EXHIBIT A

TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT

between

CITY OF SEDALIA, MISSOURI

and

SEDALIA DOWNTOWN DEVELOPMENT, INC.

for implementation of the

SECOND AMENDMENT TO THE SEDALIA MIDTOWN TAX INCREMENT FINANCING REDEVELOPMENT PLAN AS IT RELATES TO THE UPTOWN THEATER

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TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT

THIS **TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT** (this "**Agreement**") is entered into this _____ day of _____, 2016 (the "**Effective Date**"), by and between THE CITY OF SEDALIA, MISSOURI, a municipal corporation (the "**City**"), and SEDALIA DOWNTOWN DEVELOPMENT, INC., a Missouri nonprofit corporation (the "**Company**").

RECITALS

A. The Tax Increment Financing Commission of Sedalia, Missouri (the "**Commission**") on April 13, 2016, recommended to the City approval of the Second Amendment to the Sedalia Midtown Tax Increment Financing Redevelopment Plan (the "**Plan**") for the area described in the Plan as set forth in **Exhibit A** attached hereto (the "**Redevelopment Area**").

B. The City Council of the City of Sedalia (the "**City Council**") adopted Ordinance No. 10454 on May 2, 2016, approving the Plan, reaffirming each and every finding made in Section 1 of Ordinance No. 9694 dated November 17, 2008, as those findings apply to the Plan, and reaffirming the City as the master developer ("**Plan Ordinance**").

C. The Plan provides for: (1) comprehensive streetscape improvement program; (2) stabilization and structural repair of the Sedalia Trust Building; (3) demolition of the Broadway Arms Building; (4) rehabilitation of the Uptown Theater; (5) renovation of historic Lona Theater (Liberty Center); (6) business incentive program; and (7) professional fees.

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants herein contained, City and Company agree as follows:

1. Recitals and Exhibits. The representations, covenants, and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section. The provisions of the Plan, Ordinance No. 10454, and the provisions of the TIF Act as amended as of and including the date of this Agreement, form the basis of this Agreement and may be used to resolve ambiguity. In the event of any conflict between the provisions of this Agreement and any other documents related to the Plan previously prepared or executed, the provisions of this Agreement shall control.

2. Rules of Interpretation. Unless the context clearly indicates to the contrary or unless otherwise provided herein, the following rules of interpretation shall apply to this Agreement:

A. The terms defined in this Agreement which refer to a particular agreement, instrument or document also refer to and include all renewals, extensions, modifications, amendments and restatements of such agreement, instrument or document; provided, that nothing contained in this sentence shall be construed to authorize any such renewal, extension, modification, amendment or restatement other than in accordance with **Section 38** of this Agreement.

B. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Section, subsection and exhibit references are to this Agreement unless otherwise specified. Whenever an item or items are listed after the word "including", such listing is not intended to be a listing that excludes items not listed.

C. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing person shall include individuals, corporations, partnerships, limited liability companies, joint ventures, associations, joint stock companies, trusts, unincorporated organizations and governments and any agency or political subdivision thereof.

D. The table of contents, captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

E. All exhibits attached hereto and identified herein are incorporated herein by reference.

F. The provisions of the Plan, a copy of which is on file with the office of the City Clerk of the City, the Plan Ordinance, such ordinances adopted by the City Council which designate the Redevelopment Project Area, and the provisions of the TIF Act as amended as of and including the date of this Agreement, are all hereby incorporated herein by reference and made a part of this Agreement.

3. Definitions. Unless otherwise noted, all capitalized words or terms used in this Agreement and defined in the Plan shall have the meaning ascribed to them in the Plan. In the event of a conflict between meanings under the Plan and under this Agreement, the terms of this Agreement shall govern. In addition thereto and in addition to words and terms defined elsewhere in this Agreement, the following words and terms shall have the meanings ascribed to them in this Section unless the context in which such words and terms are used clearly requires otherwise.

A. "Affiliate," any person, entity or group of persons or entities which controls a party, which a party controls or which is under common control with a party. As used herein, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

B. "City," the City of Sedalia, Missouri.

C. "City Administrator," the City Administrator of Sedalia, Missouri.

D. "City Council," the governing body of Sedalia, Missouri.

E. "City Treasurer," the Director of Finance of Sedalia, Missouri.

F. "Commission" or "TIF Commission," the Tax Increment Financing Commission of Sedalia, Missouri.

G. "Conservation Area" means an area in which 50% or more of the structures have an age of 35 years or more which is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning.

H. "County," Pettis County, Missouri.

I. "County Assessor," the assessor of Pettis County, Missouri.

J. "County Collector," the collector of Pettis County, Missouri.

K. "Debt Service," the amount required for the payment of interest and principle on the Obligations and/or Private Loans as they come due, for the payment of mandatory or optional redemption payments and for payments to reserve funds required by the terms of the Obligations to retire or secure the Obligations and/or Private Loans.

L. "Company," Sedalia Downtown Development, Inc., a Missouri nonprofit corporation, its successors and assigns.

M."Economic Activity Account," the separate segregated ledger account within the Special Allocation Fund into which fifty percent (50%) of Economic Activity Taxes are to be recorded as deposited.

N. "Economic Activity Taxes," or "EATs," the total additional revenue from taxes which are imposed by the City, and other Taxing Districts and which are generated by economic activities within the Redevelopment Project Area over the amount of such taxes generated by economic activities within the respective Redevelopment Project Area in the calendar year prior to the adoption of the Ordinance designating the respective Redevelopment Project Area, while Tax Increment Financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500, RSMo, taxes levied for the purpose of public transportation pursuant to Section 94.660, RSMo, licenses, fees or special assessments. If a retail establishment relocates within one (1) year from one facility to another facility within the County and the City Council finds that the relocation is a direct beneficiary of Tax Increment Financing, then for purposes of this definition the Economic Activity Taxes generated by the relocated retail establishment shall equal the total additional revenues from Economic Activity Taxes which are imposed by the City or other Taxing Districts over the amount of Economic Activity Taxes generated

by the retail establishment in the calendar year prior to its relocation to the applicable Redevelopment Project Area.

O. "Financing Costs," shall mean any interest under **Section 21.D** hereof, and all costs reasonably incurred by the Company, the City or other issuer authorized by the City in furtherance of the issuance of Private Loans or Obligations, including but not limited to interest, loan fees and points not exceeding one percent (1%) of the principal amount of the loan, loan origination fees not to exceed two percent (2%) of the principal amount of the loan, and interest payable to banks or similar financing institutions that are in the business of loaning money, plus reasonable fees and expenses of the Company's or City's attorneys (including special TIF legal counsel), the Company's or City's administrative fees and expenses (including planning and/or financial consultants), underwriters' discounts and fees, the costs of printing any Obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any Obligations. Any costs related to the financing of non-Reimbursable Project Costs shall not be a Financing Cost or a Reimbursable Project Cost.

P. "Land Use Approvals," those approvals required pursuant to the City's zoning ordinance and subdivision regulations, including but not limited to site plan approvals, which are required for the construction of the Redevelopment Project.

Q. "Legal Requirements," any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, city or otherwise), whether now or hereafter in existence and specifically including but not limited to all ordinances, rules and regulations of the City, such as zoning ordinances, subdivision ordinances, building codes, and property maintenance codes.

R. "Obligations," bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness, issued by the City, or by any other appropriate issuer approved by the City, to pay or reimburse all or any portion of the Reimbursable Project Costs. Financing Costs, as defined in this **Section 3**, relating to Obligations shall be a Reimburseable Project Cost.

S. "Ordinance," an ordinance enacted by the City Council.

T. "Payment in Lieu of Taxes," or "PILOTs," those estimated revenues from real property in the Redevelopment Project Area, which revenues according to the Redevelopment Project or Plan are to be used for a private use, which Taxing Districts would have received had the City not adopted Tax Increment Financing, and which would result from levies made after the time of the adoption of Tax Increment

Financing during the time the current equalized value of real property in a Redevelopment Project Area exceeds the total initial equalized value of real property in the same Redevelopment Project Area until the designation is terminated pursuant to subsection 2 of Section 99.850, of the TIF Act, which shall not be later than twenty three (23) years after a Redevelopment Project and Redevelopment Project Area are approved by an Ordinance of the City Council, but excluding the blind pension fund tax levied under the authority of Article III, Section 38(b) of the Missouri Constitution, and the merchant's and manufacturer's inventory replacement tax levied under the authority of Article X, Section 6(2) of the Missouri Constitution. Payments in Lieu of Taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in Section 88.861, RSMo.

U. "Payment in Lieu of Taxes Account," the separate segregated ledger account within the Special Allocation Fund into which Payments in Lieu of Taxes are to be recorded as deposited.

V. "Plan," the Second Amendment to the Sedalia Midtown Tax Increment Financing Redevelopment Plan, approved by the City Council on May 2, 2016 by Ordinance No. 10454, and any amendments thereto.

W. "Prime Rate," the prime rate reported in the "Money Rates" column or any successor column of The Wall Street Journal, currently defined therein as the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks. If The Wall Street Journal ceases publication of the Prime Rate, then "Prime Rate" shall mean the "prime rate" or "base rate" announced by an equivalent publication that evaluates the same criteria as The Wall Street Journal to report such rate.

X. "Project Improvements," those improvements described in **Section 5**.

Y. "Redevelopment Area," see Redevelopment Project Area.

Z. "Redevelopment Project," the redevelopment project located within the Redevelopment Area, and approved by the City Council in furtherance of the objectives of the Plan and as more fully described in **Section 5**.

AA. "Redevelopment Project Area," the area selected for the Redevelopment Project, which is, subject to approval pursuant to the TIF Act, legally described in **Exhibit A** and depicted on **Exhibit B**. In this case, the Redevelopment Project Area and the Redevelopment Area are the same.

BB. "Redevelopment Project Cost Budget," the budget setting forth the estimated Redevelopment Project Costs, and identifying those Redevelopment Project Costs to be funded or reimbursed by TIF Revenue, attached hereto as **Exhibit C**.

CC. "Redevelopment Project Costs," include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs

incidental to the Plan or the Redevelopment Project, as applicable. Such costs include, but are not limited to, the following:

(1) Costs of studies, surveys, plans, and specifications;

(2) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services. Except for the reasonable costs incurred by the City for the administration of Sections 99.800 to 99.865, RSMo, such costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the costs of the Plan or Redevelopment Project;

(3) Costs of preparing land for construction of buildings, including, but not limited to, cost of clearing, grading, filling land, constructing adequate stormwater facilities, mitigating environmental impacts, and the costs of design, engineering and construction of such buildings;

(4) Costs of landscaping, parking lot and access drive construction;

(5) Costs of utility relocation and service provision;

(6) Costs of construction of buildings and other structures and improvements;

(7) Costs of rehabilitation, reconstruction, repair or remodeling of existing buildings and fixtures;

(8) Financing Costs, including all necessary and incidental expenses related to Obligations to finance all or any portion of Reimbursable Project Costs incurred or estimated to be incurred, including, but not limited to interest, capitalized interest, financial advisor fees, legal fees, broker fees or discounts, original purchaser's discount, printing and other costs related to such financing. Financing Costs also includes interest payable to the City at the rate set forth in this Agreement;

(9) All or a portion of a Taxing District's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the objectives of the Plan and Redevelopment Project, to the extent the City by written agreement accepts and approves such costs;

(10) Relocation costs to the extent that the City determines that relocation costs shall be paid or are required to be paid by federal or state law; and

(11) Payments in Lieu of Taxes.

DD. "Redevelopment Project Ordinance," means Ordinance No. 9694, adopted by the City Council on November 17, 2008 which activated Tax Increment Financing with respect to the Redevelopment Project Area.

EE. "Reimbursable Project Costs," the portion of Redevelopment Project Costs which, pursuant to the Plan and this Agreement are eligible for payment or reimbursement from TIF Revenue, as shown on **Exhibit C** and further described in **Section 21**.

FF. "Related Entity," an entity that controls, is controlled by, or is under common control with, another entity.

GG. "Site Plans," the conceptual site plans generally depicting the Project Improvements.

HH. "Special Allocation Fund," the fund established by City into which, as required by the TIF Act, all Payments in Lieu of Taxes and fifty percent (50%) of Economic Activity Taxes are deposited for the purpose of paying Reimbursable Project Costs and Debt Service on Obligations incurred in the payment thereof. The Special Allocation Fund shall be divided into at least two (2) separate segregated ledger accounts: the Payments in Lieu of Taxes Account and the Economic Activity Taxes Account.

II. "Tax Increment Financing," ("TIF") tax increment allocation financing as provided pursuant to the TIF Act.

JJ. "Taxing Districts," any political subdivision of the State of Missouri having the power to levy taxes on sales or real property or utilities within the Redevelopment Project Area.

KK. "TIF Act," the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800, RSMo, *et seq*., as amended.

LL. "TIF Revenue," Payments in Lieu of Taxes, fifty percent (50%) of Economic Activity Taxes and all interest earned on funds in the Special Allocation Fund.

MM. "Total Initial Equalized Assessed Value," that amount certified by the County Assessor as the total equalized assessed value of all taxable real property within a Redevelopment Project Area, determined by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract or parcel of real property within such Redevelopment Project Area immediately after the Redevelopment Project Ordinance approving the Redevelopment Project Area was approved by the City Council.

4. Redevelopment Area. The Redevelopment Area consists of the area legally described on **Exhibit A** attached hereto.

5. Redevelopment Project Area.

A. The Redevelopment Project Area is located in historic downtown Sedalia, Missouri and is bounded generally by 9th Street and Broadway Boulevard on the

south; Moniteau Avenue on the west; Marvin Street on the east; and Jefferson Street on the north consisting of 178 parcels and abutting public rights-of-way and is shown on the map attached hereto in **Exhibit B**. The Redevelopment Project Area may not be changed, modified or amended except in accordance with the TIF Act and this Agreement. This Agreement is specific to the the property generally located at 225-227 South Ohio Avenue, Sedalia, Missouri 65301 which is within the Redevelopment Project Area.

B. Designation of Redevelopment Project Area. Tax Increment Financing with respect to the Redevelopment Project Area was activated on November 17, 2008 by Ordinance No. 9694.

