

**RESOLUTION # 2020- 20**

**A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND PAYMENT OF \$896,500 OF BONDS BY THE TOWN OF ASHLAND CITY, TENNESSEE; AUTHORIZING THE ISSUANCE OF BOND ANTICIPATION NOTES PRIOR TO THE ISSUANCE OF THE BONDS; AND AUTHORIZING THE LEVY OF TAXES TO PAY THE BONDS AND NOTES.**

**WHEREAS**, the City Council of the Town of Ashland City, Tennessee (the “Municipality”) has determined that it is necessary and advisable to authorize the issuance of general obligation bonds of the Municipality for the purpose of financing the purchase of a fire truck and equipment; and

**WHEREAS**, the City Council did on the date hereof adopt an Initial Resolution authorizing the bonds described herein (the “Initial Resolution”); and

**WHEREAS**, the United States Department of Agriculture, acting through Rural Development (“Rural Development”) has issued to the Municipality its Letter of Conditions dated June 5, 2020 (the “Letter of Conditions”), in which it has agreed to purchase bonds on terms and conditions favorable to the Municipality and its citizens; and

**WHEREAS**, the City Council wishes to authorize the issuance, sale and payment of the bonds, the issuance of bond anticipation notes prior to the issuance of the bonds and the levy of taxes to pay the bonds and notes;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the Town of Ashland City, Tennessee, as follows:

**Section 1. Authority.** The bonds and notes authorized by this resolution are issued pursuant to Sections 9-21-101, et seq., Tennessee Code Annotated, and other applicable provisions of law.

**Section 2. Definitions.** In addition to the capitalized terms defined above, the following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

- (a) “Bonds” shall mean the not to exceed \$896,500 General Obligation Bonds of the Municipality, authorized to be issued by this resolution.
- (b) “Fiscal Year” shall mean the Municipality’s fiscal year.
- (c) “Governing Body” shall mean the City Council of the Municipality.
- (d) “Notes” shall mean the bond anticipation notes authorized to be issued by this Resolution.
- (e) “Projects” shall mean the public works projects described in the Letter of Conditions, and all capital costs related thereto.

**Section 3. Authorization of Terms and Sale of the Bond.**

(a) **General Terms.** The Governing Body hereby authorizes the issuance of bonds of the Municipality in an aggregate principal amount up to \$896,500 (the “Bonds”). The Bonds may be issued as

a single bond or in multiple emissions. The Bonds shall be issued to Rural Development in exchange for the payment of a price equal to 100% of the par amount thereof.

- 1) The Bonds shall be issued to:
  - a) finance the costs of the Projects (including any reimbursement thereof);
  - b) retire the principal of and, with the consent of Rural Development, interest on the Notes; and
  - c) pay costs of issuing the Bonds.

2) Each Bond shall be known as a "General Obligation Bond" or such other name as may be selected by the Mayor. A series designation indicating the year of issuance and such other distinctions as may be directed by the Mayor shall be added to the name of each Bond.

3) Each Bond shall be dated the date of its delivery.

4) Each Bond shall bear interest at a rate not to exceed 2.250% per annum and shall be payable in not more than 180 equal monthly installments of principal and interest in an amount sufficient to fully amortize the Bond over the period of such installments. The annual principal and interest payment on the Bonds at the maximum term, par amount and interest rate is \$70,584.00. The first installment of debt service on each Bond shall be due and payable one month following the date of its issuance, but in no event later than the 28<sup>th</sup> day of the month of such first payment, and all subsequent installments shall be due and payable on the same day of each month thereafter. In all events, the final installment shall be in the amount of the entire unpaid balance of principal and interest on the Bond. All payments of principal and interest on each Bond shall be made directly to the registered owner thereof at its address shown on the bond registration records of the Municipality, without, except for final payment, the presentation or surrender of such Bond, and all such payments shall discharge the obligation of the Municipality in respect of such Bond to the extent of the payments so made. The records of the owner of each Bond shall be conclusively presumed to be correct with respect to amounts of payments made and outstanding principal balance. Upon final payment, each Bond shall be submitted to the City Recorder of the Municipality, as bond registrar, for cancellation.

