchaser and the Paying Agent shall agree not less than 24 hours prior to the Closing.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for any Bonds.

6. ***Events Permitting Purchaser To Terminate***. (a) The Purchaser shall have the right to cancel its obligations to purchase the Bonds if between the date hereof and the date of the Closing, (i)(A) legislation shall be enacted or be actively considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or (B) a decision by a Federal court of the United States or the United States Tax Court shall be rendered, or a ruling or regulation by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made with respect to the Federal tax status of the Bonds, or (C) other action or events shall have occurred or transpired, any of the foregoing of which has the purpose or effect, directly or indirectly, of adversely affecting the Federal income tax consequences of any of the transactions contemplated in connection herewith, or materially adversely affects the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering price, or (ii) there shall exist any fact or any event shall have occurred which either (A) makes untrue or incorrect any statement of a material fact or material information contained in the Official Statement as then amended or supplemented or (B) is not reflected in the Official Statement as then amended or supplemented but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect or (iii) there shall have occurred any outbreak or escalation of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States being such as would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering prices, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or a general banking moratorium shall have been declared by Federal, Missouri or New York authorities, the effect of which on the financial markets of the United States is such as would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering prices, or (v) there shall have occurred since December 31, 2011, any material adverse change in the affairs of the County from that reflected in the financial statements or other information concerning the County contained in the Official Statement not otherwise disclosed in the Official Statement, or (vi) legislation shall be enacted, or actively considered

for enactment by the Congress, with an effective date on or prior to the date of Closing, or a decision by a court of the United States shall be rendered, or a ruling or regulation by the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made, the effect of which is that the Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended, and as then in effect, or the Securities Exchange Act of 1934, as amended, and as then in effect, or (vii) a stop order, ruling or regulation by the Securities and Exchange Commission shall be issued or made, the effect of which is that the issuance, offering or sale of the Bonds, as contemplated herein or in the Preliminary Official Statement or the Official Statement, is in violation of any provision of the Securities Act of 1933, as amended, and as then in effect, the Securities Exchange Act of 1934, as amended, and as then in effect, or the Trust Indenture Act of 1939, as amended, and as then in effect, or (viii) the Official Statement is not executed, approved and delivered in accordance with Section 3 above.

The Purchaser acknowledges that no such event exists as of the date hereof that would have permitted the Purchaser to cancel its obligations to purchase the Bonds pursuant to this Bond Purchase Agreement.

(b) The County shall have the right to terminate this Bond Purchase Agreement if the Bonds are not purchased by the Purchaser for any reason on or prior to the Closing Time.

7. ***Conditions to Closing***. The obligations hereunder of each party hereto shall be subject (i) to the performance by the other party of its obligations to be performed hereunder at and prior to the Closing Time, (ii) to the accuracy in all material respects of the representations and warranties herein of the other party as of the date hereof and as of the Closing Time, and (iii) to the following conditions, including the delivery by the appropriate party or parties hereto or other entities of such documents as are enumerated herein:

(a) At the Closing Time, (i) the Transaction Documents shall have been authorized, executed and delivered, and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Purchaser and the County, the Closing in all events, however, to be deemed such approval, (ii) the proceeds of the sale of the Bonds shall have been deposited and applied as described in the Bond Ordinance and the Official Statement, (iii) the County shall have duly adopted and there shall be in full force and effect such ordinances or resolutions as, in the opinion of Gilmore & Bell, P.C., Kansas City, Missouri (herein called "Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby, and (iv) the County shall have undertaken, pursuant to a Continuing Disclosure Agreement, to provide annual reports and notices of certain events.

(b) At or prior to the Closing Time, the Purchaser and the County shall have received counterparts, copies or certified copies (as appropriate) of the following documents in such number as shall be reasonably required:

(1) The approving opinion of Bond Counsel, dated the date of Closing, addressed to the County and the Purchaser, in form and substance satisfactory to the Purchaser.

(2) The opinion of counsel to the Corporation, dated the date of Closing, addressed to the County, Bond Counsel and the Purchaser, in form and substance satisfactory to the Purchaser.

(3) A certificate of the County, dated the date of Closing, signed by an official of the County, in form and substance satisfactory to the Purchaser.

(4) A certificate of the Corporation, dated the date of Closing, signed by an official of the Corporation, in form and substance satisfactory to the Purchaser.

(5) The Official Statement authorized and approved on behalf of the County by a duly authorized official thereof.

(6) The Bond Ordinance duly adopted by the County, and the Transaction Documents signed and delivered by the parties thereto.

(7) Other certificates listed on a closing agenda to be approved by counsel to the County, Bond Counsel, and the Purchaser, including any certificates or representations of the County required in order for Bond Counsel to deliver the opinion referred to in **Section 7(b)(1)** of this Bond Purchase Agreement.

(8) Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel, the Purchaser, or counsel to the County may reasonably request to evidence compliance with all legal requirements, the truth and accuracy, as of the Closing, of the representations herein and the due performance or satisfaction of all agreements then to be performed and all conditions then to be satisfied.

Unless performance is waived by the party or parties for whose benefit a condition or obligation is intended, if any person shall be unable to satisfy the above conditions to the obligations of any party to this Bond Purchase Agreement, or if the obligations hereunder of any party shall be terminated for any reason permitted by this Bond Purchase Agreement and unless otherwise waived, this Bond Purchase Agreement shall terminate and neither the Purchaser nor the County shall be under further obligation hereunder; except that the Purchaser's obligations to pay expenses, as provided in **Section 10** hereof, shall continue in full force and effect.

8. ***Conditions To County's Obligations***. The obligations of the County hereunder are subject to the performance by the Purchaser of its obligations hereunder.

9. ***Survival of Representations, Warranties and Agreements***. All representations, warranties and agreements of the County and the Purchaser, respectively, shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of any other party and shall survive the Closing.

10. ***Expenses***. If the Bonds are sold to the Purchaser by the County on or prior to the Closing Time, the County shall pay out of the proceeds of the Bonds the following expenses incident to the performance of its obligations hereunder: (i) the cost of the preparation, printing and distribution of the Transaction Documents (for distribution on or subsequent to the date of execution of this Bond Purchase Agreement) and a reasonable number of copies of the Preliminary Official Statement; (ii) the

cost of the preparation of the Official Statement, together with a reasonable number of copies thereof; (iii) the cost of preparation and printing of the definitive Bonds; (iv) the fees and expenses of Bond Counsel and any other experts or consultants retained by the County; (v) the incidental costs of calling and redeeming the Refunded Bonds; and (vi) all other customary costs of issuance.

If the Bonds are sold to the Purchaser by the County on or prior to the Closing Time, the County shall pay out of the proceeds of the Bonds the discount of the Purchaser or the purchase price paid for the Bonds shall reflect such discount and the County shall pay out of the proceeds of the Bonds the fees and expenses related to the issuance of the Bonds.

11. ***Amendments to Official Statement***. If, after the date of this Bond Purchase Agreement and until the earlier of (i) ninety (90) days after the "end of the underwriting period" (as defined in Rule 15c2-12) or (ii) the time when the Official Statement is available to any person from the Municipal Securities Rulemaking Board, but in no case less than twenty-five (25) days following the end of the underwriting period, an event relating to or affecting the County shall occur as a result of which it is necessary, in the opinion of Bond Counsel or the Purchaser, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances then existing, the County will forthwith prepare and furnish to the Purchaser a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Purchaser) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements not misleading. The expenses of preparing such amendment or supplement shall be borne by the County. Thereafter, all references to and representations regarding the Official Statement contained herein shall refer to or regard the Official Statement as so amended or supplemented. For the purpose of this Section the County will furnish to the Purchaser such information with respect to the County as the Purchaser may from time to time reasonably request.

12. ***Third Party Beneficiary***. The County agrees that the Purchaser is and shall be a third party beneficiary of any and all representations and warranties made by the County in the Transaction Documents, to the same effect as if the County had made such representations and warranties to the Purchaser in this Bond Purchase Agreement.

13. ***Notices***. Any notice or other communication to be given to the County under this Bond Purchase Agreement may be given by delivering the same in writing at its address set forth above, and any notice or other communications to be given to the Purchaser under this Bond Purchase Agreement may be given by delivering the same in writing to the Purchaser at the following address:

Oppenheimer & Co. Inc.
4717 Grand Avenue, Suite 800
Kansas City, Missouri 64112
Attn: Jack Holland

14. ***Successors***. This Bond Purchase Agreement is made for the benefit of the County and the Purchaser (including the successors or assigns of the Purchaser) and no other person including any purchaser of the Bonds shall acquire or have any rights hereunder or by virtue hereof.

15. ***Governing Law***. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

16. ***Effectiveness***. This Bond Purchase Agreement shall become effective upon your acceptance hereof.

17. ***Counterparts***. This Bond Purchase Agreement may be executed in any number of counterparts, each of which so executed and delivered shall constitute an original and all together shall constitute but one and the same instrument.

18. ***Captions***. The captions or headings in this Bond Purchase Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Bond Purchase Agreement.

[remainder of page intentionally left blank]

Very truly yours,

OPPENHEIMER & CO. INC.

By: ______________________________
Title:

Accepted and agreed to as of
the date first above written:

JACKSON COUNTY, MISSOURI

By: ______________________________
Title: County Executive

APPROVED AS TO FORM:

____
County Counselor

SCHEDULE I TO BOND PURCHASE AGREEMENT

MATURITY SCHEDULE

Serial Bonds

Maturity **December 1**	**Principal** **Amount**	**Interest** **Rate**	**Price**	**Yield**

Term Bonds

Maturity **December 1**	**Principal** **Amount**	**Interest** **Rate**	**Price**	**Yield**

Redemption of Bonds

(a) *Optional Redemption.* At the option of the County, the Bonds may be called for redemption and payment prior to maturity on December 1, 20__ and thereafter, in whole or in part at any time at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

(b) *Mandatory Redemption.* The Bonds maturing in the years ____ and ____ (the "Term Bonds") shall be subject to mandatory redemption and payment prior to their Stated Maturity pursuant to the mandatory redemption requirements of this subparagraph (b) at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date, and the Paying Agent shall redeem on December 1 in each year, the following principal amounts of such Term Bonds:

Term Bonds Maturing December 1, ____

Year	**Principal Amount**

Term Bonds Maturing December 1, ____

Year	**Principal Amount**

*Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the County may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof whereupon the Paying Agent shall use its best efforts to expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the County under this subparagraph (b) for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subparagraph (b)) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subparagraph (b). Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the County to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the requirements of this subparagraph (b) shall be accordingly reduced. If the County intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the County will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with respect to such mandatory redemption payment, and in the event that the provisions of clause (1) are to be complied with such certificate shall be accompanied by the Term Bond certificates to be canceled.

SCHEDULE II TO BOND PURCHASE AGREEMENT

Pursuant to **Section 5** of the Bond Purchase Agreement, payment of the Bonds shall be made to the County by electronic transfer of immediately available funds in Kansas City, Missouri, or such other mutually agreeable arrangement.