C. Project Improvements. In accordance with the TIF Act and the terms and conditions of the Plan and this Agreement, to ameliorate or satisfy those conditions which are the basis for eligibility and designation of the Redevelopment Area as a Conservation Area and otherwise eligible as a redevelopment area under the TIF Act, Company shall cause the Redevelopment Project Area and supporting areas to be redeveloped through the construction of the Project Improvements, as generally described in **Exhibit C**, which is attached hereto.

Except as otherwise provided in this Agreement, Company shall construct or cause the construction of the Project Improvements.

6. Redevelopment Schedule.

A. It is the City's intention that the overall improvements set forth in the Plan be completed in the order listed in **Exhibit D-1**. Once improvement items 1-4 have been completed or reimbursed, then moneys from the Special Allocation Fund can be used to fund or reimburse the Company's Project Improvements listed in **Exhibit C** and more specifically as set forth in **Sections 20** and **21**.

B. It is the intention of the parties that development activities for the Redevelopment Project Area be substantially commenced and completed on or before the dates set forth in **Exhibit D-2**, as may be reasonably amended from time to time, attached hereto and incorporated herein by reference (the "**Redevelopment Schedule**"). Company shall construct or cause to be constructed all Project Improvements, and shall complete or cause to be completed all other development-related activities including, but not necessarily limited to design, land preparation, environmental evaluation and remediation, construction, management, and maintenance in sufficient time to comply with the Redevelopment Schedule. Changes in the development program contemplated by the Plan that require a Plan amendment under the TIF Act (as determined by City) shall be processed in accordance with the TIF Act, and changes in the development program contemplated by the Plan that do not require a statutorily mandated Plan amendment shall be made by agreement of the parties hereto. The parties hereto recognize and agree that market and other conditions may affect the Redevelopment Schedule. Therefore, the

Redevelopment Schedule is subject to change and/or modification, with the written approval of City, which shall not be unreasonably conditioned, delayed, or withheld.

C. Any amendment to the Plan that is approved by City as provided herein, which amendment contains changes to the Redevelopment Schedule in the Plan, shall immediately operate and be deemed to be an amendment to the approved Redevelopment Schedule and the provisions of this Agreement. City shall endeavor to expedite the approval of the Plan and any applicable Land Use Approvals; provided, however, that nothing herein shall constitute or be deemed to be a waiver by City or the City Council of its legislative authority. If as a result of solely the Company's failure to timely complete its obligations under this Contract and provided that the City has fulfilled all of the terms of this Contract and provided that the delay has not been caused by event not otherwise in control of the Company, City may require Company to appear before the City Council to show cause why this Contract and the Plan shall not be terminated in accordance with **Section 35**.

7. Design and Construction of Project Improvements. Company shall cause the Project Improvements to be designed and constructed as follows:

A. Legal Requirements. The Project Improvements shall be constructed in accordance with the Plan, the Site Plans, the Land Use Approvals, such Project Plans, as defined below, and specifications as are approved by the City, as applicable, in writing, and in accordance with all Legal Requirements.

B. Timing. Prior to the design, engineering and construction of the Project Improvements, City and Company shall jointly develop a schedule for the design, engineering and construction of the Project Improvements (the "**Project Improvement Schedule**") that is generally consistent with the timing schedule set forth on **Exhibit D-2**. Once the Project Improvement Schedule is developed, City and Company shall mutually approve and adopt such changes to the Redevelopment Schedule as required to take into account the Project Improvement Schedule. Such changes to the Redevelopment Schedule may, at the option of the City Administrator or his designee, be approved administratively. If the City Administrator or his designee elects to approve such changes administratively, no action of the City Council shall be required to approve such changes to the Redevelopment Schedule.

C. Design Phase. Company shall regularly meet with City staff regarding design of the Project Improvements and shall provide copies of all design documents to City for review and approval before proceeding with the construction of the Project Improvements. On the basis of such approved preliminary design documents, Company shall:

(1) Prepare detailed drawings, plans, design data, estimates, and technical specifications to show the character and scope of the work to be performed by contractors for the Project Improvements ("**Project Plans**").

(2) Furnish to City for its review and approval copies of such Project Plans and other documents and design data as may reasonably be requested by City.

D. Bidding. Company shall bid the design and construction of the Project Improvements in accordance with the City's procurement policy. Company shall give special consideration to local bidders. Once Company has selected a contractor to design and construct the Project Improvements, the Company shall provide documentation to the City showing that the Company complied with the City's procurement policy in selecting the contractor. The City shall approve the selection of the contractor, which said approval will not be unreasonably withheld.

E. Inspections. Company agrees to permit City, or its designees, to observe the construction of all Project Improvements in order to ascertain and determine that construction is being done in a manner consistent with this Agreement, the Plan, the Site Plans, Project Improvement plans, and the Land Use Approvals.

F. Change Orders. Company shall obtain City's approval of all change orders over ten thousand and NO/100 dollars ($10,000.00) relating to the Project Improvements.

G. Insurance. As it relates to Project Improvements, the Company shall comply with the insurance requirements set forth in the City's Ordinances and policies, as amended from time to time. If surety bonds are required by Legal Requirements, Company shall indemnify City and its officers and employees for any damage resulting to City, its officers or employees from failure of Company or its contractor(s) to provide such surety bonds, specifically including, without limitation, any performance or payment bonds required by Legal Requirements.

H. Certificates of Substantial Completion and Occupancy. The City shall issue a certificate of substantial completion at such time that the Project Improvements are sufficiently complete in accordance with the applicable construction specifications so that the Project Improvements are functional and can be utilized for their intended use (herein **"Substantial Completion"**); provided that, the City has received all required approvals, licenses, and other documents from any other governmental authority having jurisdiction over the Project Improvements. The City shall not be obligated to issue any occupancy certificates for structures within the Redevelopment Project Area unless the Company is in compliance with its obligations regarding the Project Improvements pursuant to this Agreement and the City has issued a certificate of substantial completion for the Project Improvements. Company shall send City not less than ten (10) days' advance notice of Substantial Completion of the Project Improvements. City shall provide Company with a detailed written notice of the reasons for objection to the Substantial Completion of the Project Improvements within such ten (10) day period. In the event no objections are received by Company, Substantial Completion shall be deemed to have occurred on the date of Substantial Completion set forth in the Company's notice provided as set forth above. In the event objections are made by the City, Company shall proceed to correct the deficiency in accordance with the Project Plans and the foregoing procedure shall be repeated until the deficiency is corrected and the City approves the Substantial Completion in accordance with the foregoing procedure. Upon request of Company, City shall provide verification in writing of Substantial Completion. Subject to compliance with

this Section, Company may request and obtain a certificate of substantial completion for a portion or subset of Project Improvements such as grading, parking lots and drives, utilities, or other specific Project Improvements.

8. Control of Project.

A. Construction. Except as otherwise provided in this Agreement, Company shall have complete and exclusive control over construction of the Project Improvements, subject, however, to all Legal Requirements. Company, or its assigns, hereby grants to City, its agents and employees the right to enter at reasonable times for the purpose of inspecting the Project Improvements.

B. Maintenance and Repair. Company, at no cost to the City, at all times shall (1) maintain and operate, or caused to be maintained and operated, all Project Improvements in a manner similar to other similarly aged and similarly situated development projects in the boundary of the City of Sedalia and (2) timely make all necessary repairs to and replacements and restorations of all parts of the Project Improvements, (3) keep the Project Improvements in good condition, repair and appearance, and (4) maintain casualty insurance on the Project Improvements in an amount equal to the full replacement value thereof and provide City with evidence of such insurance upon demand.

Unless Company has agreed to fulfill such obligations, Company shall use its best efforts to contractually obligate any owner or tenant ("**User**") of the Project Improvements to comply with the provisions of this **Section 8.B** for its respective portion of the Project Improvements. As provided herein, Company shall use commercially reasonable efforts to enforce such contract rights.

9. Non-Permitted Uses. Company shall take such action as is from time to time necessary to permit only such uses within the Redevelopment Area which conform to and are permitted by the Plan, the Site Plans and this Agreement. In accordance with **Section 23**, property within the Redevelopment Area may not be used for the purposes set forth in **Exhibit E** attached hereto, except by approval of the Mayor, who, from time to time may, at his or her discretion, seek the advice or consent of the City Council for such approval. Company may appeal an adverse determination by the Mayor to the City Council.

10. Certificate of Completion and Compliance.

A. Upon the completion of construction of the Redevelopment Project, Company shall submit a report certifying that the Project Improvements contained therein have been completed in substantial accordance with the Plan, this Agreement, and the Legal Requirements and that the Project Improvements are in substantial compliance with all other provisions of this Agreement. Company shall, as part of the report, submit a certificate, certified by Company, certifying that to the best of Company's actual knowledge, the information contained therein is accurate, setting forth on an aggregate basis: (1) the total cost of completing the applicable Project Improvements; (2) Redevelopment Project Costs incurred which are eligible for reimbursement from TIF Revenue pursuant to this Agreement or which have been

paid for or are to be funded or reimbursed; and (3) to the extent it is relevant to the reimbursement of interest, the actual private equity and debt used to complete the applicable Project Improvements.

B. City may conduct an investigation, and if City determines that the Redevelopment Project has been completed in substantial accordance with the Plan, this Agreement, and the Legal Requirements as evidenced by a certificate of occupancy where appropriate, and that as of the date of Company's certification request, all of Company's duties pursuant to this Agreement have been performed, then the City shall issue a Certificate of Completion and Compliance for the Redevelopment Project. If City determines that the Redevelopment Project which is the subject of an investigation or review under this **Section 10.B** has not been completed in substantial accordance with the Plan, this Agreement or the Legal Requirements, or that Redevelopment Project Costs have not been incurred as certified, or that Company is not in substantial compliance with the terms of this Agreement, then the City shall not issue a Certificate of Completion and Compliance and shall specify in writing to Company the reason(s) for withholding such certification. Upon request of Company, City shall hold a hearing at which Company may present new and/or additional evidence.

(1) The issuance of a Certificate of Completion and Compliance for a Redevelopment Project by City shall be a conclusive determination of the satisfaction of the covenants in this Agreement with respect to the obligations of Company to timely complete the Project Improvements within the Redevelopment Project, but shall not prevent City from future action in the event of any subsequent default by Company in the performance of any of its other obligations under this Agreement.

(2) The certificate issued by the City shall contain a description of the real property affected thereby and shall be in such form as will enable it to be accepted for recording in the Office of the Recorder of Deeds for Pettis County, Missouri.

11. Relocation of Businesses. The Company shall relocate those occupants or businesses displaced from any portion of the Property acquired by the Company in accordance with the Relocation Plan, except insofar as otherwise agreed in writing by such displaced occupant or business and approved in writing by the Company; it being understood and agreed that any displaced occupant or business may waive his/her/their rights to statutory and other relocation benefits under the Relocation Plan or otherwise. The City and Company acknowledge and agree that at the time of the City’s adoption of the Plan Ordinance and the Effective Date hereof, no business or resident within the Redevelopment Area is intended to be displaced.

12. Actions Contesting the Plan. At any time during the effective period of this Agreement, if a third party brings an action (or raises a defense to an action filed by the City in accordance with this **Section 12**) against the City or the City's officials, agents, employees or representatives contesting the validity or legality of the Redevelopment Area, the Redevelopment Projects, singularly or collectively, the Plan, the Plan Ordinance and the findings therein, any

Ordinance approving the Redevelopment Projects, the Obligations, or the Ordinance approving this Agreement, the Company shall assume the defense of such claim or action with counsel jointly determined by the Company and the City, which shall include, but not necessarily be limited to, the City Attorney and the City's special counsel for economic development matters, and pay the costs and attorney's fees of such counsel. The Company may not settle or compromise any claim or action for which the Company has assumed the defense without the prior approval of the City. However, if the City does not approve a settlement or compromise which the Company would agree to, the Company shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action. The Parties expressly agree that so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and the Company in any such proceeding; provided, the Company and the agreed-to counsel shall consult with the City throughout the course of any such action and the Company shall pay all reasonable and necessary costs incurred by the City in connection with such action. All cost of any such defense, whether incurred by the City or the Company, shall be deemed to be Reimbursable Project Costs and reimbursable from any amounts in the Special Allocation Fund or from the proceeds of Obligations, and such reimbursable litigation costs shall be in addition to the Reimbursable Project Costs set forth in the Redevelopment Project Cost Budget established in **Exhibit C**.

13. Funding Sources and Uses of Funds. The Project Improvements may be funded in one or more of the following ways:

A. Once there is enough TIF Revenue generated in the Special Allocation Fund, then TIF Revenue could be used to fund the Project Improvements;

B. Using the proceeds from bonds or other Obligations which the City has issued and is repaid by the TIF Revenue generated within the Redevelopment Area;

C. Company could fund the cost of the Project Improvements and seek reimbursement from available TIF Revenues; and/or

D. The City could loan money from its General Fund if permitted by the City's annual budget to pay for a Project Improvement, which is then repaid by the TIF Revenue generated within the Redevelopment Area, but this option for funding Project Improvements is only available as a funding source in case of emergency or as otherwise approved by the City Council and shall be reviewed on a case-by-case basis.

14. Conditions Precedent to Company's Duties. Company's obligations hereunder are expressly conditioned upon the occurrence of each of the following events:

A. Acquisition by Company of a fee simple interest in real property within the boundaries of the Redevelopment Area as provided herein.

B. City approval of all Legal Requirements and Land Use Approvals (if applicable).

C. City receiving enough TIF Revenue in order to provide such revenue to the Company to construct the Project Improvements or the City receiving enough TIF

Revenues to issue Obligations in which the proceeds of the Obligations will be used to fund the construction of the Project Improvements.

15. Conditions Precedent to City's Duties. City's obligations hereunder are expressly conditioned upon the occurrence of each of the following events:

A. Acquisition by Company of all real property within the boundaries of the Redevelopment Area as provided herein.

B. City approval of all Legal Requirements and Land Use Approvals (if applicable).

C. City receiving enough TIF Revenue in order to provide such revenue to the Company to construct the Project Improvements or the City receiving enough TIF Revenues to issue Obligations in which the proceeds of the Obligations will be used to fund the construction of the Project Improvements.

16. Payments in Lieu of Taxes.

A. Tax Increment Financing was established for the Redevelopment Area by Ordinance No. 9694 on November 17, 2008. Therefore, the real property located therein is subject to assessment for annual Payments in Lieu of Taxes. Payments in Lieu of Taxes shall be due November 30 of each year in which said amount is required to be paid and will be considered delinquent if not paid by December 31 of each such year or as otherwise determined by applicable law. The obligation to make said Payments in Lieu of Taxes shall be a covenant running with the land and shall create a lien in favor of City on each such tax parcel as constituted from time to time.