(b) The Mayor is hereby authorized to cause the Bonds to be issued in a principal amount less than \$896,500 if it is determined that the full amount of the Bonds is not needed to pay authorized costs. The Mayor and City Recorder of the Municipality are authorized to execute and deliver the Bonds, to execute such certificates and documents and to take such other actions as they shall deem necessary in connection with the sale and delivery of the Bonds.

(c) The Bonds shall not be issued until after the passage of 20 days from the date of publication of the Initial Resolution authorizing the Bonds, and in no event shall the Bonds be issued without a prior referendum if a petition signed by at least ten percent of the registered voters in the Municipality is filed protesting the issuance of the Bonds within the statutorily prescribed 20-day period.

(d) The Municipality shall have the right, at its option, to prepay the Bonds or any installment thereof, in whole or in part, at any time, without penalty. Any partial prepayment, after payment of interest, shall be applied to the installments last to become due under the Bonds and shall not affect the obligation of the Municipality to pay the remaining installments as they come due. Notice of prepayment shall be

given to the registered owner of the Bonds not less than thirty (30) days prior to the date of prepayment, unless waived by the registered owner.

(e) The Municipality hereby appoints the City Recorder of the Municipality to act on behalf of the Municipality as registrar and paying agent for the Bonds. The Bonds are transferable by the registered owner thereof, or by its attorney duly authorized in writing, on the registration records of the Municipality, upon presentation of the Bonds to the registrar for transfer with the form of assignment attached thereto completed in full and signed with the name of the registered owner. All transferees shall take the Bonds subject to such condition. The Municipality may treat the registered owner as the absolute owner hereof for all purposes and shall not be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue.

(f) The Bond shall be signed by the Mayor of the Municipality, shall be attested by the City Recorder and shall have impressed thereon the corporate seal of the Municipality.

**Section 4. Authorization of Terms and Sale of Bond Anticipation Notes.**

(a) The Governing Body hereby authorizes the issuance of one or more general obligation bond anticipation notes in the maximum aggregate principal amount equal to the maximum principal amount of the Bonds (the "Notes"). The proceeds of the Notes shall also be used to pay costs of the Projects (including reimbursement thereof), interest during construction of the Project and for six (6) months thereafter (if applicable), with the consent of Rural Development, and issuance costs of the Notes. Each Note shall be in the form of a fully registered note, without coupons, shall be known as General Obligation Bond Anticipation Note, together with a series designation further identifying the Note, as selected by the Mayor, and shall be dated as of the date of its delivery.

(b) Each Note shall mature not later than two years from its issuance, shall bear interest at a rate not to exceed the maximum rate permitted by applicable law, payable at such time as the Mayor shall designate, and shall be subject to prepayment upon such terms as the Mayor shall designate.

(c) The Mayor shall select the purchaser(s) of the Notes and cause the Notes to be sold to such purchaser(s) at a price of par. In connection therewith, the Mayor is authorized to establish the remaining terms of the Notes, without further action by the Governing Body. The Mayor and City Recorder of the Municipality are authorized to execute and deliver the Notes, to execute such certificates and documents and to take such other actions as they shall deem necessary to further evidence the Municipality's obligations under the Notes. The Notes may also be issued to Rural Development, upon the terms otherwise provided herein, in which case the Notes shall also bear the designation of "Interim Certificates of Indebtedness". The purchase price paid by Rural Development for the Bonds shall be reduced by the principal amount of Interim Certificates held by it, including accrued interest thereon, and such Interim Certificates shall be delivered by Rural Development to the Municipality at the time of delivery of the Bonds.