EXHIBIT H
TO ORDINANCE

Request No. ___________ Date:______________

WRITTEN REQUEST FOR DISBURSEMENT
FROM THE COSTS OF ISSUANCE FUND

To: BOKF, N.A.
4600 Madison Ave., Suite 800
Kansas City, MO 64112
Attention: Corporate Trust Department/ Kenneth J. Dotson

Pursuant to **Section 503** of Appendix A to the Ordinance, the County requests payment from the Costs of Issuance Fund in accordance with this request and said **Section 503** and hereby states and certifies as follows:

The undersigned hereby requests that the following amounts be paid to the following payees for the following costs of issuing the Bonds or incidental costs of refunding the Refunded Bonds:

Amount	Name of Payee and Address	Description of Costs of Issuance

These costs have been incurred and are presently due and payable and are reasonable costs that are payable or reimbursable under the Ordinance and each item thereof is a proper charge against the Costs of Issuance Fund.

Each item listed above has not previously been paid or reimbursed from moneys in the Costs of Issuance Fund and no part thereof has been included in any other disbursement request previously filed with the Paying Agent under the provisions of the Ordinance or reimbursed from Bond proceeds.

JACKSON COUNTY, MISSOURI

By:___________________________
Michael D. Sanders, County Executive

Exhibit C

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor may there be any sale of these securities in any jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 10, 2012

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

NEW ISSUE — **RATING: Moody's: "Aa3"**
BOOK ENTRY ONLY — **SEE "BOND RATING" HEREIN**

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (1) the interest on the Series 2012 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (2) the interest on the Series 2012 Bonds is exempt from income taxation by the State of Missouri and (3) the Series 2012 Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" herein.

$39,030,000*
JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
(TRUMAN MEDICAL CENTER PROJECTS)
SERIES 2012

Dated: Date of Delivery — **Due: December 1, as shown on inside cover page**

The Series 2012 Bonds are issuable only as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Series 2012 Bonds. Purchases of the Series 2012 Bonds will be made in book-entry form in authorized denominations. Purchasers will not receive certificates representing their interests in Series 2012 Bonds purchased. So long as Cede & Co. is the registered owner of the Series 2012 Bonds, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (herein defined) of the Series 2012 Bonds. Principal of and semiannual interest on the Series 2012 Bonds will be payable at maturity or upon earlier redemption at the payment office of BOKF, N.A., Kansas City, Missouri, as paying agent (the "Paying Agent"). So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. DTC is expected, in turn, to remit such payments to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

Interest on the Series 2012 Bonds will accrue from their date, and will be payable on each June 1 and December 1, beginning on June 1, 2013, by check or draft mailed by the Paying Agent, or by electronic transfer upon written request made as provided herein, to the registered owners thereof as of the close of business on the fifteenth day of the month preceding each respective interest payment date. Series 2012 Bonds will be issued in denominations of $5,000 or any integral multiple thereof.

The Series 2012 Bonds are subject to redemption prior to maturity as further described herein.

The Series 2012 Bonds and the interest thereon will constitute special obligations of the County payable solely from amounts appropriated in each fiscal year (i) out of the income and revenues of the County provided for such fiscal year, plus (ii) any unencumbered balances from previous fiscal years. The Series 2012 Bonds do not constitute general obligations or an indebtedness of the County within the meaning of any constitutional or statutory limitation or provision, and the County does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys of the County to pay the principal of and interest on the Series 2012 Bonds. The payment of the principal of and interest on the Series 2012 Bonds is subject to annual appropriation by the County. The County is not required or obligated to make any such annual appropriation. The fiscal year of the County begins on each January 1 and ends on December 31. No property of the County is pledged or encumbered as security for the payment of the Series 2012 Bonds.

The Series 2012 Bonds are offered when, as and if issued by the County, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri. Certain legal matters related to the Official Statement will be passed upon for the County by Gilmore & Bell, P.C., Kansas City, Missouri. It is expected that the Series 2012 Bonds will be available for delivery at The Depository Trust Company in New York, New York, on or about September __, 2012.

OPPENHEIMER & CO. INC.

The date of this Official Statement is August ___, 2012.

---

* Preliminary, subject to change.

$39,030,000*
JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
(TRUMAN MEDICAL CENTER PROJECTS)
SERIES 2012

MATURITY SCHEDULE *

Serial Bonds

Maturity December 1	Principal Amount	Interest Rate	Price	Yield
2013	$2,665,000			
2014	3,550,000			
2015	4,230,000			
2016	4,400,000			
2017	1,740,000			
2018	1,815,000			
2019	1,885,000			
2020	1,980,000			
2021	2,075,000			
2022	2,180,000			
2023	2,285,000			
2024	2,400,000			
2025	2,520,000			
2026	2,605,000			
2027	2,700,000			

Term Bonds

Maturity December 1	Principal Amount	Interest Rate	Price	Yield

* Preliminary, subject to change.

JACKSON COUNTY, MISSOURI
415 East 12th Street
Kansas City, Missouri 64106
(816) 881-3000

County Officials

Name	Office
Mike Sanders	County Executive
Mary Jo Spino	County Clerk
Fred Siems	Chief Administrative Officer
W. Stephen Nixon	County Counselor
Q. Troy Thomas	Director of Finance

County Legislature

Name	Office
Theresa Garza Ruiz	Legislator, First District at Large
Crystal Williams	Legislator, Second District at Large
Fred Arbanas	Legislator, Third District at Large
Scott Burnett	Legislator, First District
James D. Tindall, Sr.	Legislator, Second District
Dennis Waits	Legislator, Third District
Dan Tarwater	Legislator, Fourth District
Gregory O. Grounds	Legislator, Fifth District
Bob Spence	Legislator, Sixth District

UNDERWRITER

Oppenheimer & Co. Inc.
Kansas City, Missouri

BOND COUNSEL

Gilmore & Bell, P.C.
Kansas City, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesperson other person has been authorized by the County or the Underwriter to give any information or to make any representations with respect to the Series 2012 Bonds offered hereby other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2012 Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the County and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

In connection with this offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Series 2012 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Series 2012 Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or "blue sky" laws. The Series 2012 Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary may be a criminal offense.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "projected," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THESE FUTURE RISKS AND UNCERTAINTIES INCLUDE THOSE DISCUSSED IN THE "BONDOWNERS' RISKS" SECTION OF THIS OFFICIAL STATEMENT. NEITHER THE COUNTY NOR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR.

TABLE OF CONTENTS

OFFICIAL STATEMENT

$39,030,000*
JACKSON COUNTY, MISSOURI
SPECIAL OBLIGATION REFUNDING BONDS
(TRUMAN MEDICAL CENTER PROJECTS)
SERIES 2012

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (1) Jackson County, Missouri (the "County") and (2) the County's $39,030,000* Special Obligation Refunding Bonds (Truman Medical Center Projects), Series 2012 (the "Series 2012 Bonds") issued for the purpose of refunding a portion of the County's outstanding Tax Exempt Special Obligation Refunding and Improvement Bonds (Truman Medical Center Project), Series 2001A (the "Series 2001A Bonds") and a portion of the County's outstanding Special Obligation Bonds, Series 2002 (the "Series 2002 Bonds"), and paying costs related to the issuance of the Series 2012 Bonds and the refunding of the Refunded Bonds (defined below).

The County

The County is a constitutional charter county and political subdivision of the State of Missouri. See the caption **"THE COUNTY"** herein.

The Series 2012 Bonds

The Series 2012 Bonds are being issued pursuant to an ordinance (the "Bond Ordinance") adopted by the governing body of the County. The Series 2012 Bonds are being issued for the purpose of refunding (1) that portion of the Series 2001A Bonds maturing on and after December 1, 2013 (the "Series 2001A Refunded Bonds") and that portion of the Series 2002 Bonds maturing on and after December 1, 2013 (the "Series 2002 Refunded Bonds," together with the Series 2001A Refunded Bonds, the "Refunded Bonds"). See the caption **"THE SERIES 2012 BONDS"** herein.

Security and Source of Payment

The payment of the principal of and interest on the Series 2012 Bonds is subject to annual appropriation by the County. The County is not required or obligated to make any such appropriation. No property of the County is pledged or encumbered, and no reserve fund has been established, to secure payment of the Series 2012 Bonds.

The Series 2012 Bonds and the interest thereon will constitute special obligations of the County payable solely from amounts appropriated in each Fiscal Year (as defined below) out of (i) the income and revenues of the County provided for such Fiscal Year, plus (ii) any unencumbered balances from previous years. The County is not obligated to make any such annual appropriation.

The Series 2012 Bonds do not constitute general obligations or indebtedness of the County within the meaning of any constitutional or statutory limitation or provision, and the County does not pledge its full faith and

---

* Preliminary, subject to change.

credit and is not obligated to levy taxes or resort to any other moneys or property of the County to pay the principal of and interest on the Series 2012 Bonds. The fiscal year of the County begins on each January 1 and ends on December 31 (the "Fiscal Year").

See the caption **"SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2012 BONDS"** herein.

Financial Statements

Audited financial statements of the County as of and for the year ended December 31, 2011, are included in *Appendix B* to this Official Statement. These financial statements have been audited by KPMG, LLP, Kansas City, Missouri, independent certified public accountants, to the extent and for the periods indicated in their report which is also included in *Appendix B* hereto.

Continuing Disclosure

The County will undertake, pursuant to a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events. A description of this undertaking is set forth in the section **"CONTINUING DISCLOSURE"** herein.

THE COUNTY

The County is a constitutional charter county and political subdivision organized and existing under the laws of the State of Missouri. The County is one of the fifteen counties which comprise the Kansas City Metropolitan Area. It is bordered on the west by the Kansas-Missouri state line, on the south by Cass County, on the east by Lafayette County and Johnson County and on the north by the Missouri River and Clay County. The County contains approximately 56.7% of the metropolitan area's Missouri population. Seventeen incorporated municipalities are located within the County, including the cities of Kansas City, Missouri and Independence, Missouri, the County seat. The County is the most populous county in the Kansas City metropolitan area and contains 605 square miles. The County's principal office and mailing address is 415 East 12th Street, Kansas City, Missouri 64106. See **"APPENDIX A: THE COUNTY"** and **"APPENDIX B: ACCOUNTANT'S REPORT AND AUDITED FINANCIAL STATEMENTS."**

The County is governed by a County Legislature consisting of nine legislators. The County Legislators consist of:

Name	Title
Theresa Garza Ruiz	Legislator, First District at Large
Crystal Williams	Legislator, Second District at Large
Fred Arbanas	Legislator, Third District at Large
Scott Burnett	Legislator, First District
James D. Tindall, Sr.	Legislator, Second District
Dennis Waits	Legislator, Third District
Dan Tarwater	Legislator, Fourth District
Gregory O. Grounds	Legislator, Fifth District
Bob Spence	Legislator, Sixth District

The administrative head of the County is the County Executive who is elected for a four-year term. The County Executive has broad administrative duties and appoints the directors of the administrative departments of the County. The present County Executive is Mike Sanders.