B. If the Company is required to pay Payments in Lieu of Taxes as to the property the Company owns within the Redevelopment Project Area, then failure to pay Payments in Lieu of Taxes shall constitute a default by the owner of such property subject to the provisions of **Section 34**, and shall entitle City, the County Collector or any other government official or body charged with the collection of any such sums (any one or more of such persons hereinafter individually or collectively referred to as the "Collection Commission") to proceed against such property and/or the owner thereof as in other delinquent property tax cases or otherwise as permitted at law or in equity, and, if applicable, such failure shall entitle the Collection Commission to seek all other legal and equitable remedies it may have to ensure the timely payment of all such sums or of the principal of and interest on any outstanding Obligations secured by such payments; provided, however, that the failure of any property in any of the Redevelopment Project Area to yield sufficient Payments in Lieu of Taxes because the increase in the current equalized assessed value of such property is or was not as great as expected, shall not constitute a breach or default. In the event the Collection Commission seeks the remedies authorized in this Section, the costs incurred shall be deemed Administrative Costs of the City reimbursable pursuant to **Section 42**.

C. Notwithstanding anything to the contrary, herein, the lien on property within any of the Redevelopment Project Area shall be deemed subordinate to the lot lines, utility easements and other similar matters granted to City or any public utility for public facilities or utilities or connection(s) thereto.

17. Economic Activity Taxes. In addition to the Payments in Lieu of Taxes described herein, (i) pursuant to Section 99.845 of the TIF Act, fifty percent (50%) of Economic Activity Taxes shall be allocated to, and paid by the local political subdivision collecting officer to the City Treasurer or other designated financial officer of City, who shall deposit such funds in the Economic Activity Account within the Special Allocation Fund. For as long as the Redevelopment Project Area is subject to Tax Increment Financing, Economic Activity Taxes shall be determined in accordance with the following procedures (subject to the provisions of Section 99.845 of the TIF Act):

A. Documentation of Economic Activity Taxes. Company, its successors and assigns, shall use good faith efforts to negotiate to contractually obligate any tenant or business to provide City with documentation of sales tax receipts for each business in any of the Redevelopment Project Area, indicating the type and amount of the Economic Activity Taxes paid by each such tenant or business located within the Redevelopment Project Area. Company shall use good faith efforts to negotiate to include the provisions as specified in **Section 24** in all lease documents with tenants located within the Redevelopment Project Area requiring said sales tax information to be provided to City. Unless such requirement is waived by City, a similar provision shall be included in all sales contracts with purchasers of property located in the Redevelopment Project Area requiring said sales tax information to be provided to City. Company agrees to cooperate with the City, at no cost or expense to Company, in the City's enforcement of said provisions to the maximum extent permitted by law, and Company hereby agrees that each such lease or sales contract shall provide that City is an intended third party beneficiary of such provisions and has a separate and independent right to enforce such provisions directly against any such tenant or purchaser.

B. Certification by City. City, following reasonable research and investigation, using independent consultants, accountants and counsel when appropriate at City's expense, but subject to reimbursement as a Reimbursable Project Cost as an administrative cost, shall certify the nature and amount of Economic Activity Taxes payable by each Taxing District from which Economic Activity Taxes are due, or as otherwise required by the procedures and requirements of the Taxing District from time to time established.

C. Presentation to Taxing Districts. The City shall take responsibility for collecting Economic Activity Taxes payable by each taxing district using its normal procedures.

D. Net New Sales Calculation For Relocations. If an existing retail establishment within Pettis County relocates within one year from such County facility to a facility within the Redevelopment Project Area and the City Council

determines by Ordinance that the retail establishment is a direct beneficiary of Tax Increment Financing, then in accordance with the provisions of the TIF Act, the Economic Activity Taxes generated by the relocated retail establishment shall equal the amount by which the total additional revenues from Economic Activity Taxes which are imposed by the City and other Taxing Districts exceeds the amount of Economic Activity Taxes generated by the retail establishment in the calendar year prior to its relocation to any of the Redevelopment Project Area.

18. Special Allocation Fund. The Finance Director, or his designee, shall establish and maintain the Special Allocation Fund which shall contain at least two (2) separate segregated ledger accounts. Payments in Lieu of Taxes shall be deposited into the Special Allocation Fund and recorded into the Payment in Lieu of Taxes Account within the Special Allocation Fund. Fifty percent (50%) of Economic Activity Taxes shall be deposited into the Special Allocation Fund and recorded into the Economic Activity Account. TIF Revenue that is deposited and any interest earned on such deposits will be used for the payment of Reimbursable Project Costs in accordance with Legal Requirements.

19. Disbursements from Special Allocation Fund. Disbursements from the Special Allocation Fund, to the extent available, will be made in the following manner and order of preference:

A. Payment of Administrative Costs incurred by the City as described in **Section 42**;

B. Payment of Debt Service on Obligations, if any are issued, pursuant to the terms of the bond documents or payment of Reimbursable Project Costs that are funded by the City from the General Fund;

C. Payment of Reimbursable Project Costs as funds are available in the Special Allocation Fund.

20. Company Project Cost Certification.

A. Request for Certification. Attached to this Agreement as **Exhibit C** is a list of Company Reimbursable Project Costs.

(1) Only Company, and those successors and assigns of Company that have been specifically assigned rights to TIF Revenue under this Agreement pursuant to an Assignment Agreement in accordance with **Section 29** shall have the right to submit requests for certification of Reimbursable Project Costs under the line items and within the budget amounts identified on **Exhibit C** (the "**Company Cost Categories**"). Project Costs incurred within the Company Cost Categories are herein sometimes referred to as "**Company Project Costs**".

B. Company Project Costs. Upon completion of one or more Project Improvements, Company shall present to the City (1) an affidavit executed by the Company in which the Company certifies that it has constructed the Project Improvement(s) in accordance with the TIF Plan, this Agreement and all other Legal

Requirements ("**Affidavit**"), and (2) the invoice for payment directly to the contractor. Upon receipt of the Affidavit and invoice, City staff shall confirm that the Project Improvement(s) were completed in accordance with the TIF Plan, this Agreement and all other Legal Requirements. If, however, the Company chooses to construct the Project Improvements with Company funds or proceeds from Obligations issued by the City, then upon completion of the Project Improvements, Company shall present to City an application for certification of Project Costs which details Project Costs paid in accordance with this Agreement and the Plan, together with such supporting documentation (including copies of invoices, canceled checks, receipts, lien waivers, and such other supporting documentation as City shall reasonably require) as City shall reasonably determine to be necessary in a form provided by the City (the "**Certification Application**"), City shall review, verify and confirm the information included in the Certification Application.

(1) In no event shall Company Project Costs exceed Four Hundred Thousand Dollars ($400,000.00). Financing Costs shall also be reimbursable as Reimbursable Project Costs but shall not be included in the foregoing dollar amount cap on reimbursement. In no event shall Third Parties be entitled to reimbursement unless such reimbursement is assigned pursuant to this Agreement.

(2) If a Certification Application is submitted, the Certification Application shall: (1) separately identify each item of Reimbursable Project Cost by a specific line item category detailed in the Redevelopment Project Cost Budget; (2) aggregate all costs in the Certification Application by reimbursable line item category as set forth in the Redevelopment Project Cost Budget; (3) include a report setting forth the total amount, by reimbursable line item category from the Redevelopment Project Cost Budget of all Reimbursable Project Costs set forth in the then-current Certification Application and all prior Certification Applications approved by City or for which approval is pending; and (4) include a report setting forth the Company's estimate of the approximate percentage of work, by reimbursable line item category from the Redevelopment Project Cost Budget completed as of the date of the current Certification Application.

(3) If the City determines that: (i) either the invoice or the Certification Application accurately reflects Reimbursable Project Costs in accordance with this Agreement and the Plan; and (ii) the Reimbursable Project Costs for which certification or payment is requested is in accordance with the Redevelopment Project Cost Budget, the City shall approve the invoice or Certification Application within forty-five (45) days after Company submits either the invoice or Certification Application.

C. Disapproval of Certification Application.

(1) If City, pursuant to its review of either the invoice or Certification Application and supporting documentation, determines that any portion of the request for reimbursement or payment of the invoice should not be approved, it shall promptly state in writing the reasons for such disapproval to Company.

(2) The City shall provide Company with written notice of the reasons for disapproval of Company's Certification Application or payment of invoice,

within forty-five (45) days after Company submits the invoice or Certification Application. Any such disapproval of Company's request may be appealed by Company to the City Council, which shall upon Company's request hold a hearing at which Company may present new and/or additional evidence.

(3) If the invoice or any potion of the invoice is disapproved, then the City shall not pay that invoice or portion of the invoice that is the subject of the disapproval. If the Certification Application or any portion of the Certification Application is disapproved, the Company will not be reimbursed for said project cost amount.

D. Administrative Approval. At the option of the City Administrator or his designee, each Certification Application or invoice for Company Reimbursable Project Costs may be approved administratively, and if the City Administrator or his designee elects to approve such invoice or Certification Application administratively, no action of the City Council shall be required to approve such invoice or Certification Application.

E. Payment of Interest Expenses.

(1) Third Party Borrowing. In the event City incurs Financing Costs on amounts City was loaned to finance and pay for Reimbursable Project Costs from a "non-Affiliate" third party in an arms-length transaction, the City shall be reimbursed as a Reimbursable Project Cost the actual Financing Costs incurred and certified pursuant to this **Section 20**.

(2) Account Borrowing. In the event City borrows money from its General Revenue Fund to finance and pay for Reimbursable Project Costs, the City shall be reimbursed as a Reimbursable Project Cost the amount of interest it lost by not being able to invest those funds as further set forth in paragraph 5 below.

(3) Equity. Interest paid on equity shall be calculated using the same rates as those calculated for Third Party Borrowing.

(4) Interest Paid Not Included In Total Reimbursable Project Costs. Any interest paid by City pursuant to this **Section 20.E** shall not be included as an expense against the total amount set out in the Redevelopment Project Cost Budget for Reimbursable Project Costs.

(5) Interest Calculation. For purposes of calculating reimbursable interest, City shall certify the amount of reimbursable interest as a separate line item, which shall accrue for any given Reimbursable Project Cost beginning with the day of the Reimbursable Project Cost was paid and ending the day such Reimbursable Project Cost is reimbursed hereunder.

F. Reallocation of Cost Savings. Company shall, in each Certification Application or with each invoice submitted, identify the specific line item assigned within the Redevelopment Project Cost Budget as to each Reimbursable Project Cost

for which certification or payment is requested. If, after the issuance of a Certificate of Completion and Compliance for the Redevelopment Project, or portion thereof, there have been cost savings in the amount expended, which does not exceed ten percent (10%) of the budgeted amount for that line item, with respect to any specific Project Improvement line item, then such excess reimbursable amounts shall be allocated to a separate line item to fund cost overruns that have not been funded from funds within the Special Allocation Fund. For example, and for illustration purposes only, if Company completes exterior repairs and renovation at a cost savings, Company can use the money from the Cost Savings Category to pay overruns in the electrical work equal to the amount of the cost savings. Company shall be entitled to transfer amounts between Project Improvement line items, so long as Company does not (a) exceed the reimbursement caps set forth in **Section 20.B(1)** hereof; or (b) transfer to line items that are not approved as Reimbursable Project Costs.

If, however, the cost savings amount exceeds ten percent (10%) of the budgeted amount for that line item, Company shall provide the City with documentation showing the reason for the cost savings as well as documentation showing cost overruns in other Company Cost Category the Company wishes to use the cost savings for. The City Administrator, or his designee, shall review and determine if such costs savings above the ten percent (10%) limit can be used to fund cost overruns in other Company Cost Category. Should the City Administrator, or his designee, disapprove of Company's request, then Company may appeal its request to the City Council, which shall upon Company's request hold a hearing at which Company may present new and/or additional evidence.

G. Amendments Due to Cost Overruns. The parties acknowledge that the Redevelopment Project Costs set forth in **Exhibit C** are estimates. In the event that actual costs exceed these estimates, Company may request approval of the City Council to increase the aggregate amount of Reimbursable Project Costs to mitigate the cost increase. Any such request to the City Council by the Company shall explain with supporting documentation such increase in the aggregate amount of the Company's Redevelopment Project Costs and identify the amount of additional cost reimbursement the Company would require to keep the respective shares of Redevelopment Project Costs of the Company and City the same as at the time of the City's adoption of the Plan Ordinance. Any request to increase the TIF Reimbursable Costs column by an amount that results in a change in the nature of the Redevelopment Projects shall require amendment of the Plan according to the procedures established in the TIF Act, including a hearing by the TIF Commission. At the time the City Council considers a request for an increase in the TIF Reimbursable Costs column, the City Council may separately consider reimbursement of Financing Costs associated with such request.

21. Payment of Project Costs - "As Collected" Basis. The Redevelopment Project, consisting of all the line items set forth in Table 4-2 of the Plan shall be completed in the order listed on **Exhibit D-1**. This means that any TIF Revenue generated within the Redevelopment Area shall first be distributed to pay for/reimburse the City for professional fees. Once professional fees have been reimbursed, then the TIF Revenue shall be disbursed to pay for

stabilization and rehabilitation of the Sedalia Trust Building, and so on and so forth. Once line items 1-4 on **Exhibit D-1** have been paid for/reimbursed, any TIF Revenue generated within the Redevelopment Area shall be used to renovate and rehabilitate the Uptown Theater and Liberty Center. The Parties anticipate that the Company will be paid on an "as collected" basis and have Reimbursable Project Costs paid from the Special Allocation Fund on such an "as collected" basis. Company shall present to City a Certification Application setting forth the actual costs incurred to complete the project. Once the Certification Application is approved, Company will receive its Completion Certificate. City, in its sole discretion, shall disburse to Company a pro-rata portion of proceeds from the Special Allocation Fund, to the extent such funds are available in the Special Allocation Fund, within ten (10) business days after notifying the Company that such funds are available. The pro-rata portion of proceeds is an amount divided between the Company's project and the Liberty Center project. Specifically, the total cost to rehabilitate and renovate the Uptown Theater and Liberty Center (Project Improvement line items 1-4 on Exhibit C of the TIF Contract between the City and Liberty Center) is $733,700. The Company's portion of that total is $400,000 which equates to 55% of the total. The portion of the total for the Liberty Center is $333,700 which equates to 45% of the total. Therefore, the Company's portion of the proceeds from the Special Allocation Fund is 55% of the available funds. Any payments made on an "as collected" basis shall be payable in accordance with the payment priority set forth in **Section 19**. The City shall not distribute proceeds from the Special Allocation Fund beyond the limits set forth in **Section 20.B(1)** hereof.