(d) The Notes shall not be issued until after the passage of 20 days from the date of publication of the Initial Resolution authorizing the Bonds, and in no event shall the Notes be issued without a prior referendum if a petition signed by at least ten percent of the registered voters of the Municipality is filed protesting the issuance of the Bonds within the prescribed 20-day period.

(e) Pursuant to Section 9-21-505, Tennessee Code Annotated, the approval of the Comptroller's office is not required for the issuance of the Notes because the Bonds will be issued to a federal agency.

(f) The Governing Body hereby approves the renewal and extension of any Notes issued hereunder, without further action of the Governing Body, to the extent such Notes have matured (or are scheduled to mature) and the Bonds have not and will not be issued in time to retire the maturing Notes.

**Section 5. Security and Source of Payment of the Bonds and Notes.** The Bonds shall be payable from and be secured by ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Bonds, the full faith, credit and resources of the Municipality are hereby irrevocably pledged. The Notes shall be paid from proceeds of the Bonds. In the event such proceeds are unavailable, the Notes shall be secured and payable in exactly the same manner as the Bonds.

**Section 6. Form of Bond and Notes.** The Notes shall be in the form approved by the Mayor consistent with the terms of this Resolution. Each Bond shall be in substantially the following form, the omissions to be appropriately completed when each Bond is prepared and delivered:

(Form of Bond)

UNITED STATES OF AMERICA  
STATE OF TENNESSEE  
COUNTY OF CHEATHAM  
TOWN OF ASHLAND CITY  
GENERAL OBLIGATION BOND, SERIES \_\_\_\_\_

R-1

\$ \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That the Town of Ashland City, Tennessee (the "Municipality"), for value received hereby promises to pay to the registered owner hereof, or its registered assigns, in the manner and from the sources hereinafter provided, the sum of \$ \_\_\_\_\_, with interest on the unpaid balance hereof at the rate of \_\_\_\_\_% per annum from the date hereof until the principal amount hereof shall have been fully paid. This Bond is payable in \_\_\_\_\_ consecutive installments of principal and interest in the amount of \$ \_\_\_\_\_ each. The first installment shall be due and payable on \_\_\_\_\_, and all subsequent installments shall be due and payable on \_\_\_\_\_. In all events, the final installment shall be in the amount of the entire unpaid balance of principal and interest on the Bond. Both principal hereof and interest hereon are payable in lawful money of the United States of America by electronic fund transfer or by check or draft mailed to the registered owner at the address shown on the bond registration records of the Municipality, and such payments shall discharge the obligation of the issuer hereof to the extent of the payments so made. Upon final payment, this Bond shall be submitted to the City Recorder of the Municipality, as Bond Registrar, for cancellation.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Municipality. Any partial prepayment shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Municipality to pay the remaining installments as they come due. Notice of prepayment shall be given to the registered owner hereof not less than thirty (30) days prior to the date of prepayment, unless waived by the registered owner.

This Bond shall be transferable by the registered owner hereof, or by its attorney duly authorized in writing, on the registration records of the City Recorder of the Municipality at the office of the City Recorder of the Municipality, upon presentation of the Bond to the registrar for transfer with the form of assignment attached hereto completed in full and signed with the name of the registered owner. All

transferees shall take this Bond subject to such condition. The Municipality may treat the registered owner as the absolute owner hereof for all purposes, and shall not be affected by any notice to the contrary whether or not any payments due on this Bond shall be overdue.

This Bond is issued by the Municipality for the purpose of paying part of the cost of the purchase of a fire truck and equipment for the Municipality under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101, et seq., Tennessee Code Annotated, and pursuant to a resolution duly adopted by the City Council of the Municipality on the 11<sup>th</sup> day of August, 2020 (the "Resolution").

This Bond shall be payable from and be secured by ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on this Bond, the full faith, credit and resources of the Municipality are irrevocably pledged. For a more complete statement of the terms and conditions upon which this Bond is payable, the general covenants and provisions pursuant to which this Bond is issued and the terms upon which the above described resolution may be modified, reference is hereby made to the Resolution.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a general partnership or sole proprietorship, doing business in the State of Tennessee and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in the Tennessee franchise tax base of any organization or entity, other than a general partnership or sole proprietorship, doing business in the State of Tennessee.