The source of funds for appropriations from the County to pay the principal of and interest on the Series 2012 Bonds includes all legally available funds of the County. See **"APPENDIX A: THE COUNTY"** The County has never failed to appropriate funds for the operation and maintenance of its Medical Centers (defined below), nor has it failed to appropriate funds to make a payment on any outstanding bonds on which funds from the County were due.

THE CORPORATION AND THE MEDICAL CENTERS

The County is required by Missouri statutes to provide, at the expense of the County, for the relief, maintenance and support of county inhabitants who are unable to support themselves. The County derives from these statutory provisions its mandate to provide health care facilities for the indigent from funds of the County. The source of revenue for the County obligation to provide health care facilities is the County's Health Fund. The Health Fund is funded from an ad valorem property tax levy on all taxable property located in the County and a portion of the County's general sales tax. The property tax levy (after reduction for sales tax moneys) is currently $0.1526 per $100 of assessed valuation.

These health care needs are served by the Truman Medical Center Hospital Hill, a licensed 258 bed acute care public medical facility and Truman Medical Center Lakewood, a licensed 137 bed adult acute care facility and a 188 bed long term care public medical facility (collectively, the "Medical Centers"). Truman Medical Center, Incorporated (the "Corporation") is a private nonprofit corporation which leases, operates or manages the Medical Centers. The County and Kansas City, Missouri (the "City") entered into a Cooperation Agreement dated May 1, 1970, as supplemented by a Supplemental Cooperation Agreement dated April 3, 1973 (the "Cooperation Agreement") providing for the acquisition, construction and operation of the Hospital Hill facilities. The Cooperation Agreement provides that the City of Kansas City, Missouri (the "City"), subject to annual appropriation, will pay the expenses of operation of Truman Medical Center Hospital Hill facilities and certain City owned properties adjacent thereto. The Corporation agrees under the Cooperation Agreement to provide hospital, medical, paramedical, nursing, educational, training, routine maintenance and other related medical services to the medically indigent citizens of the City. The Corporation leases and operates Truman Medical Center Hospital Hill pursuant to an Operating Lease (the "Operating Lease") dated as of December 1, 1996, between the County and the Corporation. The Corporation manages Truman Medical Center Lakewood pursuant to a management agreement dated December 29, 1972, as supplemented on June, 1, 1986, between the County and the Corporation.

Truman Medical Center Hospital Hill is a 15-acre campus at 2301 Holmes in Kansas City, Missouri consisting of inpatient, outpatient and supporting services. The main hospital building currently houses all inpatient units, surgical suites, radiology, pathology, emergency department, OB/Gyn department, neonatal intensive care, nursery, most of the outpatient clinics, and offices, support services and teaching facilities. The Hospital Hill Center contains four levels of parking and three levels of hospital support offices. The Corporation also leases space from the State of Missouri in the former Western Missouri Mental Health Center which is adjacent to the main hospital. The Hospital Hill Center provides behavioral health (psychiatric) care for 50 inpatient beds plus emergency room services.

Truman Medical Center Lakewood is situated on approximately 35 acres owned by the County. The facility was built in 1908, with additions added in 1930, 1971, 1981, 1994, 2006 and 2011. The 137 bed acute care hospital includes a general medical and surgical unit, obstetrics and gynecology, nursery, psychiatric unit, and a medical rehabilitation unit. The 188 bed long term care facility provides skilled nursing care to residents of the facility. The facility also provides pharmacy, laboratory and radiology services as well as administrative support functions. The ambulatory care center provides outpatient clinical services including family practice, ophthalmology and orthopedics, obstetrical and genealogical, medical and surgical dental and other specialty clinics, woman and infant children programs and emergency services. The facility also is the site for the educational and clinical activities of the Department of Community and Family Medicine of the University of Missouri-Kansas City School of Medicine. The department includes a family practice training program composed of post doctoral physicians who are being trained in the specialty field of family practice. The department has input into all six years of the pre-doctoral education of medical students matriculating at UMKC. The department provides educational experiences for pre-doctoral and graduate learners in family medicine, geriatrics, community medicine, primary care, public health and a variety of other primary care experiences.

The Corporation provides services for the needy and indigent regardless of ability to pay. Such care is provided without charge or at amounts less than established rates to patients meeting certain criteria under a charity care policy. In addition, the Corporation provides care for medically indigent patients covered under the Medicaid Program at rates substantially below standard charges. The Corporation also serves certain patients whose medical care costs are paid under private and government-sponsored contractual programs. Under these programs, reimbursement is based upon established payment schedules, defined per diem amounts or discounts from established charges.

PLAN OF FINANCING

Authorization and Purpose of the Series 2012 Bonds

The Series 2012 Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, and an Ordinance adopted by the governing body of the County on August __, 2012 (the "Bond Ordinance"). The Series 2012 Bonds are being issued for the purpose of refunding the Refunded Bonds and paying costs related to the issuance of the Series 2012 Bonds and the refunding of the Refunded Bonds.

Funding Sources

The source of revenue for the County expected for appropriation to make payments on the Series 2012 Bonds is the County's Health Fund.

The Health Fund is funded from an ad valorem property tax levy on all taxable property located in the County and a portion of the County's general sales tax. The property tax levy (after reduction for sales tax moneys) is currently $0.1526 per $100 of assessed valuation. Under state statutes, the purpose of the County Health Fund levy is for operating, maintaining or supporting a public county hospital or public hospital system or for the maintenance of county patients in state institutions, public hospital, or other hospitals and for the purpose of operating or maintaining a public County health center or institution and conducting public health programs.

The Corporation has agreed to operate the County's hospital and health care facilities and related health services for the facilities at Truman Medical Center Hospital Hill, Truman Medical Center Lakewood and the Jackson County Health Department. The County has contractually agreed to pay the Corporation an amount to be determined and appropriated annually by the County Legislature (an operating subsidy of $3,736,835 and debt service payments on behalf of the Corporation of $7,597,000 for 2012). These payments are intended to compensate the Corporation for medical services rendered to the residents of the County and to cover debt service and reimburse the Corporation for services provided to the Jackson County Jail. The contract is to automatically continue in effect on a year to year basis unless terminated by either party by submitting 180 days notice.

THE COUNTY INTENDS TO USE THE HEALTH FUND LEVY MONEYS TO PAY DEBT SERVICE ON THE SERIES 2012 BONDS. THE COUNTY INTENDS TO ANNUALLY BUDGET AND APPROPRIATE OTHER GENERAL FUND REVENUES TO PAY DEBT SERVICE ON THE SERIES 2012 BONDS TO THE EXTENT THE HEALTH FUND LEVY REVENUES ARE NOT SUFFICIENT FOR SUCH PURPOSES. SUCH REVENUES AND OTHER REVENUES ARE NOT PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2012 BONDS AND THERE CAN BE NO ASSURANCE THAT THE COUNTY WILL APPROPRIATE FUNDS FOR PAYMENT OF THE SERIES 2012 BONDS.

The Refunding Plan

A portion of the proceeds from the sale of the Series 2012 Bonds will be used to current refund the Series 2001A Refunded Bonds, in the aggregate principal amount of $11,755,000, and to current refund the Series 2002 Refunded Bonds, in the aggregate principal amount of $28,940,000. Such amounts will be deposited in the Escrow Fund established under an escrow letter of instructions (the "Escrow Agreement"), from the County to Commerce Bank (the "Escrow Agent"). Such moneys deposited with the Escrow Agent will be used to pay the principal of and interest on the Refunded Bonds when called for prepayment on December 1, 2012.

After the issuance of the Series 2012 Bonds and the deposit of the proceeds thereof and other moneys with the Escrow Agent pursuant to the Escrow Agreement, the holders of the Refunded Bonds are given a lien on, and the principal of and interest on the Refunded Bonds will be payable from, the moneys held in the Escrow Fund which will be used to pay the principal of and interest on the Refunded Bonds when called for redemption as provided above. Under the Escrow Agreement, the money held by the Escrow Agent is pledged for such purposes and no other.

Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Series 2012 Bonds, and the expected uses of such funds, in connection with the plan of financing:

Sources of Funds:	
Par Amount of the Series 2012 Bonds	$
Net Original Issue Premium	
Total	$
Uses of Funds:	
Escrow Deposit	$
Costs of Issuance including underwriter's discount	
Total	$

THE SERIES 2012 BONDS

The following is a summary of certain terms and provisions of the Series 2012 Bonds. Reference is hereby made to the Series 2012 Bonds and the provisions with respect thereto in the Bond Ordinance for the detailed terms and provisions thereof.

General Description

The Series 2012 Bonds are being issued in the principal amounts stated on the inside cover page hereof. The Series 2012 Bonds are issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof. The Series 2012 Bonds will be dated their date of delivery, and will mature on December 1 in the years and in the principal amounts set forth on the inside cover page hereof. Series 2012 Bonds will bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid at the rates per annum set forth on the inside cover page hereof, payable semiannually on June 1 and December 1 of each year, beginning on June 1, 2013. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The principal of the Series 2012 Bonds will be payable at the payment office of the Paying Agent at the maturity or earlier redemption date thereof. The interest on the Series 2012 Bonds will be payable (a) by check or draft mailed by the Paying Agent to the persons who are the registered owners of the Series 2012 Bonds as of the close of business on the fifteenth day of the month preceding the respective Interest Payment Dates, as shown on the bond registration books maintained by the Paying Agent, or (b) at the expense of the registered owner, by electronic transfer of immediately available funds at the written request of any registered owner of $500,000 or more in aggregate principal amount of Series 2012 Bonds, if such written notice specifying the electronic transfer instructions is provided to the Paying Agent not less than 5 days prior to the record date for such interest, containing the electronic transfer address (which shall be in the continental United States) to which such Registered Owner wishes to have such transfer directed and an acknowledgment that an electronic transfer fee is payable. If the specified date for any payment on the Series 2012 Bonds is a date other than a Business Day, such payment may be made on the next Business Day without additional interest and with the same force and effect as if made on the specified date for such payments.

Redemption Provisions

Optional Redemption. At the option of the County, Series 2012 Bonds may be called for redemption and payment prior to maturity on December 1, 2022* and thereafter, in whole or in part at any time at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

Mandatory Sinking Fund Redemption. The Series 2012 Bonds maturing in the year 20__ (the "Term Bonds") shall be subject to mandatory redemption by the County at the principal amount thereof, without premium, plus accrued interest to the redemption date, in the following principal amounts on December 1 of the following years:

Term Bonds Maturing December 1, 20__

Year	**Principal Amount**

* Final Maturity Date

Selection of Bonds to be Redeemed. Series 2012 Bonds shall be redeemed only in $5,000 principal amounts or multiples thereof. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Series 2012 Bonds shall be redeemed from the maturities selected by the County, and Series 2012 Bonds of less than a full maturity shall be selected by the Paying Agent in $5,000 units of face value by lot or in such other equitable manner as the Paying Agent may determine.