22. Full Assessment of Redevelopment Area. After all Reimbursable Project Costs have been paid, but not later than twenty-three (23) years from the last adoption of a Redevelopment Project Ordinance, City shall adopt an Ordinance dissolving the Special Allocation Fund and terminating the designation of the Redevelopment Area as a redevelopment area under the TIF Act (the "**Termination Ordinance**"). From that date forward, all property in the Redevelopment Area that is subject to assessments and payment of ad valorem taxes, shall be subject to such assessments and payment of ad valorem taxes, including, but not limited to, City, State, and County taxes, based on the full true value of the real property and the standard assessment ratio then in use for similar property by the County Assessor. After the adoption of the Termination Ordinance, the Redevelopment Area shall be owned and operated by the various property owners free from the conditions, restrictions and provisions of the TIF Act, of any rules or regulations adopted pursuant thereto, of the Plan Ordinance, of the Plan, and of this Agreement, except as otherwise set forth herein or therein.

23. Business Occupant Approvals. Company shall have complete and exclusive control over the sale and leasing of property which it owns within the Redevelopment Area including, without limitation, the fixing of rentals and the selection or rejection of tenants; provided:

A. Company shall not sell or lease property which it owns within the Redevelopment Area to businesses who propose to use such property for any of the non-permitted purposes set forth in **Section 9** and **Exhibit E** attached hereto, except by approval of the City Council.

B. Without the approval of the City, the Company shall not cause or allow the relocation of a business within the Redevelopment Project Area, which business is

then open and operating in the City and then ceases to operate the existing facility within eighteen (18) months after the opening of the new facility within the Redevelopment Project Area. In the event that Company violates the requirements of this subsection and fails to receive the prior approval of the City as set forth above, for each such violation the Company shall pay to the City an amount equal to two (2) times the amount of all City retail sales taxes generated by such store at its prior location during the preceding calendar year ("**Relocation Penalty Payment**"). Any Relocation Penalty Payment shall be due and payable within fifteen (15) business days after receipt of written notice from the City for such payment. Failure to make any Relocation Penalty Payment when due shall be an event of default of this Agreement and Company shall be subject to the remedies set forth herein.

24. Lease of Project Property. Company, or any third party, may lease its real property within the Redevelopment Area. Unless the City Council waives this requirement as to a particular tenant, Company shall insert in any such lease, or include a provision in the "**Declaration of Restrictive Covenants**" (as defined in **Section 25** of this Agreement) requiring any third party to insert, the following language (or similar language) and, if not included in the Declaration of Restrictive Covenants, shall have such Company lease signed by the lessee indicating acknowledgment and agreement to the following provision:

> **Economic Activity Taxes and Sales Taxes:** Tenant acknowledges that the Leased Premises are a part of a TIF redevelopment area in Sedalia, Missouri (the "City") and that certain taxes generated by Tenant's economic activities, including sales taxes and utility taxes will be applied in payment of certain costs related to the development. Tenant shall forward to the City Finance Department copies of Tenant's State of Missouri sales tax returns for its sales within the Leased Premises when and as they are filed with the Missouri Department of Revenue, quarterly copies of all utility bills paid in relation to the Leased Premises identifying the amount of taxes paid on such utilities, and, upon request, shall provide such other reports and returns regarding other state or local taxes generated by Tenant's economic activities upon the Leased Premises as the City shall require, all in the format prescribed by the City.
>
> Tenant represents and warrants that its business is not currently located in the City, or if it is located within the City, for eighteen months after locating within the Redevelopment Area, such other business location within the City shall not close. Tenant acknowledges that if Tenant's current business within the City closes within eighteen months after locating within the Redevelopment Area, this Lease shall become ineffective unless the City Council approves this Lease. Tenant acknowledges that the City is a third-party beneficiary of the obligations in this Section, and that the City may enforce these obligations in any manner provided by law.

If such language is not included in the Declaration of Restrictive Covenants, failure of Company to require that such restrictions be placed in any such lease shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Redevelopment Area. The City shall comply with all applicable state laws limiting disclosure of sales tax information related to individual businesses provided to the City as documentation of Economic Activity Taxes. The City's access and use of such information shall be limited to only that which is necessary to administer the TIF Revenue.

25. Sale or Disposition of Project Property.

A. Sale of Property. Except for a transfer to a Related Entity, the Company shall not sell its fee simple interest in its real property until completion of the Project Improvements on such property and all Project Improvements have been completed as evidenced by a Certificate of Substantial Completion and occupancy permit.

B. Continuation of Payments in Lieu of Taxes. In the event of the sale or other voluntary or involuntary disposition of any or all of the real property of Company or any third party in the Redevelopment Area, Payments in Lieu of Taxes with respect to the real property so sold or otherwise disposed of shall continue and shall constitute a lien against the property from which they are derived, and such obligations shall inure to and be binding upon Company and its successors and assigns in ownership of said property as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable as if such purchaser, transferee or other possessor thereof were originally a party to and bound by this Agreement.

C. Obligation to Ameliorate Existing Conditions. Company's obligations pursuant to **Section 5.C** hereof, unless earlier satisfied and certified pursuant to this Agreement, shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties as if they were in every case specifically named.

D. Incorporation. The restrictions set forth in **Sections 9 (non-permitted uses), 17 (EATs), 24 (leases),** and **25 (sales/transfer)** shall be incorporated into any deed or other instrument from Company and its assigns conveying an interest in real property, other than a lease agreement, within the Redevelopment Area and shall provide that said obligations or restrictions shall constitute a benefit held by both Company and City and that City is an intended third party beneficiary of said obligations and restrictions. Failure of Company to require that such restrictions be placed in any such deed or other instrument shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Redevelopment Area. Notwithstanding the foregoing provisions of this **Section 25.D**, in lieu of the requirement that such restrictions be incorporated into any deed or other instrument conveying an interest in real property and in lieu of any other provisions of this Agreement that require Company to contractually obligate a purchaser or other successor owner to comply with certain restrictions in this Agreement, Company may instead record a declaration of restrictive covenants (the "**Declaration of Restrictive Covenants**") against all property in the Redevelopment Area now owned or in the

future owned by Company, binding upon its successors in ownership and requiring such successors to comply with the terms of this Agreement.

Any such Declaration of Restrictive Covenants shall further provide that (i) the obligations and restrictions contained in the Declaration of Restrictive Covenants shall inure to and be binding upon Company and its successors and assigns in ownership of said property and shall be construed as a covenant running with the land, (ii) the obligations and restrictions shall constitute a benefit held by both Company and the City and that the City is an intended third party beneficiary of said obligations and restrictions and has a separate and independent right to enforce such provisions, and (iii) the Declaration of Restrictive Covenants shall remain in effect for the duration of the Plan and shall be binding upon Company and its successors in interest only during their respective period of ownership of the property within the Redevelopment Area. Company shall record the Declaration of Restrictive Covenants in the office of the Recorder of Deeds for Pettis County at its cost and expense prior to the sale or transfer by Company of any property within the Redevelopment Area. Prior to recording the Declaration of Restrictive Covenants, Company shall provide a copy of the same to the City.

E. Notification to City of Transfer. Company shall notify City in writing of any proposed sale or other transfer of any or all of the real property in the Redevelopment Area or any interest therein. Such notice shall be provided not less than thirty (30) days prior to the proposed effective date of the sale or other transfer and, if a Declaration of Restrictive Covenants has not yet been recorded in satisfaction of all of the requirements of **Section 25.D**, then such notice shall include a copy of a draft deed of such sale or other disposition to enable City to confirm that the requirements set forth above in this **Section 25** have been fulfilled.

26. Continuing Disclosure and Progress Reports.

A. Continuing Disclosure. In the event that the Company becomes insolvent, is notified of default or foreclosure of loans related to the Redevelopment Project, begins voluntary or involuntary bankruptcy proceedings, or otherwise suffers a reduction in capacity to complete the Redevelopment Project, the Company shall notify the City of such issue in accordance with this Agreement.

B. Progress Reports. At the first regularly-scheduled meeting of the City Council following the first anniversary of the execution of this Agreement and each anniversary thereafter until all Project Improvements are completed, Company shall report to the City Council the progress of its implementation of the Redevelopment Projects. At the first regularly-scheduled meeting of the City Council following the fifth anniversary of the Plan and on each five-year anniversary thereafter so long as the Plan shall remain in effect, Company shall prepare and present to the City Council a detailed report on the progress of implementation of the Redevelopment Projects, and, in accordance with Section 99.865.3 of the TIF Act, a public hearing shall be held to determine if the Redevelopment Area, Plan and the included Redevelopment Projects are making satisfactory progress under the Redevelopment Schedule. The Company's

reports shall include such information as is required under the reporting requirements of the TIF Act, such additional information as City may reasonably require, and such additional information as Company wishes to present, including, without limitation:

(1) Project Improvements completed;

(2) Status of Project Improvements in progress but not yet completed;

(3) Actual Redevelopment Project Costs in the Redevelopment Project Area compared to Redevelopment Plan estimates;

(4) Actual start and completion dates of Project Improvements in the Redevelopment Project Area compared to Redevelopment Plan estimates; and

(5) Estimated start date of Project Improvements not yet commenced at date of report.

C. Company shall from time to time furnish such other reports on specific matters not addressed by the foregoing as City may reasonably require.

27. Compliance with Laws. Subject to Company's rights to contest the same in any manner permitted by law, Company, its officers, directors and principals, at its sole cost and expense, shall comply in every respect with all Legal Requirements, ordinances, rules and regulations of all federal, state, county and municipal governments, agencies, bureaus or instrumentalities thereof now in force or which may be enacted hereafter which pertain to the construction of the Project Improvements, and the ownership, occupancy, use and operation of the Redevelopment Projects and the Redevelopment Area.

28. Authorized Employees. Company acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the state of Missouri. Company therefore covenants, and will provide an affidavit from any general contractor directly employed by Company to construct Project Improvements in substantially the same form as is attached as **Exhibit G**, attesting that it is not knowingly in violation of subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work related to this Agreement, and that its employees are lawfully eligible to work in the United States.

29. Assignment of Company's Obligations.

A. Without limiting the rights of Company or any third party under **Section 25**, Company agrees that this Agreement and the rights, duties and obligations hereunder may not and shall not be assigned by Company without the prior written consent of the City, which consent will not be unreasonably withheld. Any proposed assignee shall have all of the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations of Company, and, if the proposed assignment relates to a portion of the Redevelopment Area, such obligations to the extent that they relate to such portion of the Redevelopment Area.

B. Any proposed assignee shall, utilizing a form substantively and substantially similar to the form attached hereto as **Exhibit F** (the "**Assignment Agreement**"), expressly for the benefit of City, assume all of the obligations of Company under this Agreement and agree to be subject to all the conditions and restrictions to which Company is subject (or, in the event the assignment is of or relates to a portion of the Redevelopment Area, such obligations, conditions and restrictions to the extent that they specifically relate to such portion). For purposes of this section, any sale, transfer, assignment, pledge or hypothecation of an interest in Company (other than to an Affiliate of Company) that results in a change in management control of Company will constitute an assignment of this Agreement. Upon approval of the Assignment Agreement by City as set forth herein, Company shall be released from such obligations accruing after the date of such assignment, and any default by any such assignee shall not affect Company's rights under this Agreement, including the right to receive TIF Revenue generated within the Redevelopment Area.

30. Representations and Warranties

A. Representations of the City. The City makes the following representations and warranties, which are true and correct on the date hereof:

(1) Due Authority. The City has full constitutional and lawful right, power and authority, under current applicable law, to execute, deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the City, enforceable in accordance with its terms.

(2) No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

(3) Litigation. To the best of the City's knowledge, there is no litigation or proceeding pending against the City with respect to the Redevelopment Plan or this Agreement. In addition, to the best of the City's knowledge, there is no other litigation or proceeding that is pending against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of the terms and provisions of this Agreement.

(4) Governmental or Corporate Consents. Except for approval of this Agreement by Ordinance of the City Council, no consent or approval is required to

be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement.

(5) No Default. No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the City under this Agreement.

(6) Construction Permits. The City reasonably believes that all permits and licenses necessary to construct the Project Improvements can be obtained.

B. The Company makes the following representations and warranties, which are true and correct on the date hereof:

(1) Due Authority. The Company has all necessary power and authority to execute, deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Company herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Company, enforceable in accordance with its terms.

(2) No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

(3) Litigation. To the best of the Company's knowledge, there is no litigation, proceeding or investigation pending or threatened against the Company seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Company to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Company, of the terms and provisions of this Agreement.

(4) No Material Change. (1) The Company has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Agreement and (2) there has been no material adverse change in the business, financial position, prospects or results of operations of the Company, which could affect the Company's ability to perform its obligations pursuant to this Agreement from that shown in the financial information provided by the Company to the City prior to the execution of this Agreement.

(5) Governmental or Corporate Consents. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution, delivery and performance by the Company of this Agreement other than the subsequent approvals addressed in this Agreement.

(6) No Default. No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Company under this Agreement, or any other material agreement or material instrument to which the Company is a party or by which the Company is or may be bound.

(7) Approvals. Except for subsequent approvals addressed in this Agreement, the Company has obtained all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Project Improvements. The Company reasonably believes that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will be obtained in due course.

(8) Construction Permits. Except for subsequent approvals addressed in this Agreement, all governmental permits and licenses required by applicable law to construct, occupy and operate the Project Improvements have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Company reasonably believes, after due inquiry of the appropriate governmental officials, that such permits and licenses will be issued in a timely manner in order to permit the Project Improvements to be constructed.

(9) Compliance with Laws. The Company is in compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement.