It is hereby certified, recited, and declared that all acts, conditions, and things required to exist, happen, and be performed precedent to and in the issuance of this Bond exist, have happened, and have been performed in due time, form, and manner as required by law, and that the amount of this Bond does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the Town of Ashland City, Tennessee has caused this Bond to be signed by its Mayor and attested by its City Recorder under the corporate seal of the Municipality, all as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

TOWN OF ASHLAND CITY, TENNESSEE

FORM ONLY – DO NOT SIGN  
Mayor

ATTEST:

FORM ONLY – DO NOT SIGN  
City Recorder

(SEAL)

(End of Form of Bond)

**Section 7. Levy of Tax.** The Municipality, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the Municipality, in addition to all other taxes authorized by law, sufficient to pay principal of and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal of and interest coming due on the Bonds in said year. Principal of and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the Municipality and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent general funds of the Municipality are applied to the payment of debt service on the Bonds.

**Section 8. Remedies of Bond Owners.** Any owner of the Bond may either at law or in equity, by suit, action, mandamus or other proceedings, in any court of competent jurisdiction enforce and compel performance of all duties imposed upon the Municipality by the provisions of this resolution, including the levy and collection of ad valorem taxes to meet the obligations of the Municipality under this resolution.

**Section 9. Disposition of the Proceeds of the Notes and Bond.** The proceeds of the sale of the Notes shall be applied directly to the costs authorized herein or deposited with a financial institution regulated by and the deposits of which are insured by the Federal Deposit Insurance Corporation or similar federal agency, in a special fund designated so as to identify it with this resolution (the "Construction Fund") and shall be disbursed solely for the payment of Project costs (including reimbursement thereof), legal, fiscal and engineering costs incident thereto, interest during construction of the Project and for six (6) months thereafter, with the consent of Rural Development, and bond issuance costs. Money in the Construction Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or in the absence of such statutes, by a pledge of readily marketable securities having at all times a market value of not less than the amount in the Construction Fund. Money in the Construction Fund shall be expended only for the purposes authorized by this resolution.

The proceeds of the Bonds shall be used first, to the extent permitted by Rural Development, to retire any outstanding Notes. To the extent that the proceeds of the Bonds are insufficient to retire the Notes, the Municipality shall apply other funds in an amount sufficient to fully retire the Notes. Any remaining proceeds of the Bonds, together with any grant funds received from Rural Development, shall be applied directly to the costs authorized herein or deposited to the Construction Fund. After the Project has been completed, any unspent Bond proceeds shall be used at the earliest practicable date for the prepayment of the Bonds as herein provided. All funds, including both loan and grant funds, provided by Rural Development for Project costs, but not needed to pay Project costs, will be considered to be Rural Development grant funds and returned to the Government Finance Office. If the amount of unused Rural Development funds exceeds Rural Development grant amount, the excess will be considered to be Rural Development loan funds and used to prepay the Bonds as provided above.

**Section 10. Federal Tax Matters.** The Bonds will be issued as federally tax-exempt bonds. At the Mayor's discretion, the Notes may be issued as federally tax-exempt obligations. The Municipality hereby covenants that it will not use, or permit the use of, any proceeds of the Bonds or Notes in a manner that would cause the Bonds or Notes (if applicable) to be subjected to treatment under Section 148 of the Code, and applicable regulations thereunder, as an "arbitrage bond". To that end, the Municipality shall comply with applicable regulations adopted under said Section 148. The Municipality further covenants with the registered owners from time to time of the Bonds and the Notes (if applicable) that it will, throughout the term of the Bonds and Notes and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the Bonds and Notes (if applicable) shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

It is reasonably expected that the Municipality will reimburse itself for certain expenditures made by it in connection with the Project by issuing the Bonds and the Notes. This resolution shall be placed in the minutes of the Governing Body and shall be made available for inspection by the general public at the office of the Governing Body. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

The Governing Body hereby delegates to the Mayor the authority to designate the Bonds and/or the Notes as "qualified tax-exempt obligations," as defined in Section 265 of the Code, to the extent the Mayor determines such designation to be advantageous to the Municipality and to the extent the Bonds and/or Notes are not deemed designated as such and may be designated as such.