Notice and Effect of Call for Redemption. In the event of any such redemption, the Paying Agent will give written notice of the County's intention to redeem and pay said Bonds by first-class mail to the original purchaser of the Series 2012 Bonds and to the Registered Owner of each Bond, said notice to be mailed not less than 30 days prior to the redemption date. Notice of redemption having been given as aforesaid, the Series 2012 Bonds or portions of Series 2012 Bonds to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the County defaults in the payment of the redemption price) such Series 2012 Bonds or portion of Series 2012 Bonds shall cease to bear interest.

So long as DTC is effecting book-entry transfers of the Series 2012 Bonds, the Paying Agent shall provide the notices specified above to DTC. It is expected that DTC will, in turn, notify the DTC Participants and that the DTC Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a DTC Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a DTC Participant or otherwise) to notify the Beneficial Owner of the Series 2012 Bond so affected, shall not affect the validity of the redemption of such Series 2012 Bond.

Effect of Call for Redemption. Whenever any Series 2012 Bond is called for redemption and payment, all interest on such Series 2012 Bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

* Preliminary, subject to change.

Registration, Transfer and Exchange of Series 2012 Bonds

Each Bond when issued shall be registered by the Paying Agent in the name of the owner thereof on the Bond Register. Series 2012 Bonds are transferable only upon the Bond Register upon presentation and surrender of the Series 2012 Bonds, together with instructions for transfer. Series 2012 Bonds may be exchanged for Series 2012 Bonds in the same aggregate principal amount and maturity upon presentation to the payment office of the Paying Agent, subject to the terms, conditions and limitations set forth in the Bond Ordinance and upon payment of any tax, fee or other governmental charge required to be paid with respect to any such registration, transfer or exchange.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Series 2012 Bonds, but neither the failure to print such numbers on any Series 2012 Bonds, nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and payment for any Series 2012 Bonds.

THE BOOK-ENTRY ONLY SYSTEM

Book Entry Only System

The Series 2012 Bonds are available in book-entry only form and beneficial ownership interests therein may be purchased in the principal amount of $5,000 or any integral multiple thereof. Purchasers of the Series 2012 Bonds will not receive certificates representing their interests in the Series 2012 Bonds.

The following information concerning The Depository Trust Company ("DTC"), New York, New York and DTC's book-entry system has been obtained from sources the County believes to be reliable. However, the County takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

DTC will act as securities depository for the Series 2012 Bonds. The Series 2012 Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond will be issued for each maturity of the Series 2012 Bonds, each in the aggregate principal amount of such maturity of the Series 2012 Bonds.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that its participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard &

Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2012 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2012 Bond (the "Beneficial Owner") is in turn to be recorded on the Direct Participants' and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2012 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Series 2012 Bonds, except in the event that use of the book-entry system for the Series 2012 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2012 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2012 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2012 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2012 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communication by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

NEITHER THE COUNTY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE PARTICIPANTS, THE INDIRECT PARTICIPANTS, OR THE BENEFICIAL OWNERS.

Redemption notices shall be sent to DTC. If less than all of the Series 2012 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2012 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2012 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2012 Bonds and redemption proceeds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent on each payment date in accordance with their respective holdings shown on DTC's records, unless DTC has reason to believe that it will not receive payment on such payment date. Payments by Direct Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct Participant and not of DTC, the Paying Agent or the County, subject to any statutory and regulatory requirements as may be in effect from time to time. Payment of principal and interest and redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2012 Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2012 Bonds are required to be printed and delivered.

The County may determine to discontinue the system of book-entry transfers through DTC (or a successor securities depository). In such event, the Series 2012 Bonds are to be printed and delivered.

In the event that (a) DTC determines to discontinue providing its service with respect to the Series 2012 Bonds by giving reasonable notice to the County and discharging its responsibilities with respect thereto under applicable law and the County fails to appoint a successor securities depository for the Series 2012 Bonds, or (b) the County determines to discontinue the system of the book-entry transfer through DTC (or a successor securities depository), bond certificates are required to be delivered as described in the Bond Ordinance. The Beneficial Owner, upon registration of certificates held in the Beneficial Owner's name, will become the registered owner of the Series 2012 Bonds.

THE COUNTY AND THE PAYING AGENT WILL HAVE NO RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A REGISTERED OWNER WITH RESPECT TO: (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (2) THE PAYMENT OF ANY AMOUNT DUE BY DTC TO ANY DIRECT PARTICIPANT OR BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OR REDEMPTION PRICE OF OR INTEREST ON THE SERIES 2012 BONDS; (3) THE DELIVERY OF ANY NOTICE BY DTC TO ANY DIRECT PARTICIPANT OR BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED TO BE GIVEN TO REGISTERED OWNERS UNDER THE TERMS OF THE BOND ORDINANCE; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2012 BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS REGISTERED OWNER.

The Paying Agent is entitled to rely on information provided by DTC and the Participants as to the names and principal amounts in which the Series 2012 Bonds are to be registered. The Beneficial Owner, upon registration of the Series 2012 Bonds held in the Beneficial Owner's name, shall become the Bondowner thereof under the Bond Ordinance.

The Paying Agent and the County, so long as a book-entry system is used for the Series 2012 Bonds, are to send any notice of redemption or other notices required to be sent to Owners, only to DTC. Any failure by DTC to advise any Participant, or by any Participant to notify the Beneficial Owner, of any such notice and its content or effect shall not affect the validity of the redemption of the Series 2012 Bonds called for redemption or of any other action premised on such notice.

The County and the Paying Agent cannot and do not give any assurances that DTC, the Participants or others will distribute payments on the Series 2012 Bonds made to DTC or its nominee, as the registered Owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC and the Participants, or any successor depository, will serve and act in a manner described in this Official Statement.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2012 BONDS

The Series 2012 Bonds are special obligations of the County payable solely from amounts pledged or appropriated therefor in each Fiscal Year out of (i) the income and revenues provided for such Fiscal Year plus (ii) any unencumbered balances for previous years. The Series 2012 Bonds do not constitute general obligations or indebtedness of the County within the meaning of any constitutional or statutory limitation or provision, and the County does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the County to pay the principal of and interest on the Series 2012 Bonds.

The source of revenue for the County expected for appropriation to make payments on the Series 2012 Bonds will primarily be derived from the County's Health Fund. The Health Fund is funded from an ad valorem property tax levy on all taxable property located in the County and a portion of the County's general sales tax. The property tax health fund levy (after reduction for sales tax moneys) is currently $0.1526 per $100 of assessed valuation.

The following table shows the revenues for the last five fiscal years and the amounts budgeted for the current fiscal year of the County's Health Fund:

Fiscal Year	Health Fund
2012	$22,610,245 *
2011	22,702,553
2010	22,941,402
2009	23,107,616
2008	23,605,304
2007	22,167,973

Source: County.
* Based on budgeted information.

The payment of the principal of and interest on the Series 2012 Bonds is subject to an annual appropriation by the County. The County Legislature has directed the County Executive, the Director of Finance or any other officer of the County at any time charged with the responsibility of formulating budget proposals to include in each annual budget an appropriation of the amount necessary (after taking into account any moneys legally available for such purpose) to pay debt service on the Series 2012 Bonds. The County is not required or obligated to make any such annual appropriation, and the decision whether or not to appropriate such funds will be solely within the discretion of the then current County Legislature. No property of the County is pledged or encumbered, and no reserve fund has been established, as security for payment of the Series 2012 Bonds.

RISK FACTORS

The following section describes certain risk factors affecting the payment of and security for the Series 2012 Bonds. The following discussion of risks is not meant to be an exhaustive list of the risks associated with the purchase of Series 2012 Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following factors along with all other information in this Official Statement in evaluating the Series 2012 Bonds. There can be no assurance that other risk factors will not become material in the future.

THE SERIES 2012 BONDS DO NOT GIVE RISE TO A GENERAL OBLIGATION OR OTHER INDEBTEDNESS OF THE COUNTY, THE STATE OF MISSOURI, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR PROVISION.

THE SERIES 2012 BONDS SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM THE ANNUAL APPROPRIATION OF FUNDS BY THE COUNTY FOR THAT PURPOSE. IN EACH FISCAL YEAR, PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE SERIES 2012

BONDS SHALL BE MADE SOLELY FROM THE AMOUNTS APPROPRIATED THEREFOR (I) OUT OF THE INCOME AND REVENUES OF THE COUNTY PROVIDED FOR SUCH YEAR PLUS (II) ANY UNENCUMBERED BALANCES FOR PREVIOUS YEARS, AND THE DECISION WHETHER TO MAKE SUCH APPROPRIATION EACH YEAR SHALL BE WITHIN THE SOLE DISCRETION OF THE THEN CURRENT COUNTY LEGISLATURE. SUBJECT TO THE PRECEDING SENTENCE, THE OBLIGATIONS OF THE COUNTY TO MAKE PAYMENTS HEREUNDER AND TO PERFORM AND OBSERVE ANY OTHER COVENANT AND AGREEMENT CONTAINED IN THE BOND ORDINANCE SHALL BE ABSOLUTE AND UNCONDITIONAL.

IF THE COUNTY FAILS TO APPROPRIATE AMOUNTS SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON THE SERIES 2012 BONDS IN ANY FISCAL YEAR, NO OTHER FUNDS OR PROPERTY WILL BE AVAILABLE TO PAY SUCH PRINCIPAL AND INTEREST. NO PROPERTY OF THE COUNTY IS PLEDGED OR ENCUMBERED, NOR HAS ANY RESERVE FUND BEEN ESTABLISHED, TO SECURE PAYMENT OF THE SERIES 2012 BONDS.

No Credit Enhancement or Reserve Fund

No bond insurance policy, letter of credit, reserve fund or other credit enhancement will be issued to insure payment of the principal of or interest on the Series 2012 Bonds. Accordingly, any potential purchaser of the Series 2012 Bonds should consider the financial ability of the County to make the payments of principal of and interest on the Series 2012 Bonds.

Enforcement of Remedies

The enforcement of the remedies under the Bond Ordinance may be limited or restricted by federal or state laws or by the application of judicial discretion, and may be delayed in the event of litigation to enforce the remedies. State laws concerning the use of assets of political subdivisions and federal and state laws relating to bankruptcy, fraudulent conveyances, and rights of creditors may affect the enforcement of remedies. Similarly, the application of general principles of equity and the exercise of judicial discretion may preclude or delay the enforcement of certain remedies. The legal opinions to be delivered with the issuance of the Series 2012 Bonds will be qualified as they relate to the enforceability of the various legal instruments by reference to the limitations on enforceability of those instruments under (1) applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors' rights, (2) general principles of equity, and (3) the exercise of judicial discretion in appropriate cases.

Amendment of the Bond Ordinance

Certain amendments to the Bond Ordinance may be made without the consent of or notice to the owners of the Series 2012 Bonds, other amendments may be made with the consent of the owners of not less than a majority in principal amount of the Series 2012 Bonds then outstanding, and other amendments may be made with the consent of the owners of all the Series 2012 Bonds then outstanding. Such amendments may adversely affect the owners of the Series 2012 Bonds.