(10) Other Disclosures. The information furnished to the City by the Company in connection with the matters covered in this Agreement are true and correct and do not contain any untrue statement of any material fact and do not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

(11) Project. The Company represents and warrants that the Redevelopment Area is of sufficient size to construct the Project as contemplated in the Plan and this Agreement.

31. Indemnification.

A. Company shall indemnify, protect, defend and hold City and its officers, directors, members, commissioners, employees and agents (collectively, the "**Indemnified Parties**" or, individually, an "**Indemnified Party**") harmless from and against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed, of whatsoever kind or character (including consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any acts or omissions of Company, its constituent members or partners, their employees, agents, independent contractors, licensees, invitees or others acting by, through or under such indemnifying parties, in connection with its or their activities conducted pursuant to this Agreement and/or in connection with the ownership, use or occupancy and development or redevelopment of the Redevelopment Area or a portion thereof and the Project Improvements, including but not limited to, any damages or penalties incurred by the City as a result of the failure of the Company or its contractors to comply with applicable Legal Requirements related to the construction of the Project Improvements.

B. In the event any suit, action, investigation, claim or proceeding (collectively, an "**Action**") is begun or made as a result of which Company may become obligated to one or more of the Indemnified Parties hereunder, the Indemnified Party shall give prompt notice to Company of the occurrence of such event. After receipt of such notice, Company may elect to defend, contest or otherwise protect the Indemnified Party against any such Action, at the cost and expense of Company, utilizing counsel of Company's choice. The Indemnified Party shall have the right, but not the obligation, to participate, at the Indemnified Party's own cost and expense, in the defense thereof by counsel of the Indemnified Party's choice. In the event that Company shall fail timely to defend, contest or otherwise protect an Indemnified Party against such Action, the Indemnified Party shall have the right to do so, and (if such defense is undertaken by the Indemnified Party after notice to Company asserting Company's failure to timely defend, contest or otherwise protect against such Action), the Indemnified Party may submit any bills for fees and costs received from its counsel to Company for payment and, within thirty (30) business days after such submission, Company shall transfer to the Indemnified Party sufficient funds to pay such bills. Company acknowledges that such bills may be redacted to delete any information which would constitute attorney-client communication or attorney work product.

C. An Indemnified Party shall submit to Company any settlement proposal that the Indemnified Party shall receive. Company shall be liable for the payment of any amounts paid in settlement of any Action to the extent that Company consents to such settlement. Neither Company nor the Indemnified Party will unreasonably withhold its consent to a proposed settlement.

D. Company expressly confirms and agrees that it has provided this indemnification and assumes the obligations under this Agreement imposed upon Company in order to induce City to enter into this Agreement. To the fullest extent permitted by law, an Indemnified Party shall have the right to maintain an action in

any court of competent jurisdiction to enforce and/or to recover damages for breach of the rights to indemnification created by, or provided pursuant to, this Agreement. If such court action is successful, the Indemnified Party shall be reimbursed by Company for all fees and expenses (including attorneys' fees) actually and reasonably incurred in connection with such action (including, without limitation, the investigation, defense, settlement or appeal of such action).

E. With respect to liability that arises during the term of this Agreement, the right to indemnification set forth in this Agreement shall survive the termination of this Agreement.

F. Any costs, fees, and expenses paid by Company under this **Section 31** shall be Reimbursable Project Costs and shall not count against the caps on Company Reimbursable Project Costs set forth in **Section 20.B(1)**.

32. Insurance.

A. As used in this **Section 32**, "Replacement Value" means an amount sufficient to prevent the application of any co-insurance contribution on any loss but in no event less than one hundred percent (100%) of the actual replacement cost of the Project Improvements, including additional administrative or managerial costs that may be incurred to effect the repairs or reconstruction, but excluding costs of excavation, foundation, and footings.

B. The Company, or its successors and assigns, shall keep the Project Improvements continuously insured with property insurance for full Replacement Value, which such deductible provisions as are customary in connection with the operation of facilities of the type and size comparable to the Project Improvements.

C. The City does not represent in any way that the insurance specified in this Section, whether in scope, overall coverage or limits of coverage, is sufficient to protect the business or interests of the Company.

D. All such policies, or a certificate or certificates of the insurers that the insurance required in this **Section 32** is in full force and effect, shall be provided to the City. Prior to the expiration of any such policy, the Company shall furnish to the City with satisfactory evidence that such policy has been renewed or replaced or is no longer required by this Agreement; provided, however, the insurance so required may be provided by blanket policies now or hereafter maintained by the Company if the Company provides the City with a certificate from an Insurance Consultant to the effect that such coverage is substantially the same as that provided by individual policies. All policies evidencing the insurance to be required by this Agreement shall provide for thirty (30) days' written notice (other than for nonpayment of premium, which shall provide for at least ten (10) days' notice) to the Company and the City of any cancellation, reduction in amount or material change in coverage.

33. Obligation to Restore.

A. Restoration of Project Improvements by Company. Utilizing casualty insurance proceeds, the Company, or its successors and assigns, shall promptly restore, replace, or rebuild the Project Improvements, or shall promptly cause the same to be restored, replaced, or rebuilt, to as nearly as possible the value, quality, and condition it was in immediately prior to fire or other casualty, with such alterations or changes as may be approved in writing by the City (which approval shall not be unreasonably withheld) if any portion of the Project Improvements becomes damaged or destroyed, in whole or in part, by fire or other casualty (whether or not covered by insurance). The Company, and its successors and assigns, shall give prompt written notice to the City of any damages or destruction by fire or other casualty to the Project Improvements, irrespective of the amount of such damage or destruction, but in such circumstances the Company shall make the property safe and in compliance with all Legal Requirements.

B. Enforcement. The restrictions established in this **Section 33** are for the benefit of the City and may be enforced by the City by suit for specific performance or for damages.

34. Breach-Compliance.

A. If Company or City does not comply with provisions of this Agreement, including provisions of the Plan, within the time limits and in the manner for the completion of the Redevelopment Projects as therein stated, except for any extensions or waivers described herein and Excusable Delays, in that Company or City shall do, permit to be done, or fail or omit to do, anything contrary to or required of it by this Agreement or the Plan, and if, within sixty (60) days after notice of such default by the non-defaulting party to the defaulting party, the defaulting party shall not have cured such default or commenced such cure and be diligently pursuing the same if such cure would reasonably take longer than said sixty (60) day period, then the non-defaulting party may institute such proceedings as may be necessary in its opinion to cure the default including, but not limited to, proceedings to compel specific performance by the party in default of its obligations (except that no party shall be enjoined to engage in any construction) and, in the case of default by Company, City is granted the right to terminate this Agreement, the right to apply any deposit or other funds submitted by Company to City in payment of the damages suffered by it, the right to withhold or apply funds from the Special Allocation Fund to such extent as is necessary to protect City from loss or to ensure that the Plan and the Redevelopment Projects are fully and successfully implemented in a timely fashion, and the right to withhold issuance of a Certificate of Completion and Compliance. Notwithstanding anything to the contrary herein, the City shall, in good faith, approve any Certification Application and disburse funds to Company for Reimbursable Project Costs. If any action is instituted by either party hereunder, the non-prevailing party in such action shall pay any and all costs, fees and expenses, including attorneys' fees incurred by the prevailing party in enforcing this Agreement.

B. The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative and the exercise by either party of

any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by either party shall apply to obligations beyond those expressly waived.

C. Company (for itself and its successors and assigns, and for all other persons who are or who shall become liable, by express or implied assumption or otherwise, upon or subject to any obligation or burden under this Agreement), waives to the fullest extent permitted by law and equity all claims or defenses otherwise available on the ground of being or having become a surety or guarantor, whether by agreement or operation of law. This waiver includes, but is not limited to, all claims and defenses based upon extensions of time, indulgence or modification of terms of contract.

D. Any delay by either party in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this **Section 34** shall not operate as a waiver of such rights or limit them in any way. No waiver in fact made by either party of any specific default by the other party shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default, except to the extent specifically waived.

E. In no event shall City be obligated to approve a Certificate of Completion or Compliance or issue a Certificate of Occupancy at any time while any default by Company has occurred and remains uncured beyond Company's cure period as provided in **Section 34.A.** herein, and City has provided notice of such default as required under **Section 34**. Notwithstanding the above, if the City validly terminates this Agreement, the Company shall be required to return to the City all TIF Revenue it received to complete the Project Improvements less any funds spent on Reimbursable Project Costs that Company completed and the City approved evidenced by a Certificate of Completion or Compliance. If City shall at any time elect to rely upon the provisions of this **Section 34.E** as the basis for an action by City, City shall, at the time of such election, notify Company in writing of such decision and the specific facts or events relied upon by City as the basis for such action by City.

F. Notwithstanding anything to the contrary contained in this Agreement, a breach of any obligation under this Agreement by a party other than Company will not constitute a breach of this Agreement with respect to Company and Company's reimbursement rights hereunder.

35. Excusable Delays.

A. The parties understand and agree that neither party shall be deemed to be in default of this Agreement because of delays or temporary inability to commence, complete or proceed in accordance with the Redevelopment Schedule, due in whole or in part to causes beyond the reasonable control or without the material fault of such party which are caused by the action or failure to act of any governmental body, including but not limited to the issuance of permits and approvals by the City, acts of war or civil insurrection, breach of this Agreement by the other party or any natural occurrence, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God,

labor disputes, governmental restrictions or priorities, embargoes, litigation, tornadoes, or unusually severe weather (collectively "**Excusable Delays**").

B. The time of performance hereunder shall be extended for the period of any delay or delays caused or resulting from any of the foregoing causes, with, in the case of any extension sought by Company, the approval of City, which approval shall not be arbitrarily or unreasonably withheld. Nothing herein shall excuse Company from any obligation to pay money hereunder, nor shall this Section excuse Company from performance of its obligations because of a lack of funds or inability to obtain financing. Company may be granted such extensions upon presentation of reasonable evidence and/or documentation of the periods of such Excusable Delays.

36. Notice. Any notice required by this Agreement shall be deemed to be given if it is mailed by United States certified mail, postage prepaid, and addressed as hereinafter specified.

To the City:	With a copy to:
Gary Edwards, City Administrator City of Sedalia, Missouri 200 South Osage Sedalia, Missouri 65301	Jennifer M. Baird, Esq. Lauber Municipal Law, LLC 529 SE 2nd Street, Suite D Lees Summit, Missouri 64063
To the Company:	With a copy to:
Sedalia Downtown Development, Inc. Attn: _____ 300 South Ohio Sedalia, Missouri 65301	_____ _____ _____ _____

Each party shall have the right to specify that notice be addressed to any other address by giving to the other party ten (10) days' written notice thereof.

37. Modification. The terms, conditions, and provisions of this Agreement and of the Plan can be neither modified nor eliminated except in writing and by mutual agreement between City and Company.

38. Effective Date and Term. This Agreement shall become effective on the date first set forth above, and shall remain in full force and effect, until the earlier of a) completion of all Project Improvements, or b) the City's proper adoption of the Termination Ordinance pursuant to the terms of this Agreement.

39. Recording. The City shall prepare and record a memorandum of this Agreement in the Office of the Recorder of Deeds for Pettis County.

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

41. Covenant Running With the Land. The provisions of this Agreement shall remain in effect for the duration of this Agreement. They shall be covenants running with the land and shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and be enforceable by, City, its successors and assigns, against Company, its successors and assigns, (provided, subject to the provisions of **Section 29** hereof, that any such covenants shall be binding on Company itself, and its successors and assigns, only during their period of ownership).

42. Administrative Costs and Expenses.

A. The City shall receive an administrative fee to cover costs of additional resources necessary to implement the TIF Plan and administer this Agreement and deposits to and payments from the Special Allocation Fund. Actual additional documented third party professional service costs and other out-of-pocket expenses reasonably incurred by City that are found by City to be necessary for it in connection with the Plan, this Agreement or otherwise relating to the Redevelopment Projects, including fees imposed by the State or County relating to the collection and disbursal of PILOTs, shall be reimbursed from the Special Allocation Fund.

B. Upon the request of Company, City shall furnish appropriate documentation of the administrative costs and expenses as referred to in this **Section 42**, and shall allow Company or its representatives an opportunity to review the accounts and records of City with regard to such administrative costs and expenses. In the event Company disputes the reasonableness of any portion of the City's administrative costs and expenses as referred to in this **Section 42**, then, Company may request, and the City Council will hold, a hearing at which Company may present evidence as to why the City's request to utilize TIF Revenue for such expenses should be denied.

43. Validity and Severability. It is the intention of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of State of Missouri, and that the unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable. All exhibits attached hereto are hereby incorporated into this Agreement by reference.

44. Time and Performance are of the Essence. Time and exact performance are of the essence of this Agreement.

45. City's Legislative Powers. Notwithstanding any other provisions in this Agreement, nothing herein shall be deemed to usurp the governmental authority or police powers of City or to limit the legislative discretion of the City Council, and no action by the City Council in exercising its legislative authority shall be a default under this Agreement.

46. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venture or any association between the City and Company.

47. Good Faith; Consent or Approval. In performance of this Agreement or in considering any requested extension of time, the parties agree that each will act in good faith, cooperate in expeditious and timely approvals, and will not act unreasonably, arbitrarily, or capriciously or unreasonably withhold or delay any approval required by this Agreement; provided, however, that the City need not act reasonably in considering a requested extension of time that would extend a time period set forth in this Agreement for the performance of an obligation by the Company by more than three (3) years from the original end of such period as set forth in this Agreement. Except as otherwise provided in this Agreement, whenever consent or approval of the City is required, such consent or approval may be granted by the City Administrator or his designee administratively and no action of the City Council shall be required. Except as otherwise provided in this Agreement, whenever consent or approval of either party is required, such consent or approval will not be unreasonably withheld, conditioned or delayed. The City agrees to reasonably cooperate with the Company with respect to (i) applications for building permits from the City and the issuance thereof, and any permits or approvals required from any governmental agency, whenever reasonably requested to do so; provided, however, that all applications for such permits and approvals are in compliance with the applicable ordinances and regulations, approved plans and specifications, and all applicable codes, (ii) securing any construction and permanent financing that the Company may reasonably require in connection with the performance of its obligations under this Agreement, (iii) reviewing and approving Company's plans, including but not limited to site plans and building elevations, construction plans, design criteria and any amendments thereto as part of the Land Use Approvals. The Company agrees and acknowledges that in each instance in this Agreement or elsewhere where the City is required or has the right to review or give its approval or consent, no such review, approval or consent will imply or be deemed to constitute an opinion by the City, nor impose upon the City any responsibility for the design or construction of building elements, including but not limited to the structural integrity or life/safety requirements or adequacy of budgets or financing or compliance with any applicable federal or state law, or local ordinance or regulation, including the Environmental Laws. All reviews, approval and consents by the City under the terms of this Agreement are for the sole and exclusive benefit of the Company and no other person or party will have the right to rely thereon.