The Mayor is authorized and directed, on behalf of the Municipality, to execute and deliver all such certificates and documents that may be required of the Municipality in order to comply with the provisions of this section.

**Section 11. Reasonably Expected Economic Life.** The "reasonably expected economic life" of the Projects within the meaning of Sections 9-21-101, *et seq.*, Tennessee Code Annotated, is greater than the term of the Bonds financing said Projects.

**Section 12. Resolution a Contract.** The provisions of this resolution shall constitute a contract between the Municipality and the owner(s) of the Bonds and the Notes, and after the issuance of either the Bonds or Notes, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner, except as provided in the following Section, until such time as the Bonds and Notes and interest due thereon shall have been paid in full.

**Section 13. Modification of Resolution.** The terms, covenants and agreements set forth in this resolution may be modified or amended by resolution of the Governing Body, consented to in writing by the owner of the Bonds and, while any Notes are outstanding, the Notes.

**Section 14. Defeasance.** So long as Rural Development is the owner of the Bonds herein authorized, the Municipality shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating the lien of the Bonds herein authorized without immediately prepaying the Bonds.

**Section 15. Compliance with Debt Management Policy.** The Governing Body hereby finds that the issuance of the Bonds and the Notes is consistent with the Municipality's debt management policy.

**Section 16. Approval of Bond Counsel Engagement Letter.** Attached hereto as Exhibit A is an engagement letter (the "Bond Counsel Engagement Letter") by Bass, Berry & Sims PLC, as Bond Counsel ("Bond Counsel"). The Bond Counsel Engagement Letter details the attorney-client relationship to be entered into and the services to be provided by Bond Counsel in connection with the financings authorized herein. The Governing Body hereby approves and authorizes the Mayor to execute the Bond Counsel Engagement Letter, and all actions heretofore taken by the officers of the Municipality in that regard are hereby ratified and approved.

**Section 17. Separability.** If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

**Section 18. Repeal of Conflicting Resolutions and Effective Date.** All other resolutions and orders, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

[signature page follows]



Adopted and approved this 11<sup>th</sup> day of August, 2020.

TOWN OF ASHLAND CITY, TENNESSEE

  
\_\_\_\_\_  
Mayor Steve Allen

ATTEST:

  
\_\_\_\_\_  
City Recorder Kellie Reed CMFO, CMC

EXHIBIT A

ENGAGEMENT LETTER

(attached)

**BASS BERRY + SIMS** PLC

150 Third Avenue South, Suite 2800  
Nashville, TN 37201  
(615) 742-6200

August 11, 2020

City Council of the  
Town of Ashland City  
Ashland City, Tennessee

**Re: Issuance of Not to Exceed \$896,500 General Obligation Bonds to the United States Department of Agriculture (“USDA”)**

Ladies and Gentlemen:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to the Town of Ashland City, Tennessee (the “Issuer”), in connection with the issuance of the above-referenced bond (the “Bond”). We understand that the Bond will be issued for the purpose of providing funds necessary to finance the purchase of a fire truck and equipment and to pay the costs incident to the sale and issuance of the Bond. We also understand that the Issuer may issue bond anticipation notes (“Notes”) to fund project costs incurred prior to the issuance of the Bond.