Risk of Audit

The Internal Revenue Service has established an ongoing program to audit obligations such as the Series 2012 Bonds to determine the legitimacy of the tax status of such obligations. No assurance can be given that the Internal Revenue Service will not commence an audit of the Series 2012 Bonds. Owners of the Series 2012 Bonds are advised that, if an audit of the Series 2012 Bonds were commenced, in accordance with its current published procedures, the Internal Revenue Service is likely to treat the County as the taxpayer, and the Owners of the Series 2012 Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Series 2012 Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Taxability

The Series 2012 Bonds are not subject to prepayment nor is the interest rate subject to adjustment in the event of a determination by the Internal Revenue Service or a court of competent jurisdiction that the interest paid or to be paid on any Series 2012 Bonds is or was includible in the gross income of the Owners of the Series 2012 Bonds for federal income tax purposes. **It may be that Owners of the Series 2012 Bonds would continue to hold their bonds, receiving principal and interest as and when due, but would be required to include such interest payments in gross income for federal income tax purposes.**

Other Factors Affecting the County

One or more of the following factors or events could adversely affect the County's operations and financial performance to an extent that cannot be determined at this time:

1. *Changes in Administration.* Changes in key administrative personnel could affect the capability of management of the County.

2. *Future Economic Conditions.* Adverse economic conditions or changes in demographics in the County, including increased unemployment and inability to control expenses in periods of inflation, could adversely impact the County's financial condition.

3. *Insurance Claims.* Increases in the cost of general liability insurance coverage and the amounts paid in settlement of liability claims not covered by insurance could adversely impact the County's financial condition.

4. *Natural Disasters.* The occurrence of natural disasters, such as floods, droughts, tornadoes or earthquakes, could damage the facilities of the County, interrupt services or otherwise impair operations and the ability of the County to produce revenues.

5. *Organized Labor Efforts.* Efforts to organize employees of the County into collective bargaining units could result in adverse labor actions or increased labor costs.

6. *Environmental Hazards.* No environmental studies have been performed with respect to the projects being financed by the County. The County is not aware of any environmental condition that requires any present remedial action. The discovery of such a condition may adversely affect the County's willingness to appropriate moneys for payment of the Series 2012 Bonds.

Investment Rating and Secondary Market

The lowering or withdrawal of the investment rating initially assigned to the Series 2012 Bonds could adversely affect the market price for and the marketability of the Series 2012 Bonds. There is no assurance that a secondary market will develop for the purchase and sale of the Series 2012 Bonds. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in operating performance of the entities operating the facilities subject to the municipal securities. From time to time the secondary market trading in selected issues of municipal securities will fluctuate as a result of the financial condition or market position of the underwriter, prevailing market conditions, or a material adverse change in the operations of that entity, whether or not the subject securities are in default as to principal and interest payments, and other factors which may give rise to uncertainty concerning prudent secondary market practices. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

Loss of Premium from Prepayment

Any person who purchases a Series 2012 Bond at a price in excess of its principal amount or who holds such Series 2012 Bond trading at a price in excess of par should consider the fact that the Series 2012 Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See the section herein captioned **"THE SERIES 2012 BONDS – Redemption Provisions."**

Defeasance Risks

When all of the Series 2012 Bonds are deemed paid as provided in the Bond Ordinance, the requirements contained in the Bond Ordinance and all other rights granted to bond owners thereby shall terminate. Series 2012 Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company and having full trust powers, at or prior to the stated maturity or redemption date of said Series 2012 Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Series 2012 Bonds and interest accrued to the stated maturity or redemption date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Series 2012 Bonds are to be redeemed prior to their stated maturity, (1) the County has elected to redeem such Series 2012 Bonds, and (2) either notice of such redemption shall have been given, or the County shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with the Bond Ordinance. Defeasance Obligations include, in addition to cash and obligations pre-refunded with cash, bonds, notes, certificates of indebtedness, treasury bills and other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America. Historically, such United States obligations have been rated in the highest rating category by the rating agencies. There is no legal requirement in the Bond Ordinance that Defeasance Obligations consisting of such United States obligations be or remain rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and that could include the rating of Series 2012 Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

DEBT SERVICE REQUIREMENTS ON SERIES 2012 BONDS

The following schedule sets forth the debt service requirements for the Series 2012 Bonds.

Fiscal Year	Principal	Interest	Total Debt Service
2012			
2013			
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
Total			

LEGAL MATTERS

Legal Proceedings

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the County or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Series 2012 Bonds, or the constitutionality or validity of the Series 2012 Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof.

The County and its related entities are defendants in numerous lawsuits arising in the ordinary course of activities. The County Counselor has reviewed the status of pending lawsuits and estimates that, as of July 10, 2012, the County's total potential liability due to adverse decisions in cases that are considered to have a reasonably possible chance of loss is less than any applicable insurance and amounts accrued in the self insurance fund. The County does not believe that any such exposure would materially affect the County's ability to meet its obligations to pay the Series 2012 Bonds.

Approval of Legality

All legal matters incident to the authorization and issuance of the Series 2012 Bonds are subject to the approval of Gilmore & Bell, P.C., Kansas City, Missouri ("Bond Counsel"). Bond Counsel has participated in the preparation of this Official Statement, but the factual and financial information appearing herein has been supplied or reviewed by certain officials of the County and certified public accountants, as referred to herein, and Bond Counsel expresses no opinion as to the accuracy or sufficiency thereof except for the matters appearing in the sections of this Official Statement captioned **"INTRODUCTION," "THE SERIES 2012 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2012 BONDS," "LEGAL MATTERS – Approval of Legality,"** and **"TAX MATTERS,"** and accordingly expresses no opinion as to the accuracy or sufficiency of any other statements, material or financial information contained herein or used in the sale or offering for sale of the Series 2012 Bonds.

The Underwriter has read and participated in the preparation of certain portions of this Official Statement and has supervised in the compilation and editing thereof. The Underwriter has not, however, independently verified the factual and financial information contained in this Official Statement, except for the sections entitled **"PLAN OF FINANCE"** and **"UNDERWRITING,"** and, accordingly, expresses no view as to the sufficiency or accuracy of other sections of this Official Statement.

TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Series 2012 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2012 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2012 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2012 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under the law existing as of the issue date of the Series 2012 Bonds:

Federal and Missouri Tax Exemption. The interest on the Series 2012 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. Interest on the Series 2012 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Bank Qualification. The Series 2012 Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

Bond Counsel's opinions are provided as of the date of the original issue of the Series 2012 Bonds, subject to the condition that the County comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2012 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The County has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2012 Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Series 2012 Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2012 Bonds but has reviewed the discussion under the section herein captioned **"TAX MATTERS."**

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount ("OID") is the excess of the stated redemption price at maturity of a Series 2012 Bond over its issue price. The issue price of a Series 2012 Bond is the first price at which a substantial amount of the Series 2012 Bonds of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Section 1288 of the Code, OID on tax-exempt bonds accrues on a compound basis. The amount of OID that accrues to an owner of a Series 2012 Bond during any accrual period generally equals (1) the issue price of that Series 2012 Bond, plus the amount of OID accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2012 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2012 Bond during that accrual period. The amount of OID accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2012 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of OID.

Original Issue Premium. If a Series 2012 Bond is issued at a price that exceeds the stated redemption price at maturity of the Series 2012 Bond, the excess of the purchase price over the stated redemption price at maturity constitutes "premium" on that Series 2012 Bond. Under Section 171 of the Code, the purchaser of that Series 2012 Bond must amortize the premium over the term of the Series 2012 Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2012 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2012 Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Series 2012 Bonds. Upon the sale, exchange or retirement (including redemption) of a Series 2012 Bond, an owner of the Series 2012 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Series 2012 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2012 Bond. To the extent a Series 2012 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2012 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2012 Bonds, and to the proceeds paid on the sale of the Series 2012 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2012 Bonds should be aware that ownership of the Series 2012 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2012 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2012 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2012 Bonds, including the possible application of state, local, foreign and other tax laws.

CONTINUING DISCLOSURE

The County is executing a Continuing Disclosure Certificate for the benefit of the owners and Beneficial Owners of the Series 2012 Bonds in order to comply with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The County is the only "obligated person" with responsibility for continuing disclosure.

Pursuant to the Continuing Disclosure Certificate, the County will, not later than **180** days after the end of the County's fiscal year, provide to the Municipal Securities Rulemaking Board (the "MSRB") the following financial information and operating data (the "Annual Report"):

(1) The audited financial statements of the County for the prior fiscal year. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in this Official Statement, and the audited financial statements will be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the fiscal year of the financial information and operating data contained in *Appendix A* of this Official Statement under the following sections:

DEBT STRUCTURE OF THE COUNTY
General Obligation Indebtedness of the County
Other Obligations
Legal Debt Capacity
FINANCIAL INFORMATION CONCERNING THE COUNTY
Sources of Revenue
Property Valuations
Tax Rates – *Debt Service Levy*
Tax Rates – *Operating Levy*
Tax Rates – *Tax Collection Record*

Pursuant to the Continuing Disclosure Certificate, the County also will give notice of the occurrence of any of the following events with respect to the Series 2012 Bonds, no later than 10 business days after the occurrence of such event ("Material Events"):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2012 Bonds, or other material events affecting the tax status of the Series 2012 Bonds;
(7) modifications to rights of bondholders, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;
(10) release, substitution or sale of property securing repayment of the Series 2012 Bonds, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the County;
(13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
(14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

Notwithstanding any other provision of the Continuing Disclosure Certificate, the County may amend the Continuing Disclosure Certificate and any provision of the Continuing Disclosure Certificate may be waived, provided Bond Counsel or other counsel experienced in federal securities law matters provides the County with its opinion that the undertaking of the County, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to the Continuing Disclosure Certificate.

In the event of a failure of the County to comply with any provision of the Continuing Disclosure Certificate, the Underwriter or any owner or Beneficial Owner of the Series 2012 Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under the Continuing Disclosure Certificate. A default under the Continuing Disclosure Certificate will not be deemed an event of default under the Bond Ordinance or the Series 2012 Bonds, and the sole remedy under the Continuing Disclosure Certificate in the event of any failure of the County to comply with the Continuing Disclosure Certificate will be an action to compel performance.

The County has engaged in undertakings similar to the Continuing Disclosure Certificate with respect to certain outstanding obligations of the County, under which it has agreed to provide to the national information repositories (presently, only the MSRB) Annual Reports containing certain operating data of the County and the audited financial statements of the County. The County has, in past years, failed to timely submit complete Annual Reports as required by such undertakings. In order to promote compliance with the County's obligations under the Continuing Disclosure Certificate and the County's prior undertakings with respect to the timeliness and content of Annual Reports, the County has arranged to engage the law firm of Gilmore & Bell, P.C. to provide filing reminders and to assist the County in determining the required content of the Annual Reports and in submitting such Annual Reports to the MSRB via EMMA.