48. Taxes. Company agrees to retain ownership of the property and manage the operation of the event center as an unrelated for-profit business. Prior to receiving TIF Revenue to fund or reimburse the Project Improvements, Company shall transfer title of the real property to its unrelated for-profit company. Thus, the property will be subject to real property taxes and personal property taxes. In addition, all concession sales and ticket sales for entertainment venues will be subject to state and local sales taxes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

CITY:

THE CITY OF SEDALIA, MISSOURI, a municipal corporation

By: _____
Stephen Galliher
Mayor

ATTEST:

_____
Arlene Silvey, MPCC City Clerk

STATE OF MISSOURI)
) ss.
COUNTY OF PETTIS)

On this ____ day of _____, 2016, before me personally appeared Stephen Galliher, to me known, who being by me duly sworn, did say that he is the Mayor of the City of Sedalia, Missouri, a Missouri municipal corporation, that said instrument was signed on behalf of said corporation by authority of its City Council, and acknowledged said instrument to be the free act and deed of said corporation.

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

_____
Print Name: _____
Notary Public in and for said County and State

My Commission Expires:

_____

COMPANY:
SEDALIA DOWNTOWN DEVELOPMENT, INC.,
a Missouri nonprofit corporation

By: _____

Print Name: _____

Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2016, before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument, who being by me duly sworn, did say he is the _____ of Sedalia Downtown Development, Inc., a Missouri nonprofit corporation, and acknowledged said instrument to be his free act and deed and the free act and deed of said corporation.

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

_____
Print Name: _____
Notary Public in and for said County and State

My Commission Expires:

_____

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREA

Proposed Redevelopment Area Description

Beginning at the point of the southwest corner of W. 9th Street and S. Osage Right of Way (ROW) thence north along the west side of Qsage Ave. ROW to the north ROW of Broadway Blvd, thence traveling west along the southern property line of 200 and 210 W Broadway Blvd to the property line at Kentucky St, then continuing north to the northwest corner of 210 W Broadway Blvd, thence continuing east along the north property line of aforementioned property to the northeast corner of 210 W Broadway, thence continuing to the northwest corner of 203 W 7th St, thence west along the property line to the northwest corner of 215 W 7th St, thence north to the northwest corner of 210 W 7th St following the western property line to the northwest corner (being the southwest corner of KCP&L property), thence east to the southeast corner of the KCP&L property, thence north to the to the south ROW Line of alley, thence east on the south ROW line of alley to a point south of 606 S Osage Ave., thence north across alley and continuing north on the west line of 606 S Osage Ave to the northwest corner of 520 S Osage Ave, thence west along south ROW line of alley to a point south of the southwest corner of 201 W. 5th St. , thence north across alley to the southwest corner of 201 W 5th St, thence north along the western property line of 201 W 5th St across W 5th St to the north ROW of 5th St, thence east to the southwest corner of 424 S Osage Ave, thence north along the western property line of aforementioned property, to the northwest corner of 412 S Osage Ave, thence west along the south alley ROW line between W 4th St and W 5th St to the west ROW line of Kentucky Ave. thence north on the western side of the right of way to the northwest corner of W. 4th St and S Kentucky Ave. thence east along north ROW line of 4th St. to the west property line of 202 W 4th St thence north to the northwestern corner of 200 W 4th St, thence west along the alley between W 3rd St and W 4th St, continuing to the southwest corner of the said alley and Moniteau Ave., thence traversing along the western right of way along Moniteau Ave, until reaching the northeastern corner of the 234 S Moniteau Ave, thence east to the northwest corner of 310 W 3rd St along the northern property line continuing to the northeastern corner, continuing northward along the property line of 308 W 3rd St to the northwest corner, thence traveling east along the northern property line of 308 W 3rd St to the northeastern corner of 224 S Kentucky St. Thence northwardly traversing the southern alleyway between W 3rd St and W 2nd St. along the west ROW of Kentucky to a point west of the southwest corner of 217 S Kentucky St, thence traveling east across Kentucty and along the southern property line of 217 S Kentucky St to the terminus of the Southern boundary line of the aforementioned property, thence traversing north along the eastern property line of the aforementioned property to the northeastern corner, thence traveling west along the northern property line of 217 S Kentucky St to the western edge of the right of way bounded by property, 214 S Kentucky St and thence north to the southeast corner of 302 W 2nd St, thence traversing east to the southeast corner of 208 W 2nd St, continuing northward on the aforementioned property to the northeast corner, thence continuing west along southern right of way of the alley way between W 2nd St and W Main St to the northwest corner of 400 W 2nd St, thence continuing north along the western property line of 401 W Main St to the northwest corner of the aforementioned property, then continuing straight across W Main St to the boundary of 416 W Main St, thence traversing eastwardly along the southern property line to the southwest corner of 400 W Main St, thence traveling north along the property line of the aforesaid property to the northwest corner, thence continuing west along the property line of 416 W Main St to the point perpendicular to 301 W Benton St, while traveling north

across the Railroad tracks, continuing northwardly along the property line of the aforesaid property to the northwest corner and across Benton St to the boundary of 302 W Benton St, then traversing east along the property line of aforementioned property to the southeast corner of 301 N Moniteau St, thence continuing northwardly along aforementioned property to the northeast corner and continuing across W Jefferson to the southeast corner of 405 W Pettis, thence continuing east along the northern right of way along W Jefferson St to eastern right of way of N Ohio Ave to the southwest corner of 103 E Jefferson St, thence traveling south to northern right of way of the alleyway between Jefferson St and Pacific St, thence east to the South east corner of 104 E Jefferson St directly south across the alleyway to the northwest corner of 206 N Ohio St and continuing south along the eastern property line of the aforesaid property line to the southeast corner of the property, then continuing along the northern border of the right of way along Pacific to the southeast corner of 121 E Pacific St, continuing east across N Lamine Ave to the northeastern corner of 118 N Lamine St, thence continuing southwardly along the eastern property line of the aforementioned property line to the southeast corner of this property, thence traversing directly south across the Railroad Tracts to the northwest corner of 215 E Main St, continuing east along the northern property lines to the northeast corner of 321 E Main St, continuing east across N Washington Ave to the northwestern corner of 500 E Main St, then continuing east the distance of the aforementioned property to its northeast corner, then continuing southward along the eastern property line to northern right of way of E 3rd St, thence continuing east along the northern edge of the right of way to the northeastern corner of E 3rd St and S Hancock Ave, then continuing south along the eastern edge of the right of way along S Hancock Ave to the corner of S Hancock Ave and northeast corner E 6th St, continuing along the northern edge of the right of way along E 6th St across Marvin Ave. to the eastern right of way, thence traveling south along the eastern right of way of S Marvin Ave. to the southeastern most point of S Marvin Ave. prior to E Broadway Blvd. then continuing west along the northern right of way of E Broadway Blvd continuing west across the Railroad Tracts, thence traversing north along the eastern property line of 711 S Lafayette Ave, and continuing northwardly along the eastern property lines of S Lafayette Ave until reaching the northeast corner of 517 S Lafayette Ave, thence continuing east along the southern right of way of the alleyway south of E 5th St, thence traveling north along the eastern property line of 530 E 5th St to the northeast corner for aforementioned property continuing directly north across E 5th St to the southwest corner of 543 E 5th St and along the western property line of property, continuing directly north across the alleyway between E 5th St and E 4th St, thence continuing east along the northern edge of the alley right of way to the southwest corner of 540 E 4th St, then traversing northwardly along the western property line of the aforesaid property, continuing across E 4th St to the southwest corner of 541 E 4th St and following the western property line to terminus of the property, thence traveling westward along the southern edge of the alley's right of way, between E 4th St and E 3rd St, to the northwest corner of 415 E 4th St, thence continuing south of the aforesaid property line crossing E 4th St to the northwest corner of 405 E 5th St., thence continuing west along the southern right of way along E 4th St to the northeast corning of 401 S Lamine Ave, following the eastern property line of the aforementioned property to the southeast corner of 403 S Lamine Ave continuing across the alleyway between E 4th St and E 5th St to the northeast corner of 415 S Lamine Ave, then traveling east along the northern property line of 421 S Lamine Ave to the northeast corner of the aforesaid property, then continuing south along the eastern property line to the terminus of the property, thence traveling east along the northern edge of the right of way along E 5th St

to the southeast corner of 225 E 5th St, then continuing south directly across E 5th St to the northeast corner of 220 E 5th St and continuing along the eastern property edge to the southeast corner, thence traveling west along the southern property line of the aforementioned property line, to a point perpendicular with the northeast corner of 201 E 6th St, thence continuing south across the alleyway between E 6th St and E 5th St to the northeast corner of the aforesaid property, thence traveling south along the eastern edge of the property line of 201 E 6th St to the terminus of the property, thence traversing east along the northern edge of E 6th St's right of way to the southwest corner of 301 E 6th St, thence continuing south along the eastern edge of the right of way of S Massachusetts Ave to the northwest corner of 311 E Broadway Blvd, thence continuing along west along the alleyway between E Broadway Blvd and E 7th St to the northeast corner of 209 E Broadway Blvd, thence continuing along the eastern property line of the aforesaid property to the terminus, thence continuing along the southern edge of the property line to the southwest corner of 201 E Broadway Blvd, thence traversing south directly across E Broadway Blvd to the corner of 200 E Broadway Blvd, thence continuing along the eastern edge of the right of way following S Lamine Ave to the northwest corner of 902 S Massachusetts Ave, thence following the southern edge of the right of way along E 9th St to the point of beginning.

And including parcels:

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EXHIBIT B

Map of Redevelopment Project Area

EXHIBIT C

Project Improvements

Project Improvements for the Uptown Theater to be Funded as Money is Available in the TIF Revenue Account	**Company Cost Category**
1. Exterior repairs and renovation, tuck pointing rear wall	$80,000
2. Marquee reconstruction	$25,000
3. HVAC	$100,000
4. Electrical	$70,000
5. Plumbing	$65,000
6. Interior renovations	$100,000
7. Seating and fixtures	$80,000
8. Sound/lighting/projection	$55,000
9. Design & engineering	$25,000
TOTAL PROJECT COSTS	**$600,000**
Private Funding	**($200,000)**
TOTAL REIMBURSABLE PROJECT COSTS	**$400,000**

EXHIBIT D-1

Under the Plan, the City Council approved and prioritized the following Project Improvement Line Items to occur as funds become available and as set forth in the order below:

1. Professional Fees;

2. Stabilization and rehabilitation of the Sedalia Trust Building;

3. Demolition of the Broadway Arms building;

4. Streetscape Enhancement;

5. Renovation and rehabilitation of the Uptown Theater and Liberty Center; and

6. Business Incentive.

The project line items shall be completed in the order set forth above. Project construction shall commence as soon as funds are available in the Special Allocation Fund and the projects shall be completed no later than January 2031. As noted in **Exhibit D-2**, Company could fund the Project Improvement sooner through private investment or other funding method; however, reimbursement from TIF Revenue would not occur until after project line items 1-4 above have been funded/reimbursed pursuant to **Sections 20** and **21**.

EXHIBIT D-2

Redevelopment Schedule – Uptown Theater

PROJECT IMPROVEMENTS	ANTICIPATED COMMENCEMENT	ANTICIPATED COMPLETION
1. Exterior repairs and renovation, tuck pointing rear wall 2. Marquee reconstruction 3. HVAC 4. Electrical 5. Plumbing 6. Interior renovations 7. Seating and fixtures 8. Sound/lighting/projection 9. Design & engineering	Project Improvements shall commence as funds become available in the Special Allocation Fund or as soon as possible through other funding methods (See **Sections 20** and **21**)	January 2031

The dates in this Redevelopment Schedule may be modified by the parties as provided in Section 7.B**.**

EXHIBIT E

Non-Permitted Uses

In no event shall Company sell, lease or permit occupancy of any portion of the Redevelopment Project Area for any of the following uses except by approval of the City Council:

A. Existing Users in the City. Without the approval of the City as provided in **Section 10**, the Company shall not cause the relocation of a tenant into the Redevelopment Project Area, which is then open and operating in the City and then ceases to operate the existing facility within eighteen (18) months after the opening of the new facility within the Redevelopment Project Area.

   a. In the event that Company violates the requirements of this subsection and fails to receive the prior approval of the City as set forth above, for each such violation the Company shall pay to the City an amount equal to two (2) times the amount of all City retail sales taxes generated by such store at its prior location during the preceding calendar year ("**Relocation Penalty Payment**").

   b. Any Relocation Penalty Payment shall be due and payable within fifteen (15) business days after receipt of written notice from the City for such payment. Failure to make any Relocation Penalty Payment when due shall be an event of default of this Contract and Company shall be subject to the remedies set forth herein.

B. Surplus and Dollar Discount Stores. Without City approval, which approval shall not be unreasonably withheld, the Company shall not lease or sell any of the Redevelopment Area to a surplus or discount store. For the purpose of this section, a surplus store shall be defined as a store whose primary business is the sale of used or second hand merchandise, a thrift shop, or a flea market. For the purpose of this section, a dollar discount store shall be defined as a store with a majority of merchandise for sale for one dollar ($1.00) or less per item. However, the above exclusions shall not apply to permitted uses such as Half Price Books, Tuesday Mornings, Plato's Closet, Ditto, Vintage Stock and similar type users.

C. Gasoline Station/Convenience Stores. Without City approval, the Company shall not by sale or lease locate more than one (1) gasoline station/convenience store in the Redevelopment Project Area. For the purpose of this section a gasoline station/convenience store shall be defined as a facility where as the primary business gasoline, diesel fuel, and oil is dispensed at retail. Uses may also include the sale of cold drinks, packaged foods, prepared foods that would otherwise constitute fast foods, tobacco and similar household convenience goods for station customers.