As bond counsel, we expect to perform the following duties:

1. Subject to the completion of proceedings to our satisfaction, render our legal opinion (the “Bond Opinion”) regarding the validity and binding effect of the Notes and the Bond, the source of payment and security for the Notes and the Bond, and the excludability of interest on the Notes and the Bond from gross income for federal income tax purposes, if applicable.
2. Prepare and review documents necessary or appropriate for the authorization, issuance and delivery of the Notes and the Bond, coordinate the authorization and execution of such documents, and review enabling legislation.
3. Assist the Issuer in seeking from other governmental authorities such approvals, permissions and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, and delivery of the Notes and the Bond.
4. Review legal issues relating to the structure of the Notes and the Bond.

Our Bond Opinion will be addressed to the Issuer and the purchaser of the Notes or USDA, as applicable, and will be delivered by us on the dates that the Notes and the Bond are exchanged for their respective purchase prices (each, a “Closing”).

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Notes and the Bond. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Notes and the Bond and their security.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include:

- a. Preparing requests for tax rulings from the Internal Revenue Service.
- b. Drafting state constitutional or legislative amendments.
- c. Pursuing test cases or other litigation (such as contested validation proceedings), except as set forth above.
- d. Making an investigation or expressing any view as to the creditworthiness of the Issuer or the Notes and the Bond.
- e. Except for defending our Bond Opinion, representing the Issuer in Internal Revenue Service examinations or inquiries.
- f. After Closing, providing continuing advice to the Issuer or any other party concerning any actions necessary to assure that interest paid on the Notes and the Bond will continue to be excludable from gross income for federal income tax purposes (e.g., our engagement does not include rebate calculations for the Notes and the Bond).
- g. Addressing any other matter not specifically set forth above that is not required to render our Bond Opinion.

Upon execution of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the Issuer, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as bond counsel are limited to those contracted for in this letter; the Issuer's execution of this engagement letter will constitute an acknowledgment of those limitations.

Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bond. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service Form 8038 and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bond.

Our firm does not represent the USDA. However, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with the Issuer. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Notes or the Bond. As an example, it is possible that the financial institution that you select to purchase the Notes may be a client of the firm in unrelated matters. We do not believe representations of this type will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bond so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Notes or Bond. Execution of this letter will signify the Issuer's consent to this

representation and our representation of others consistent with the circumstances described in this paragraph.

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing represented by the Notes and the Bond; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the financing; and (iv) the responsibilities we will assume in connection therewith, our fee will be \$7,500. The fees quoted above will include all out-of-pocket expenses advanced for your benefit, such as travel costs, photocopying, deliveries, long distance telephone charges, telecopier charges, filing fees, computer-assisted research and other expenses. We understand and agree that 80% of our fees will be paid at the Closing of the issuance of the Notes, with the balance being paid at the Closing of the issuance of the Bond. If no financing is consummated, we understand and agree that we will not be paid.

Lillian Blackshear and Nikkole Johnson (paralegal) will serve as the primary contacts for this engagement.

Unless we receive notification to the contrary, we will proceed with our representation as bond counsel and the preparation of necessary documentation.


We look forward to working with you.

Very truly yours,

BASS, BERRY & SIMS PLC

Accepted and Approved:

**TOWN OF ASHLAND CITY, TENNESSEE**

By:   
Mayor Steve Allen

Date: August 11, 2020


cc: Jennifer Noe, Esq.  
Counsel to the Issuer

STATE OF TENNESSEE )

COUNTY OF CHEATHAM )

I, Kellie Reed, hereby certify that I am the duly qualified and acting City Recorder of the Town of Ashland City, Tennessee (the "Municipality") and, as such official, I further certify as follows: (1) that attached hereto is a true, correct and complete copy of a resolution adopted by the City Council of the Municipality at its August 11, 2020 meeting; and (2) that a quorum of the members of the City Council was present and acting throughout said meeting.

WITNESS my official signature and the seal of the Municipality, this 12<sup>th</sup> day of August, 2020.

  
\_\_\_\_\_  
City Recorder

(SEAL)

28724894.2