Electronic Municipal Market Access System (EMMA)

All Annual Reports and notices of Material Events required to be filed by the County pursuant to the Continuing Disclosure Certificate must be submitted to the MSRB through the MSRB's Electronic Municipal Market Access system ("EMMA"). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the County or the Series 2012 Bonds is incorporated by reference in this Official Statement.

BOND RATING

Moody's Investors Service, Inc. is expected to give the Series 2012 Bonds a rating of "Aa3", which reflect its evaluation of the investment quality of the Series 2012 Bonds. Such rating is not a recommendation to buy, sell or hold the Series 2012 Bonds. Such rating reflects only the views of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by said rating agency if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the rating may have an adverse effect on the market price of the Series 2012 Bonds.

The County has furnished the rating agency with certain information and materials relating to the Series 2012 Bonds and the County that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing such rating, circumstances so warrant. The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Series 2012 Bonds any proposed revision or withdrawal of the rating of the Series 2012 Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Certificate, the County is required to bring to the attention of the holders of the Series 2012 Bonds any revision or withdrawal of the rating of the Series 2012 Bonds but has not undertaken any responsibility to oppose any such revision or withdrawal. See the section herein captioned **"CONTINUING DISCLOSURE."**

MISCELLANEOUS

Underwriting

Oppenheimer & Co. Inc. (the "Underwriter") has agreed to purchase the Series 2012 Bonds from the County at a price equal to $___________ (par amount plus net original issue premium of $___________ and less an Underwriter's discount of $___________). The Underwriter is purchasing the Series 2012 Bonds from the County for resale in the normal course of the Underwriter's business activities. The Underwriter intends to offer the Series 2012 Bonds to the public initially at the offering prices set forth on the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to offer any of the Series 2012 Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

The Underwriter has read and participated in the preparation of certain portions of this Official Statement and has supervised the compilation and editing thereof. The Underwriter has not, however, independently verified the factual and financial information contained in this Official Statement and, accordingly, expresses no view as to the sufficiency or accuracy thereof.

Certification and Other Matters Regarding Official Statement

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the County, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized. The descriptions contained in this Official Statement of the Series 2012 Bonds and the Bond Ordinance do not purport to be complete and are qualified in their entirety by reference thereto.

The form of this Official Statement, and its distribution and use by the Underwriter, have been approved by the County. Neither the County nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the County or the County's ability to make payments required of it; and further, neither the County nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Series 2012 Bonds other than those either expressly or by fair implication imposed on the County by the Bond Ordinance.

JACKSON COUNTY, MISSOURI

By: ______________________________
County Executive

APPENDIX A

THE COUNTY

TABLE OF CONTENTS

GENERAL AND DEMOGRAPHIC INFORMATION

General

Jackson County, Missouri (the "County"), incorporated in 1826, is located in the northwestern quadrant of Missouri. The County is one of the fifteen counties which comprise the Kansas City metropolitan area. It is bordered on the west by the Kansas-Missouri state line, on the south by Cass County, on the east by Lafayette County and Johnson County and on the north by the Missouri River and Clay County. Seventeen incorporated municipalities are located within the County, including the cities of Kansas City, Missouri and Independence, Missouri, the County seat. The County is the most populous county in the Kansas City metropolitan area. The County encompasses 605 square miles with a population of 674,158 according to the 2010 Census.

Government and Organization of the County

Subject to the State Constitution, the County operates pursuant to a County Charter, and in accordance with other laws governing the County. The Charter, enacted in 1970 and amended in 1978, 1985 and 1986, provides for home rule county government. The County operates under an elected County Executive-Legislature form of government. The Charter provides for a separation of the legislative and executive functions. An elected executive is responsible for the administration of all affairs of the County placed in his or her charge by the County Charter, is accountable to the voters, and has the power to appoint the administrative officers of the government. The nine-member legislature is given broad legislative powers and is so constructed as to be representative of all of the people of the County. The prosecuting attorney is also elected, as is the sheriff, who is responsible for law enforcement in the unincorporated areas of the County. All elected officials serve four-year terms.

The County provides some services on a county-wide basis and some services only to unincorporated areas. Within certain jurisdictions, the County provides road construction and maintenance, park facilities and maintenance, tax assessment and collections, law enforcement, court services, prosecution of violations of state statutes, criminal detention, family support services, public health care and sanitary sewer services.

Transportation and Communication Facilities

Jackson County benefits from modern, efficient transportation systems, facilities and services as part of the Kansas City metropolitan area. Eleven main-line rail carriers intersect metropolitan Kansas City with more than 300 freight movements per day that rank the area second nationally as a rail center. Five major highway systems cross the County providing further accessibility. The area is also served by Amtrak passenger service. Kansas City International Airport is located approximately 25 miles north of the Missouri River, the northern boundary of the County, and is served by major airlines and commuter carriers. There are 10 public and 14 private airports located in the metropolitan area. Bus service provided by the Kansas City Area Transportation Authority is available to County residents and the Missouri River provides for barge traffic.

The County is served by numerous television, radio stations and telecable systems. Local news coverage is provided by a number of local newspapers and *The Kansas City Star* newspaper, published daily.

Educational Institutions and Facilities

Jackson County residents are served by twelve public school districts with a total enrollment of more than 96,363 students for the school year ended June 2011. The Kansas City metropolitan area has more than two dozen colleges, junior colleges and universities available to the residents of the County. The County also offers special educational facilities for the handicapped, as well as numerous community education programs.

Recreational and Religious Facilities

Year-round activity programs are sponsored by the County's Parks and Recreation Department, which maintains nine parks totaling over 23,000 acres. Fleming Park includes the 970-acre Lake Jacomo and 720-acre Blue Springs Lake, each with a full service marina, campground and beach. Longview Lake is 930 acres with a full service marina, campground, beach and two golf courses.

The Harry S. Truman Sports Complex includes the stadiums of the Kansas City Royals baseball team and the Kansas City Chiefs football team. The Sprint Center and Kemper Arena accommodate basketball games and tournaments, hockey games, concerts and civic events.

The Kansas City Nelson Atkins Museum of Art is world-renowned and several permanent theatrical groups are supported by the community. Visitors can enjoy the Harry S. Truman library, home, courtroom and office in Independence, Missouri. Other historical sites include Fort Osage, built in 1808, and Missouri Town, composed of over twenty-five buildings dating from 1820 to 1860.

The County has many churches representing most faiths.

Economy

The County enjoys a diverse commercial and residential tax base. The commercial base consists largely of manufacturing, utility, retail and service industries, which contribute a great amount of stability to the County's economy. The economy in the metropolitan area has remained stable in recent years partially due to the growth in Kansas City and surrounding localities in the County. Commonly referred to as the "Heart of America," the greater Kansas City area offers to convention groups a meeting location which is convenient both geographically and in terms of availability of amenities.

ECONOMIC INFORMATION CONCERNING THE COUNTY

Commerce and Industry

The ten largest employers in the Kansas City metropolitan area include:

	Employer	Product/Service	Number of Employees
1.	Federal Government	Government	27,600
2.	HCA Midwest Health System	Health Care	8,632
3.	Wal-Mart Stores, Inc.	Discount Retail	7,400
4.	Sprint Nextel Corporation	Telecommunications	7,000
5.	St. Luke's Health System	Health Care	6,891
6.	Cerner Corp.	Health Care Information Tech.	6,615
7.	State of Missouri	Government	5,912
8.	McDonald's USA, LLC	Restaurant Chain	5,700
9.	Children's Mercy Hospital & Clinics	Health Care	5,151
10.	DST Systems, Inc.	Information Processing	5,000

Source: *Kansas City Business Journal,* "Top Public-Sector Employers," April 6-12, 2012 and "100 Top Area Private-Sector Employers," April 13-19, 2012.

General and Demographic Information

The following tables set forth certain population information.

	1980	1990	2000	2010
Jackson County	629,266	633,232	654,880	674,158
State of Missouri	4,923,000	5,117,073	5,595,211	5,988,927

Population Distribution by Age (2010 Census)

Age	Jackson County	State of Missouri
Under 5	47,883	390,237
5-14 years	90,589	787,388
15-19 years	44,748	423,786
20-44 years	230,558	1,937,372
45-54 years	98,844	888,572
55-64 years	77,546	723,278
65 years and older	83,990	838,294
Total	674,158	5,988,927
Median Age	36.2	37.9

Source: 2010 Census, U.S. Census Bureau.

Employment

The following table sets forth unemployment figures for the five years shown for the County and the State of Missouri.

	2008	2009	2010	2011	2012*
Jackson County					
Total Labor Force	335,816	336,422	331,005	339,642	334,806
Unemployed	23,086	34,449	35,761	32,466	27,628
Unemployment Rate	6.9%	10.2%	10.8%	9.6%	8.3%
State of Missouri					
Total Labor Force	3,046,891	3,036,622	2,993,198	3,046,302	3,012,020
Unemployed	185,636	282,860	280,535	260,505	227,603
Unemployment Rate	6.1%	9.3%	9.4%	8.6%	7.6%

Source: Missouri Economic Research & Information Center, Local Area Unemployment Statistics (LAUS).
*Average of January through May, 2012.

Income Statistics

The following table sets forth income figures from 2010.

	Per Capita	Median Family
Jackson County	$25,213	$58,831
State of Missouri	24,724	57,661

Source: 2010 American Community Survey, U.S. Census Bureau.

Housing Structures

The following table sets forth statistics regarding housing structures by type in the County for the year 2010.

Housing type	Number of Units	Percentage of Units
Single-Family	228,176	73.3%
Mobile Home	3,635	1.2
Multi-Family	79,569	25.5

The median values of owner occupied housing units in the area of the County and related areas were, according to the 2010 American Community Survey, as follows:

	Median Value
Jackson County	$129,900
State of Missouri	137,700

Source: 2010 American Community Survey, U.S. Census Bureau.

Debt Summary
(as of 7/1/2012)

2011 Assessed Valuation:	$9,201,363,298
2011 Estimated Actual Valuation:	$39,705,845,119
Population (2010 Census)	674,158
Total Outstanding General Obligation Debt:	$0
Overlapping Debt:(1)	$1,149,313,049
Direct and Overlapping Debt:	$1,149,313,049
Ratio of General Obligation Debt to Assessed Valuation:	0%
Ratio of General Obligation Debt to Estimated Actual Valuation:	0%
Per Capita General Obligation Debt:	$0
Ratio of Direct and Overlapping Debt to Assessed Valuation:	12.49%
Ratio of Direct and Overlapping Debt to Estimated Actual Valuation:	2.89%
Per Capita Direct and Overlapping Debt:	$1,704.81

(1) Includes only general obligation debt of political subdivisions with boundaries overlapping the County. See "Economic Information Concerning the County - Overlapping Indebtedness."

Overlapping Indebtedness

The following table sets forth the approximate overlapping general obligation indebtedness of political subdivisions with boundaries overlapping the County as of July 1, 2012, and the percent attributable (on the basis of current assessed valuation) to the County. The table was compiled from information furnished by the jurisdictions responsible for the obligations and the State Auditor's office, and the County has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds or capital leases, the amounts of which cannot be determined at this time.