D. Auto Repair Businesses or Lube Shops. The Company shall not, without City approval, sell or lease any of the Redevelopment Project Area to a store whose primary business is as an automobile repair or similar business that includes garage doors as a primary feature of its facility; provided, however, such exclusion shall

E. not apply to national tire, oil change or battery retailers such as Tires Plus, National Tire and Battery ("NTB"), etc.

F. Non-Sales Tax Generating Businesses. The Company shall not, without City approval, sell or lease for development more than one pad site and more than twenty percent (20%) of the finished first (1st) floor retail strip space in the Redevelopment Area to non-sales tax generating businesses such as office uses or fitness centers. For purposes of this section, a non-sales tax generating business shall be any business projected to generate less than $50 per square foot of annual retail sales upon stabilization; and shall also be any business for which the majority of the sales tax is not collected within the Redevelopment Area, for example the sale of motor vehicles and trailers.

G. Adult Entertainment Establishments as defined in Chapter 6, Article 2 of the City's Code of Ordinances.

H. Pawn Shops

I. Payday/Title Loan Businesses

J. Flea Market or Thrift Shops

K. E-Cigarette or "Vaping" Shops. The Company shall not, without City approval, sell or lease any of the Redevelopment Project Area to a store whose primary business is the sale of e-cigarattes or "vaping" materials and equipment; provided, however, such exclusion shall not apply to other businesses who may sell such products as an ancillary portion of their business, subject to the City's Code of Ordinances.

L. Tattoo or Piercing Parlors

M. Rental Stores. The Company shall not, without City approval, sell or lease any of the Redevelopment Project Area to a store whose primary business is rent-to-own transactions for furniture, applicances, or electronics such as Rent-A-Center, Aaron's Rentals, or similar business; provided, however, such exclusion shall not apply to other rental businesses such as HD video, tuxedo rentals, or similar businesses.

N. Retail Sales of LP Gas

EXHIBIT F

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

See attached

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "**Assignment**") is dated as of the _____ day of _____, 20___ and is made by and between SEDALIA DOWNTOWN DEVELOPMENT, INC., a Missouri nonprofit corporation ("**Assignor**"), _____, a _____ ("**Assignee**"), and the CITY OF SEDALIA, MISSOURI, a municipal corporation (the "**City**").

RECITALS

A. On November 17, 2008, the City Council of Sedalia, Missouri (the "**City Council**") adopted Ordinance No. 9694 approving the Sedalia Midtown Tax Increment Financing Redevelopment Plan (the "**Original Plan**").

B. On January 5, 2015, the City Council adopted Ordinance No. 10258 approving an amendment to the Original Plan (the "**First Amended Plan**").

C. On May 2, 2016, the City Council adopted Ordinance No. 10454 approving a second amendment to the Original Plan (the "**Second Amended Plan**").

D. Collectively, the Original Plan, First Amended Plan and Second Amended Plan hereinafter referred to as the "**Plan**".

B. On _____, 20__, the City and Assignor entered into a Tax Increment Financing Redevelopment Agreement that set forth the respective obligations and duties of the City and Assignor with respect to the implementation of the Plan (the "**Redevelopment Agreement**").

C. Pursuant to **Section 29** of the Redevelopment Agreement, Assignor now desires to enter into this Assignment to convey to Assignee certain duties and obligations under the Redevelopment Agreement and Plan (as more fully described herein) with respect to the property described in **Exhibit A** to this Assignment (the "**Property**"), and Assignee has agreed to assume and perform all such duties and obligations under the Redevelopment Agreement with respect to the Property [or if the boundaries of the Property are not coterminous with the boundaries of the Redevelopment Area and the proposed assignment relates only to a portion of the Redevelopment Area "**Subject Property**", then only those rights and obligations of Assignor that relate to such portion of the Redevelopment Area described on Exhibit A].

D. The parties desire to enter into this Assignment in order to satisfy the condition precedent set forth in **Section 29** of the Redevelopment Agreement.

NOW, THEREFORE, in consideration of the foregoing and the covenants and obligations contained in this Assignment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by and among Assignor, Assignee, and the City as follows:

1. Recitals Incorporated. The above Recitals are hereby incorporated into this Assignment in full and form an integral part hereof.

2. Term of Agreement. This Agreement shall commence upon the Effective Date and shall terminate upon the termination or expiration of the Redevelopment Agreement, which shall be no later than November 17, 2031 (the "**Term**").

3. General Assignment and Assumption. Assignor hereby assigns, and Assignee hereby acknowledges, assumes and agrees to perform the obligations, covenants and agreements of Assignor under the Redevelopment Agreement [with respect to the Subject Property], but only as explicitly and exhaustively described below.

4. Release of Assignor. Upon recording of this Assignment or a memorandum of this Assignment, Assignor shall be fully and completely released from any and all obligations under the Redevelopment Agreement [with respect to the Subject Property], after which time the City's remedies for an Assignee default hereunder shall be directly against Assignee pursuant to the terms hereof, and in no event shall the City's enforcement against Assignee affect Assignor's rights under the Redevelopment Agreement.

5. Specific Assignment and Assumption. Assignor hereby assigns, and Assignee hereby specifically acknowledges, assumes and agrees to perform the following obligations, covenants and agreements set forth in the Redevelopment Agreement, as modified in certain instances below:

Sec. 5.C. Project Improvements. Assignee and the City shall cause to be constructed on the Subject Property _____, together with all necessary support facilities such as utilities, parking lots, storm water detention and drainage and other infrastructure improvements necessary thereon that have not already been completed.

Sec. 6. Redevelopment Schedule. Assignee shall diligently pursue all necessary Land Use Approvals and permits and shall diligently thereafter pursue, commence, and complete construction of the proposed Project Improvements, subject to Excusable Delays. "**Excusable Delays**" are delays including the temporary inability to commence, complete or proceed in accordance with the requirements of this Assignment, due in whole or in part to causes beyond the reasonable control or without the material fault of such party which are caused by the action or failure to act of any governmental body, including but not limited to the issuance of permits and approvals by the City, acts of war or civil insurrection, breach of this Agreement by the other party or any natural occurrence, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, litigation, tornadoes, or unusually severe weather.

Sec. 7. Design Criteria for Project Improvements. Assignee shall comply with and follow, or cause to be complied with and followed, all controls and design criteria

relating to improvements as shall be, from time to time, established as a part of this Agreement and the Land Use Approvals.

Sec. 8. Control of Project.

A. Construction. Assignee hereby grants to City, its agents and employees the right to enter at reasonable times for the purpose of inspecting the improvements constructed on the Subject Property, but the City shall use best efforts to avoid disrupting the operations of tenants during business hours.

B. Maintenance and Repair. Assignee, at no cost to the City, at all times shall (1) maintain and operate, or caused to be maintained and operated, all improvements located on the Subject Property in a manner similar to other similarly aged and similarly situated development projects in the boundary of the City of Sedalia and (2) timely make all necessary repairs to and replacements and restorations of all parts of such improvements, (3) keep the improvements in good condition, repair and appearance, and (4) maintain casualty insurance on such improvements in accordance with the insurance coverage that has been required and approved by the Assignee's lender.

Sec. 9. Non-Permitted Uses. Assignee shall take such action as is from time to time necessary to permit only such uses on the Subject Property which conform to and are permitted by this Agreement. The Subject Property may not be used for the purposes set forth on **Exhibit B**, except by approval of the Mayor, who, from time to time may, at his or her discretion, seek the advice or consent of the City Council for such approval. Assignee may appeal an adverse determination by the Mayor to the City Council.

Sec. 16. PILOTs.

A. Pursuant to the provisions of the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800, RSMo, *et seq*., as amended (the "**TIF Act**"), when Tax Increment Financing is established for an area, the real property located therein is subject to assessment for annual payments in lieu of taxes ("**Payments in Lieu of Taxes**"). Payments in Lieu of Taxes shall be due November 30 of each year in which said amount is required to be paid and will be considered delinquent if not paid by December 31 of each such year or as otherwise determined by applicable law. The obligation to make said Payments in Lieu of Taxes shall be a covenant running with the land and shall create a lien in favor of City on each such tax parcel within the Subject Property as constituted from time to time and shall be enforceable against Assignee, and its successors and assigns in ownership of the Subject Property during the period each owns such real property.

B. Failure to pay Payments in Lieu of Taxes as to any portion of the Subject Property shall constitute a default hereunder, and shall entitle City, the County Collector or any other government official or body charged with the collection of any such sums (any one or more of such persons hereinafter

individually or collectively referred to as the "**Collection Commission**") to proceed against such property and/or the owner thereof as in other delinquent property tax cases or otherwise as permitted at law or in equity, and, if applicable, such failure shall entitle the Collection Commission to seek all other legal and equitable remedies it may have to ensure the timely payment of all such sums.

Sec. 17. EATs. Assignee, its successors and assigns, shall use good faith efforts to negotiate to contractually obligate any tenant or business to provide City with documentation of sales tax receipts for each business in any of the Subject Property, indicating the type and amount of the Economic Activity Taxes (as defined below) paid by each such tenant or business located within the Subject Property. Assignee shall use good faith efforts to negotiate to include the provisions as specified below in "Section 24" in all lease documents with tenants located within the Subject Property requiring said sales tax information to be provided to City. Unless such requirement is waived by City, a similar provision shall be included in all sales contracts with purchasers of property located in the Subject Property requiring said sales tax information to be provided to City. Assignee agrees to cooperate with the City, at no cost or expense to Assignee, in the City's enforcement of said provisions to the maximum extent permitted by law, and Assignee hereby agrees that each such lease or sales contract shall provide that City is an intended third party beneficiary of such provisions and has a separate and independent right to enforce such provisions directly against any such tenant or purchaser.

Sec. 23. Business Occupant Approvals. Without the approval of the City, the Assignee shall not cause the relocation of a tenant into the Subject Property, which is then open and operating in the City and then ceases to operate the existing facility within eighteen (18) months after the opening of the new facility within the Subject Property. In the event that Assignee violates the requirements of this subsection and fails to receive the prior approval of the City as set forth above, for each such violation the Assignee shall pay to the City an amount equal to two (2) times the amount of all City retail sales taxes generated by such store at its prior location during the preceding calendar year ("**Relocation Penalty Payment**"). Any Relocation Penalty Payment shall be due and payable within fifteen (15) business days after receipt of written notice from the City for such payment. Failure to make any Relocation Penalty Payment when due shall be an event of default of this Agreement and Assignee shall be subject to the remedies set forth herein.

Sec. 24. Lease of Project Property. Unless the City Council waives this requirement as to a particular tenant, Assignee shall insert in any lease of the Subject Property (if not already included in a "**Declaration of Restrictive Covenants**" recorded against the Subject Property, requiring any third party to insert, the following language (or similar language) and, if not included in the Declaration of Restrictive Covenants, shall have such lease signed by the lessee indicating acknowledgment and agreement to the following provision:

Economic Activity Taxes and Sales Taxes: Tenant acknowledges that the Leased Premises are a part of a TIF redevelopment area in Sedalia, Missouri (the "City") and that certain taxes generated by Tenant's economic activities, including sales taxes and utility taxes will be applied in payment of certain costs related to the development. Tenant shall forward to the City Finance Department copies of Tenant's State of Missouri sales tax returns for its sales within the Leased Premises when and as they are filed with the Missouri Department of Revenue, quarterly copies of all utility bills paid in relation to the Leased Premises identifying the amount of taxes paid on such utilities, and, upon request, shall provide such other reports and returns regarding other state or local taxes generated by Tenant's economic activities upon the Leased Premises as the City shall require, all in the format prescribed by the City.

Tenant represents and warrants that its business is not currently located in the City, or if it is located within the City, for eighteen months after locating within the Redevelopment Area, such other business location within the City shall not close. Tenant acknowledges that if Tenant's current business within the City closes within eighteen months after locating within the Redevelopment Area, this Lease shall become ineffective unless the City Council approves this Lease. Tenant acknowledges that the City is a third-party beneficiary of the obligations in this Section, and that the City may enforce these obligations in any manner provided by law.

If such language is not included in the Declaration of Restrictive Covenants, failure of Assignee to require that such restrictions be placed in any such lease shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Subject Property. The City shall comply with all applicable state laws limiting disclosure of sales tax information related to individual businesses provided to the City as documentation of Economic Activity Taxes.

Sec. 25. Sale or Disposition of Property.

A. Restriction on Transfer to Tax-Exempt Entities. During the term of this Assignment (the "**Restricted Period**"), no sale, transfer, or other conveyance of any of the Subject Property may be made to an entity that claims exemption, or is exempt, from real property taxes for all or part of the real property in the Redevelopment Area (a "**Restricted Entity**") without the prior written approval of the City. In the event that Company seeks to make any such transfer to a Restricted Entity during the Restricted Period, such transfer may only occur upon the prior written approval of the City, which approval

shall not be unreasonably withheld, and upon the prior execution of a separate agreement between the purchasing Restricted Entity and the City. This requirement shall be a covenant running with the land and shall be enforceable, as applicable, during the Restricted Period as if the purchaser, transferee, or possessor of the real property were originally a party to and bound by this Agreement.

B. Continuation of Payments in Lieu of Taxes. In the event of the sale or other voluntary or involuntary disposition of any or all of the Subject Property, Payments in Lieu of Taxes with respect to the real property so sold or otherwise disposed of shall continue and shall constitute a lien against the such property from which they are derived, and such obligations shall inure to and be binding upon the transferee and its successors and assigns in ownership of said property as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable as if such purchaser, transferee or other possessor thereof were originally a party to and bound by this Agreement.

C. Incorporation. The restrictions set forth in "Section 9" (Non-Permitted Uses), "Section 17" (EATs), "Section 24" (leases), and "Section 24" (sale/transfer) hereof shall be incorporated into any deed or other instrument from Assignee and its assigns conveying an interest in real property, other than a lease agreement, within the Subject Property and shall provide that said obligations or restrictions shall constitute a benefit held by both Assignee and City and that City is an intended third party beneficiary of said obligations and restrictions. Failure of Assignee to require that such restrictions be placed in any such deed or other instrument shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Subject Property. Notwithstanding the foregoing provisions of this Section, if a Declaration of Restrictive Covenants incorporates the above requirements and is recorded against the Subject Property, nothing further shall be required under this Section.