Taxing Jurisdiction	Outstanding Indebtedness	Percent Applicable to County	Amount Applicable to County
Cities			
Blue Springs	$35,230,000	100%	$35,230,000
Grain Valley	18,339,676	100	18,339,676
Grandview	4,590,000	100	4,590,000
Greenwood	3,590,000	100	3,590,000
Independence	599,000	100	599,000
Kansas City	449,290,000	59	265,081,100
Lake Tapawingo	195,000	100	195,000
Lee's Summit	27,375,000	98	26,827,500
Lone Jack	1,128,000	100	1,128,000
Oak Grove	7,720,000	98	7,565,600
Schools			
Blue Springs R-IV	$131,945,000	100%	$131,945,000
Center 58	36,849,973	100	36,849,973
Fort Osage R-I	48,045,000	100	48,045,000
Grain Valley R-V	39,200,000	100	39,200,000
Grandview C-IV	38,680,000	100	38,680,000
Hickman Mills C-I	47,810,000	100	47,810,000
Independence	141,240,000	100	141,240,000
Lee's Summit R-VII	184,160,000	98	180,476,800
Lone Jack C-VI	5,285,000	94	4,967,900
Oak Grove R-VI	22,950,000	85	19,507,500
Raytown C-II	70,065,000	100	70,065,000
Other Entities			
Atherton Levee District	$360,000	100%	$360,000
Central Jackson County Fire Protection District	11,900,000	100	11,900,000
Fort Osage Fire Protection District	3,175,000	100	3,175,000
Inter City Fire Protection District	310,000	100	310,000
Lake Lotawana Fire Protection District	525,000	100	525,000
Raytown Fire Protection District	6,645,000	100	6,645,000
Sni-Valley Fire Protection District	4,465,000	100	4,465,000
Total	$1,341,666,649		$1,149,313,049

DEBT STRUCTURE OF THE COUNTY

General Obligation Indebtedness of the County

The County does not have any general obligation debt outstanding. The last payment of general obligation bonds was during 1991.

Other Obligations

Obligation Under Agreement with the United States Government. The County entered into an agreement with the United States Army Corps of Engineers (Corps) to share in the enhancement costs of the Blue Springs and Longview Reservoirs. The County's portion of annual payments, payable over fifty years, is $365,137 for the Longview Reservoir and $277,557 for the Blue Springs Reservoir. Payments for the Longview Reservoir commenced in 1986 and payments for the Blue Springs Reservoir commenced in 1990. In addition, the County is required to operate, maintain and provide major improvements for each reservoir.

Special Obligation Bonds (2001). In December 2001, the County issued $37,385,000 of its Special Obligation Bonds (Truman Medical Center Project), Series 2001, the proceeds of which were used to (a) make improvements to Truman Medical Center Hospital Hill and Truman Medical Center Lakewood, and (b) refund a series of Public Facilities Authority Bonds issued in 1994. A portion of such bonds is being refunded with proceeds of the Series 2012 Bonds, as described in the Official Statement.

Special Obligation Bonds (2002). In December 2002, the County issued $38,730,000 of its Special Obligation Bonds, Series 2002, the proceeds of which were used to make improvements to Truman Medical Center and the Jackson County Medical Examiner's office. A portion of such bonds is being refunded with proceeds of the Series 2012 Bonds, as described in the Official Statement.

Jackson County, Missouri, Leasehold Revenue Bonds (Truman Sports Complex/County Parks Project Additions) Series 2002. The County issued its $9,246,289.75 Leasehold Revenue Bonds, Series 2002, to (a) finance the costs of the purchase, construction and installation of additions, improvements, extensions, alterations, expansions or modifications of its parks and the Truman Sports Complex; (b) fund a debt service reserve fund; and (c) pay costs related to the issuance of the Series 2002 Bonds.

Public Building Corporation Leasehold Revenue Bonds (Jackson County, Missouri), Series 2003. The Jackson County, Missouri Public Building Corporation issued its $23,945,000 Leasehold Revenue Bonds, Series 2003 to finance (a) construction, renovation, repair and improvements to Jackson County facilities located in the downtown Kansas City and Independence Square areas, a facility to be used for public works and county technologies, the Fort Osage Center, a facility for the Jackson County, Missouri Election Board and design, widening, reconstruction and inspection of county roads and the purchase of right-of-way therefor; (b) funding a bond reserve fund; and (c) paying costs related to the issuance of the Series 2003 Bonds.

Public Building Corporation Leasehold Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2005. The Jackson County, Missouri, Public Building Corporation issued its $25,845,000 Leasehold Revenue Bonds, Series 2005, (a) to finance the costs to acquire, construct, reconstruct, renovate, furnish and equip certain facilities and roads located within the County; (b) to fund a debt service reserve fund for the Series 2005 Bonds; and (c) to pay costs of issuance associated with the Series 2005 Bonds.

Public Building Corporation Leasehold Refunding and Improvement Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2006A. The Jackson County, Missouri Public Building Corporation issued its $19,675,000 Leasehold Refunding and Improvement Revenue Bonds, Series 2006A to (a) refund the Corporation's outstanding Leasehold Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 1996, Leasehold Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 1997, and Leasehold Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2000A; (b) finance the costs to acquire certain equipment for the Truman Medical Center; and (c) pay costs of issuance associated with the Series 2006A Bonds.

Public Building Corporation Leasehold Improvement Revenue Bonds (Jackson County, Missouri Capital Improvements Project), Series 2006B. The Jackson County, Missouri Public Building Corporation issued its $14,010,000 Leasehold Improvement Revenue Bonds, Series 2006B to provide funds to (a) acquire, construct, renovate, repair, install and equip Jackson County facilities, including but not necessarily limited to, the design, widening, reconstruction and inspection of roads and bridge improvements and the purchase of right-of-way therefore; and (b) paying costs of issuance associated with the Series 2006B Bonds.

Special Obligation Bonds (2006). In August 2006, the County issued $447,240,000 of its Special Obligation Bonds (Harry S. Truman Sports Complex Project), Series 2006, for the purpose of (a) financing major renovations to the Harry S. Truman Sports Complex, (b) funding or purchasing a surety bond for a debt service reserve fund; and (c) paying costs related to the issuance of the Series 2006 Bonds.

Special Obligation Bonds (2010 – Animal Shelter). On March 15, 2010, the County issued $5,500,000 of its Taxable Special Obligation Bonds (Animal Shelter Project) (Build America Bonds), Series 2010, for the purpose of financing the costs of the construction of an animal shelter facility located in Independence, Missouri.

Special Obligation Bonds (2010 – My Arts Building). On December 15, 2010, the County issued $1,180,000 of its Tax Exempt Special Obligation Bonds (My Arts Building Project), Series 2010, for the purpose of paying the costs to renovate and improve the County's My Arts Building located in Independence, Missouri.

Special Obligation Refunding and Improvement Bonds (2011). On May 17, 2011, the County issued $35,570,000 of its Special Obligation Refunding and Improvement Bonds (Truman Sports Complex and Truman Medical Center Projects), Series 2011. The Bonds were issued in two separate series designated as the County's $11,085,000 Special Obligation Refunding Bonds (Truman Sports Complex Project), Series 2011A issued for the purpose of refunding the County's Leasehold Revenue Bonds (Truman Sports Complex/County Parks Projects) Series 1998 originally issued to finance the costs of improvements to Fleming Park and the Harry S. Truman Sports Complex, and the County's $24,485,000 Special Obligation Bonds (Truman Medical Center Project), Series 2011B issued for the purpose of funding the costs of improvements to the Medical Centers.

Obligations Under Capital Leases. The County has entered into various cancelable agreements for equipment and vehicles. The agreements qualify as capital leases for accounting purposes.

Notes Payable. On April 8, 2004, the County entered into an agreement with the City of Lee's Summit, Missouri for construction costs with respect to Blackwell Road. The County agreed to share the costs of construction by paying equal installments of $112,022 per year for a period of ten years commencing in 2006.

[remainder of page intentionally left blank]

Amortization of Obligations. The requirements to amortize all long-term obligations, including interest, as of December 31, 2011 are as follows:

	Leasehold Bonds	Special Obligation Bonds	Obligations to U.S. Government	Other	Total
2012	$6,340,900	$44,466,876	$642,694	$112,022	$51,562,492
2013	6,369,125	44,476,529	642,694	112,022	51,600,370
2014	6,371,913	44,547,464	642,693	112,021	51,674,091
2015	9,745,613	40,435,025	642,693	112,018	50,935,349
2016	9,742,137	40,383,748	642,693	0	50,768,578
2017-2021	37,779,825	187,361,220	3,213,467	0	228,354,512
2022-2026	19,759,300	186,937,562	3,213,467	0	209,910,329
2027-2031	11,985,750	167,128,025	3,213,468	0	182,327,243
2032-2036	0	1,962,250	2,848,331	0	4,810,581
2037-2040	0	1,125,870	832,669	0	1,958,539
Principal and Interest	$108,094,563	$758,824,569	$16,534,869	$448,083	$883,902,084
Less Interest	37,848,273	270,299,569	5,575,964	0	313,723,806
Total Principal	$70,246,290	$488,525,000	$10,958,905	$448,083	$570,178,278

The County has never defaulted on the payment of any of its debt obligations.

Legal Debt Capacity

Article VI, Sections 26(b) and (c) of the Constitution of the State of Missouri limit the net outstanding amount of authorized general obligation indebtedness for a county to 10 percent of the assessed valuation of the county by a two-thirds (four-sevenths at certain elections) vote of the qualified voters. The current legal debt limit of the County is $920,136,329. The County currently has no outstanding general obligation indebtedness.

FINANCIAL INFORMATION CONCERNING THE COUNTY

Accounting, Budgeting and Auditing Procedures

The County follows a modified accrual and full accrual on government-wide (GASB 34) system of accounting for all government fund types and the accrual basis of accounting for governmental proprietary funds.

An annual budget prepared under the modified accrual basis of accounting (except that encumbrances are treated as expenditures for budget purposes) is adopted in accordance with State law and County Code for all Governmental Funds except the Asset and Bond Forfeiture Fund, Persistent DWI Fund, Prosecuting Attorney Sales Tax Collection Fee Fund, General Debt and Interest Fund, and the Criminal Justice Improvement and Energy Conservation Fund. The County's annual budget is recommended by the County Executive and adopted (subject to certain veto requirements) by the County Legislature. Public hearings are held prior to adoption and establishment of a tentative tax levy. If recommended by management and approved by ordinance, the budget can be amended to make supplemental or emergency appropriations. Budgetary transfers of less than $10,000 between two departments within a division require the approval of the Director of Finance and the County Executive. The County Legislature must approve transfers greater than $10,000 between departments and all transfers between divisions.

Unencumbered appropriations lapse at the end of the fiscal year. Appropriations in the Governmental Fund Types are charged as encumbrances when the commitments are made. Fund balances are reserved for outstanding encumbrances which serve as authorization for expenditures in subsequent years.

Under the County Code, budgetary control is exercised at the department level, that being the level on which expenditures may not legally exceed appropriations. Under State law, control of budget appropriations is exercised at the fund level.

In accordance with State law, the County is required to budget an amount not less than three percent of total estimated General Fund revenues as an emergency fund. Transfers from this account can only be made upon recommendation of the Director of Finance and the County Executive and shall be made only for unforeseen emergencies. During the year ended December 31, 2011, the County appropriated $2,372,783 to this emergency fund. Transfers in the amount of $318,000 were made from this fund during 2011.

The financial records of the County are audited annually by a firm of independent certified public accountants in accordance with generally accepted governmental auditing standards. The annual audit for the fiscal year ending December 31, 2011 was performed by KPMG, LLP, Kansas City, Missouri. Copies of the audit reports for the past 5 years are on file in the office of the Director of Finance and are available for review.

Sources of Revenue

The County finances its operations through the following taxes and other miscellaneous sources as indicated below for the last fiscal year (ended December 31, 2011) for which audited financial statements are available:

Source	Amount	Percent
Sales Taxes	$95,876,676	42.0%
Property Taxes	51,433,092	22.5
Other Taxes	3,443,598	1.5
Intergovernmental	37,760,722	16.5
Charges for Services	32,740,197	14.4
Fines & Forfeitures	3,223,834	1.4
Licenses & Permits	993,635	0.4
Investment Income	243,430	0.1
Other Revenue	2,675,728	1.2
Total	$228,390,912	100.0%

The County is permitted by State law to levy ad valorem taxes up to $0.35 per $100 of assessed valuation for general governmental services (General Fund) other than the payment of principal and interest on long-term debt, up to $0.35 per $100 for Special Road and Bridge Fund, up to $0.38 per $100 for Health Fund, up to $0.20 per $100 for Parks and Recreation Fund, up to $0.10 per $100 for Developmentally Disabled (Component Unit), and in unlimited amounts for the payment of principal and interest on general obligation debt. Pursuant to authorization granted in the Missouri Revised Statutes, Jackson County voters approved a County-wide sales tax which required the total County property tax levy be reduced by 70% of sales tax revenues collected in the year.

The County also receives a one-quarter of 1% sales tax for the purpose of providing prosecution, incarceration, treatment, prevention and law-enforcement activities to combat illegal drugs. The citizens approved this tax for seven years in November 1995, extended this tax for an additional seven years on August 5, 2003, and for an additional seven years on November 3, 2009. The drug enforcement sales tax will expire in March of 2018. This tax is limited in purpose and cannot be used to fund general operations of the County.

On April 4, 2006, voters in Jackson County approved a county-wide sales tax at the rate of three-eighths of one percent (3/8%) for a period of twenty-five years from the date on which such tax is first imposed for the purpose of improving, renovating and modernizing the Harry S. Truman Sports Complex. This tax is limited in purpose and cannot be used to fund general operations of the County.

Tax Increment Financing

There are numerous tax increment financing redevelopment areas within the County to reimburse redevelopment project costs associated with certain developments. These costs are payable solely from moneys on deposit in a "special allocation fund." The moneys deposited into a special allocation fund may consist of (a) certain payments in lieu of taxes, attributable to the increase in assessed valuation of the real property within the districts as a result of development, and (b) fifty percent of the total additional revenue from taxes (including the sales taxes of the County but excluding certain other taxes) of local taxing districts which are generated by economic activities within the districts over the amount of such taxes generated by economic activities within the year in the calendar year in which the districts were created. As a result, the payments in lieu of taxes and up to fifty percent (50%) of the additional revenues generated by the economic activity taxes within such districts over the amount so generated in the year in which such districts were created may not be available to the County but instead might be deposited into the special allocation fund and used to pay redevelopment project costs related to the development. The County does not expect that the amount paid into special allocation funds from these projects will materially affect its ability to pay the Series 2012 Bonds.

Property Valuations

Assessment Procedure:

All taxable real and personal property within the County is assessed annually by the County Assessor. Missouri law requires that real property be assessed at the following percentages of true value:

Residential real property	19%
Agricultural and horticultural real property	12%
Utility, industrial, commercial, railroad and all other real property	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the Missouri General Assembly adopted a maintenance law in 1986. Beginning January 1, 1987, and every odd-numbered year thereafter, each County Assessor must adjust the assessed valuation of all real property located within his or her county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The assessment ratio for personal property is generally 33-1/3% of true value. However, subclasses of tangible personal property are assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 1/2%; livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

Current Assessed Valuation:

The following table shows the total assessed valuation, by category, of all taxable tangible property situated in the County according to the assessment of 2011 (the last completed assessment) including state and local railroad and utilities:

	Assessed Valuation	Assessment Rate	Estimated Actual Valuation
Real Estate:			
Residential	$5,202,120,331	19%	$27,379,580,689
Commercial	2,081,552,620	32%	6,504,851,938
Agricultural	12,814,022	12%	106,783,517
Sub-Total	7,296,486,973		33,991,216,144
Personal Property	1,904,876,325	*33-1/3%	5,714,628,975
Total	$9,201,363,298		$39,705,845,119

* Assumes all personal property is assessed at 33-1/3%; because certain subclasses of tangible personal property are assessed at less than 33-1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See "Assessment Procedure" discussed above.

History of Property Valuation:

The total assessed valuation of all taxable tangible property situated in the County according to the assessments of January 1 in each of the following years, has been as follows:

Year	Assessed Valuation	Percentage Change
2011	$9,201,363,298	(0.91)%
2010	9,285,019,702	(0.19)
2009	9,302,891,464	(5.60)
2008	9,854,671,047	0.21
2007	9,833,611,688	8.26

Property Tax Levies and Collections

Tax Collection Procedure:

Property taxes are levied and collected by the County. The County is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the County's debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the County Clerk.

The County levies property taxes on September 1 for the current year based on assessed values as of the prior January 1 of all real and personal property located in the County. Property taxes are billed after all levies are set, and the taxes extended following the levy date and are due on December 31.

On January 1, the County may attach a lien to all property for which taxes are unpaid. The delinquent penalty consists of a 1.5% per month interest penalty up to a maximum of 18% plus a one-time 2% commission charge. Taxes remaining unpaid for two years after that date are collected through foreclosure proceedings.

Because of the tax collection procedure described above, the County receives the bulk of its moneys from local property taxes in the months of December, January and February.

Tax Rates

Debt Service Levy. The County's debt service levy is $0.00 because there are no general obligation bonds outstanding. Once indebtedness has been approved by the constitutionally required percentage of the voters voting therefor and bonds are issued, the County is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The County Commission may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments.

Operating Levies. The general fund, road and bridge fund, parks fund and health fund levies cannot exceed their respective "tax rate ceilings" for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy which, when charged against the newly-received assessed valuation of the County for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by 5% or the Consumer Price Index, whichever is lower. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate. The tax levy for debt service on general obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling. Under Article X, Section 11(c) of the Missouri Constitution, any increase in the County's general fund levy above $0.35 must be approved by two-thirds of the voters voting on the proposition. The current general fund levy is $0.1487 and the current tax rate ceiling for the general fund levy is $0.2667 per $100 of assessed valuation. The current road and bridge fund levy is $0.1387 and the current tax rate ceiling for the road and bridge fund levy is $0.2010 per $100 of assessed valuation. The current parks fund levy is $0.0898 and the current tax rate ceiling for the parks fund levy is $0.1425 per $100 of assessed valuation. The current health fund levy is $0.1526 and the current tax rate ceiling for the health fund levy is $0.2280 per $100 of assessed valuation. See "FINANCIAL INFORMATION CONCERNING THE COUNTY - Sources of Revenue" herein which discusses the requirement that the County reduce its property tax levy by 70% of sales tax revenues collected from its general sales tax imposed at the rate of one-half of one percent.

In 2008, through the enactment of Senate Bill 711 ("SB 711"), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a local governmental unit. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of a county's actual operating tax levy if its current tax levy was less than its current tax levy ceiling, due to the county's voluntary rollback from the maximum authorized tax levy. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a county's actual operating tax levy, regardless of whether that levy is at the county's tax levy ceiling. This further reduction is sometimes referred to as an "SB 711 rollback." In non-reassessment years (even-numbered years), the operating levy may be increased to the county's tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

The following table shows the County's tax levies (per $100 of assessed valuation) for each of the last five fiscal years.

Fiscal Year Ended	General Fund	Health	Parks Fund	Debt Service Fund	Road and Bridge Fund	Total Levy
2011	$0.1487	$0.1526	$0.0898	$0.0000	$0.1387	$0.5298
2010	0.1544	0.1556	0.0920	0.0000	0.1410	0.5430
2009	0.1544	0.1556	0.0920	0.0000	0.1410	0.5430
2008	0.1534	0.1560	0.0920	0.0000	0.1416	0.5430
2007	0.1535	0.1550	0.0890	0.0000	0.1380	0.5355

Tax Collection Record:

The following table sets forth tax collection information for the County for the five fiscal years shown.

Year Ended	Total Levy	Taxes Levied	Current and Delinquent Taxes Collected Amount	%
2011	$0.5298	$50,830,799	$51,433,092	101.2%
2010	0.5430	54,303,350	52,434,926	96.6
2009	0.5430	52,481,853	55,191,119	105.2
2008	0.5430	60,448,755	55,535,197	91.9
2007	0.5355	58,340,364	51,485,383	88.3

Note: Low collection percentages shown above for fiscal years 2007 and 2008 were largely the result of an unusually high number of taxpayers paying under protest in those years. Amounts paid under protest are held separately and are not included in the above figures until the protest proceedings are completed. The increase in collection percentage shown above for fiscal year 2009 was due to the settlement of 2007 and 2008 taxes paid under protest.

Major Property Taxpayers:

The following table sets forth the ten largest property taxpayers in the County based upon their 2011 assessed valuation.

	Name of Taxpayer	Local Assessed Valuation	Description of Business	% of Total Local Assessed Valuation
1.	Kansas City Power & Light	$178,131,692	Utilities	1.94%
2.	AT&T	72,854,499	Communications	0.79
3.	Hallmark Cards/Crown Center	71,346,178	Cards/Hotel/Retail	0.78
4.	KCLP-GMOC	64,641,457	Utilities	0.70
5.	Southern Union Company	33,988,776	Utilities	0.37
6.	Sprint	31,099,505	Communications	0.34
7.	JC Nichols / Highwood Realty	27,893,979	Real Estate	0.30
8.	Union Pacific Railway	22,720,189	Railroad	0.25
9.	Simon Property Group LP	22,094,332	Retail Shopping Center	0.24
10.	Bayer Corporation	21,255,717	Agricultural Chemicals	0.23

Source: County Collector.

APPENDIX B

ACCOUNTANT'S REPORT AND AUDITED FINANCIAL STATEMENTS