D. Notification to City of Transfer. Assignee shall notify City in writing of any proposed sale or other transfer of any or all of the real property constituting the Subject Proeprty. Such notice shall be provided not less than thirty (30) days prior to the proposed effective date of the sale or other transfer and, if a Declaration of Restrictive Covenants has not yet been recorded in satisfaction of all of the requirements of this Section, then such notice shall include a copy of a draft deed of such sale or other disposition to enable City to confirm that the requirements set forth above in this Section have been fulfilled.

Sec. 27. Compliance with Laws. Subject to Assignee's rights to contest the same in any manner permitted by law, Assignee, its officers, directors and principals, at its sole cost and expense, shall comply in every respect with all requirements of law.

Sec. 28. Authorized Employees. Assignee acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the state of Missouri. Assignee therefore covenants and will provide an affidavit from any general contractor directly employed by Assignee to construct improvements to the Subject Property in substantially the same form as is attached as **Exhibit C**, attesting that it is not knowingly in violation of subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work related to this Agreement, and that its employees are lawfully eligible to work in the United States.

Sec. 29. Assignment of Obligations

A. Assignee agrees that this Assignment and the duties and obligations hereunder may not and shall not be assigned by Assignee without the prior written consent of the City, which consent will not be unreasonably withheld. Any proposed assignee shall have all of the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations of Assignee under this Assignment.

B. Any proposed assignee shall, utilizing a form substantively and substantially similar to this Assignment (the "**Subsequent Assignment Agreement**"), expressly for the benefit of City, assume all of the obligations of Assignee under this Assignment and agree to be subject to all the conditions and restrictions to which Assignee is subject. For purposes of this section, any sale, transfer, assignment, pledge or hypothecation of an interest in Assignee (other than to an Affiliate of Assignee) that results in a change in management control of Assignee will constitute an assignment of this Agreement. Upon approval of the Subsequent Assignment Agreement by City as set forth herein, Assignee shall be released from such obligations accruing after the date of such assignment.

Sec. 31. Indemnification

A. Assignee shall indemnify, protect, defend and hold City and its officers, directors, members, commissioners, employees and agents (collectively, the "Indemnified Parties" or, individually, an "**Indemnified Party**") harmless from and against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed, of whatsoever kind or character (including consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any acts or omissions of Assignee, its constituent members or partners, their employees, agents, independent contractors, licensees, invitees or others acting by, through or under such indemnifying parties, in connection with its or their activities conducted pursuant to this Agreement and/or in connection with the ownership, use or

occupancy and development or redevelopment of the Subject Property or a portion thereof and the improvements thereon.

B. In the event any suit, action, investigation, claim or proceeding (collectively, an "**Action**") is begun or made as a result of which Assignee may become obligated to one or more of the Indemnified Parties hereunder, the Indemnified Party shall give prompt notice to Assignee of the occurrence of such event. After receipt of such notice, Assignee may elect to defend, contest or otherwise protect the Indemnified Party against any such Action, at the cost and expense of Assignee, utilizing counsel of Assignee's choice. The Indemnified Party shall have the right, but not the obligation, to participate, at the Indemnified Party's own cost and expense, in the defense thereof by counsel of the Indemnified Party's choice. In the event that Assignee shall fail timely to defend, contest or otherwise protect an Indemnified Party against such Action, the Indemnified Party shall have the right to do so, and (if such defense is undertaken by the Indemnified Party after notice to Assignee asserting Assignee's failure to timely defend, contest or otherwise protect against such Action), the Indemnified Party may submit any bills for fees and costs received from its counsel to Assignee for payment and, within thirty (30) business days after such submission, Assignee shall transfer to the Indemnified Party sufficient funds to pay such bills. Assignee acknowledges that such bills may be redacted to delete any information which would constitute attorney-client communication or attorney work product.

C. An Indemnified Party shall submit to Assignee any settlement proposal that the Indemnified Party shall receive. Assignee shall be liable for the payment of any amounts paid in settlement of any Action to the extent that Assignee consents to such settlement. Neither Assignee nor the Indemnified Party will unreasonably withhold its consent to a proposed settlement.

D. Assignee expressly confirms and agrees that it has provided this indemnification and assumes the obligations under this Agreement imposed upon Assignee in order to induce City to enter into this Agreement. To the fullest extent permitted by law, an Indemnified Party shall have the right to maintain an action in any court of competent jurisdiction to enforce and/or to recover damages for breach of the rights to indemnification created by, or provided pursuant to, this Assignment. If such court action is successful, the Indemnified Party shall be reimbursed by Assignee for all fees and expenses (including attorneys' fees) actually and reasonably incurred in connection with such action (including, without limitation, the investigation, defense, settlement or appeal of such action).

E. With respect to liability that arises during the term of this Assignment, the right to indemnification set forth in this Assignment shall survive the termination of this Assignment.

Sec. 32. Insurance

A. As used in this Section, "**Replacement Value**" means an amount sufficient to prevent the application of any co-insurance contribution on any loss but in no event less than one hundred percent (100%) of the actual replacement cost of the improvements located on the Subject Property, including additional administrative or managerial costs that may be incurred to effect the repairs or reconstruction, but excluding costs of excavation, foundation, and footings.

B. The Assignee, or its successors and assigns shall keep the improvements located on the Subject Property continuously insured with property insurance for full Replacement Value, which such deductible provisions as are customary in connection with the operation of facilities of the type and size comparable to such improvemetns.

C. The City does not represent in any way that the insurance specified in this Section, whether in scope, overall coverage or limits of coverage, is sufficient to protect the business or interests of the Assignee.

D. All such policies, or a certificate or certificates of the insurers that the insurance required in this Section is in full force and effect, shall be provided to the City. Prior to the expiration of any such policy, the Assignee shall furnish to the City with satisfactory evidence that such policy has been renewed or replaced or is no longer required by this Assignment; provided, however, the insurance so required may be provided by blanket policies now or hereafter maintained by the Assignee if the Assignee provides the City with a certificate from an Insurance Consultant to the effect that such coverage is substantially the same as that provided by individual policies. All policies evidencing the insurance to be required by this Agreement shall provide for thirty (30) days' written notice (other than for nonpayment of premium, which shall provide for at least ten (10) days' notice) to the Assignee and the City of any cancellation, reduction in amount or material change in coverage.

Sec. 34. Breach Compliance

A. If Assignee does not comply with provisions of this Assignment, and if, within sixty (60) days after notice of such default by the the City, Assignee shall not have cured such default or commenced such cure and be diligently pursuing the same if such cure would reasonably take longer than said sixty (60) day period, then the City may institute such proceedings as may be necessary in its opinion to cure the default including, but not limited to, proceedings to compel specific performance. If any action is instituted by the City hereunder, the non-prevailing party in such action shall pay any and all costs, fees and expenses, including attorneys' fees incurred by the prevailing party in enforcing this Assignment.

B. The City's rights and remedies hereunder, whether provided by law or by this Assignment, shall be cumulative and the exercise by the City of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver shall apply to obligations beyond those expressly waived.

C. Assignee (for itself and its successors and assigns, and for all other persons who are or who shall become liable, by express or implied assumption or otherwise, upon or subject to any obligation or burden under this Agreement), waives to the fullest extent permitted by law and equity all claims or defenses otherwise available on the ground of being or having become a surety or guarantor, whether by agreement or operation of law. This waiver includes, but is not limited to, all claims and defenses based upon extensions of time, indulgence or modification of terms of contract.

D. Any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights hereunder shall not operate as a waiver of such rights or limit them in any way. No waiver in fact made by the City of any specific default by the Assignee shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default, except to the extent specifically waived.

Sec. 35. Excusable Delays

A. The parties understand and agree that the Assignee shall not be deemed to be in default of this Assignment because of delays or temporary inability to commence, complete or proceed in accordance with the the obligations hereunder, due in whole or in part to causes beyond the reasonable control or without the material fault of such party which are caused by the action or failure to act of any governmental body, including but not limited to the issuance of permits and approvals by the City, acts of war or civil insurrection, breach of this Assignment by the other party or any natural occurrence, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, litigation, tornadoes, or unusually severe weather (collectively "**Excusable Delays**").

B. The time of performance hereunder shall be extended for the period of any delay or delays caused or resulting from any of the foregoing causes, with, in the case of any extension sought by Assignee, the approval of City, which approval shall not be arbitrarily or unreasonably withheld. Nothing herein shall excuse Assignee from any obligation to pay money hereunder, nor shall this Section excuse Assignee from performance of its obligations because of a lack of funds or inability to obtain financing. Assignee may be granted such extensions upon presentation of reasonable evidence and/or documentation of the periods of such Excusable Delays.

6. City's Consent and Release. Upon the execution of this Assignment by City, the assignment and assumption provided for in Sections 4, 5, and 6 shall be deemed to have been approved and consented to by the City, and Assignor shall be deemed to have been released from Assignor's duties and obligations under the Redevelopment Agreement [with respect to the Subject Property].

7. Representations and Warranties of Assignee. Assignee is a _____ qualified to conduct its business in the State of Missouri and has all requisite power and authority to enter into, execute this Assignment and to perform its obligations hereunder. This Assignment, assuming the due execution and delivery hereof by Assignor and City, constitutes legally valid and binding obligations of Assignee, enforceable against Assignee in accordance with the terms and conditions herein.

8. Notices. All notices, requests and other communications hereunder shall be deemed to be duly given if delivered by hand or if mailed by certified or registered mail with postage prepaid as follows:

If to Assignee:

_____
_____
_____

With a copy to:

_____
_____
_____

If to Assignor:

SEDALIA DOWNTOWN DEVELOPMENT, INC.
Attn: _____
300 South Ohio
Sedalia, Missouri 65301

With a copy to:

_____
_____
_____
_____

If to City:

Gary Edwards, City Administrator
City of Sedalia, Missouri
200 South Osage
Sedalia, Missouri 65301

With a copy to:

Jennifer M. Baird, Esq.
Lauber Municipal Law, LLC
529 SE 2nd Street, Suite D
Lee's Summit, Missouri 64063

9. Successors and Assigns. All rights, benefits and obligations of Assignor and Assignee hereunder shall inure to and bind Assignor and Assignee, respectively, and this Assignment shall be binding upon and inure to the benefit of the parties' respective successors and assigns.

10. Governing Law. This Assignment shall be governed by the laws of the State of Missouri.

11. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement.

12. Expenses. Except as otherwise provided herein, each of the parties hereto will pay its own costs and expenses, including attorney's fees, incurred by such party or on its behalf in connection with this Assignment and the transactions contemplated herein. Costs and expenses incurred by the City in connection with this Assignment may be reimbursed as Administrative Costs pursuant to the Redevelopment Agreement.

13. Recording. This Assignment, or a memorandum of this Assignment, shall be recorded in the office of the Recorder of Deeds for Pettis County, Missouri by Assignee at its sole cost and expense.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the day and year first above written.

ASSIGNOR:
SEDALIA DOWNTOWN
DEVELOPMENT, INC.

By:_____
Name:_____
Title:_____

STATE OF MISSOURI)
) ss.
COUNTY OF _____)

On this _____ day of _____, 20___ before me, a Notary Public in and for said state, personally appeared _____, the _____ of Sedalia Downtown Development, Inc., a Missouri nonprofit corporation, personally known by me to be the person who executed the within instrument on behalf of said corporation and acknowledged to me that he executed the same for the purposes therein stated.

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

_____
Print Name: _____
Notary Public in and for said County and State

My Commission Expires:

_____

ASSIGNEE:

_____

By:_____
Name:_____
Title:_____

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 20___ before me, a Notary Public in and for said state, personally appeared _____, the _____ of _____, a _____, personally known by me to be the person who executed the within instrument on behalf of said _____and acknowledged to me that he executed the same for the purposes therein stated.

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

_____
Print Name: _____
Notary Public in and for said County and State

My Commission Expires:

_____

CITY:

THE CITY OF SEDALIA, MISSOURI

By: _____
Print Name: _____
Title: _____

STATE OF MISSOURI)
) ss
COUNTY OF PETTIS)

On this ____ day of _____, 20___, before me personally appeared _____, to me known, who being by me duly sworn, did say that he/she is the Mayor of the City of Sedalia, Missouri, a Missouri municipal corporation, that said instrument was signed on behalf of said corporation by authority of its City Council, and acknowledged said instrument to be the free act and deed of said corporation.

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

_____
Print Name: _____
Notary Public in and for said County and State

My Commission Expires:

_____

EXHIBIT A TO ASSIGNMENT AGREEMENT

LEGAL DESCRIPTION OF PROPERTY [OR SUBJECT PROPERTY]

EXHIBIT B TO ASSIGNMENT AGREEMENT

NON-PERMITTED USES

EXHIBIT C TO ASSIGNMENT AGREEMENT

FORM OF AFFIDAVIT OF WORK AUTHORIZATION

EXHIBIT G

Form of Affidavit of Work Authorization

CITY OF SEDALIA, MISSOURI
WORK AUTHORIZATION AFFIDAVIT
PURSUANT TO 285.530, RSMo
(FOR ALL CONTRACTS IN EXCESS OF $5,000.00)

STATE OF MISSOURI)
) ss.
COUNTY OF _____)

As used in this Affidavit, the following terms shall have the following meanings:

EMPLOYEE: Any person performing work or service of any kind or character for hire within the State of Missouri.

FEDERAL WORK AUTHORIZATION PROGRAM: Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

KNOWINGLY: A person acts knowingly or with knowledge, (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

UNAUTHORIZED ALIEN: An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared _____, who, being duly sworn, states on his oath or affirmation as follows:

1. My name is _____ and I am currently the _____ of _____ (hereinafter "Contractor"), whose business address is _____, and I am authorized to make this Affidavit.

2. I am of sound mind and capable of making this Affidavit, and am personally acquainted with the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with respect to the employees working in connection with the following services contracted between Contractor and the Company:

_____
_____.

4. Contractor does not knowingly employ any person who is an unauthorized alien in connection with the contracted services set forth above.

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant saith not.

_____
AFFIANT SIGNATURE

_____
AFFIANT PRINTED NAME

Subscribed and sworn to before me this _____ day of _____,20___.

_____
My Commission Expires: Notary Public

_____ _____
(Printed Name)

PLEASE NOTE:
Acceptable enrollment and participation documentation consists of the following 2 pages of the E-Verify Memorandum of Understanding:

1. A valid, completed copy of the first page identifying the Contractor; and
2. A valid copy of the signature page completed and signed by the Contractor, and the Department of Homeland Security - Verification Division.