

ORDINANCE NO. 2020-04

AN ORDINANCE OF MEADE COUNTY, KENTUCKY, AUTHORIZING THE ISSUANCE OF A SERIES OF INDUSTRIAL REVENUE BONDS HAVING AN AGGREGATE REVOLVING PRINCIPAL AMOUNT OF UP TO \$2,500,000,000 AND DESIGNATED THE MEADE COUNTY FISCAL COURT INDUSTRIAL BUILDING REVOLVING REVENUE BONDS, SERIES 2020 (NUCOR STEEL BRANDENBURG PROJECT), FOR THE PURPOSE OF FINANCING AN INDUSTRIAL BUILDING PROJECT; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF (A) A LEASE AGREEMENT BETWEEN THE COUNTY, AS LESSOR, AND NUCOR CORPORATION, AS LESSEE, (B) A BOND PURCHASE AGREEMENT PROVIDING FOR THE ISSUANCE, SALE, AND DELIVERY OF THE SERIES 2020 BONDS, AND (C) OTHER RELATED DOCUMENTS; AND TAKING OTHER RELATED ACTIONS

WHEREAS, the Meade County Fiscal Court (the "*Issuer*"), pursuant to the provisions of Sections 103.200 to 103.285, inclusive, of the Kentucky Revised Statutes, as amended (the "*Act*"), is authorized to issue revenue bonds and to make the proceeds from the sale thereof available to a corporation or limited liability company for the purpose of financing industrial building facilities as defined in the Act, such bonds being payable from rental payments made by such corporation or limited liability company; and, under the Act, the financing of industrial buildings constitutes a valid public purpose; and

WHEREAS, Nucor Corporation, by and through its Nucor Steel Brandenburg division, a Delaware corporation (the "*Company*"), proposes that the Issuer, pursuant to the Act, assist the Company to finance the costs of real property, real property improvements, fixtures, and personal property constituting new industrial building facilities to be utilized by the Company and its affiliates in the manufacture of steel and steel products, such properties being hereinafter referred to collectively as the "*Project*"; and

WHEREAS, the Project constitutes new facilities to be utilized in the assembly and distribution of industrial products by the Company and its affiliates, which Project is more particularly described in the Lease Agreement hereinafter identified and approved; and the Project qualifies for financing as an "industrial building" within the meaning of the Act; and

WHEREAS, the acquisition, construction, equipping, and installation of the Project is expected to promote economic development and to encourage the increase of industry within the environs of the Issuer and the Commonwealth of Kentucky; and

WHEREAS, on December 19, 2019, the Issuer adopted Resolution No. 2019.12.01 (the "*Inducement Resolution*") approving the industrial revenue bond financing for the Company's

benefit, reaffirming the Issuer's agreement in prior correspondence and discussions to undertake such financing at the appropriate time; and

WHEREAS, on July 1, 2020, the Issuer issued a bond or bonds designated "County of Meade, Kentucky Industrial Building Revenue Bonds (Nucor Steel Brandenburg Project) Series 2020" to finance certain portions of the Project qualifying for tax-exempt financing under the Internal Revenue Code (the "*Exempt Facility Bonds*"); and

WHEREAS, at the Company's request the Issuer is prepared, pursuant to the Act, to issue a series of its industrial revenue bonds for the purposes of financing the acquisition, construction, equipping, improving, commissioning, and installation of the Project and paying costs of issuance of the bonds, upon terms which are to be set forth in the Lease Agreement hereinafter identified and approved; and

WHEREAS, pursuant to the provisions of Section 103.220 of the Act, the Company has made a request in writing, that the sale of the industrial revenue bonds hereinafter identified and authorized, bearing interest as set out in the Bond Purchase Agreement hereinafter identified and approved, shall be made upon a negotiated basis; and

WHEREAS, it is necessary and proper in the interests of the health, safety, convenience, and general welfare of the citizens, residents, and inhabitants of the Issuer and its environs that the Issuer (a) authorize the issuance of the industrial revenue bonds in order to finance, for the Company's benefit, the acquisition, construction, equipping, improving, commissioning, and installation of the Project and to pay certain costs of issuance of the industrial revenue bonds; (b) authorize the execution of a Lease Agreement between the Issuer, as lessor, and the Company, as lessee; (c) authorize the execution of a Bond Purchase Agreement among the Issuer, the Company, the Purchaser (hereinafter defined), and the Servicing Agent (hereinafter defined), providing for the issuance, sale, and delivery of the industrial revenue bonds by the Issuer to the Purchaser; and (d) authorize the execution of other necessary or related documents and actions.

NOW, THEREFORE, MEADE COUNTY, KENTUCKY, ACTING BY AND THROUGH ITS FISCAL COURT, HEREBY ORDAINS AS FOLLOWS:

Section 1. Approval of Lease and Bonds and Acceptance of Transfers. For the purposes set forth in the preamble, which is incorporated as a part hereof, the Issuer, acting by and through its Fiscal Court, hereby:

(a) Confirms and ratifies the Inducement Resolution and the prior discussions, correspondence, and agreements between the Issuer and the Company, whereby the Issuer agreed to authorize and issue bonds for the Company in order to finance the Project.

(b) Accepts from the Company the conveyance of the Project and the site thereof, subject to the terms and conditions contained in the instruments of conveyance and in the Lease Agreement hereinafter identified and approved.

(c) Authorizes the sale, issuance, execution, and delivery of the Meade County Fiscal Court Industrial Building Revolving Revenue Bonds, Series 2020 (Nucor Steel Brandenburg Project) (the "*Series 2020 Bonds*"), which shall be issued in the form and subject to the terms and specifications set forth in the Bond Purchase Agreement governing the issuance and delivery of the Series 2020 Bonds.

(d) Authorizes the issuance of the Series 2020 Bonds in an aggregate revolving principal amount up to \$2,500,000,000, said amount being exclusive of the principal amount of Exempt Facility Bonds outstanding at any time.

(e) Authorizes the use of the proceeds of the Series 2020 Bonds, as provided in the Bond Purchase Agreement and the Lease Agreement, to pay a portion of the costs of acquisition, construction, equipping, improving, commissioning, and installation of the Project and to pay certain costs of issuance of the Series 2020 Bonds.

Section 2. Lease Agreement. The Issuer's Judge/Executive or any member of the Fiscal Court of the Issuer is hereby authorized, empowered, and directed to execute, acknowledge, and deliver on behalf of the Issuer a Lease Agreement between the Issuer, as lessor of the Project, and the Company, as lessee (the "*Lease Agreement*"), which Lease Agreement is hereby approved, authorized, and adopted in substantially the form submitted herewith, with such changes therein as the official executing the same may require or approve on behalf of the Issuer, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Bond Purchase Agreement. To provide for the authorization of the Series 2020 Bonds and to prescribe the terms and conditions upon which the Series 2020 Bonds are to be issued, outstanding, secured, executed, accepted, and held, the Judge/Executive or any member of the Fiscal Court of the Issuer is hereby authorized, empowered, and directed to execute and acknowledge on behalf of the Issuer a certain Bond Purchase Agreement (the "*Bond Purchase Agreement*") among the Issuer, the Company, NS Brandenburg Properties LLC, a Delaware limited liability company, as Servicing Agent (the "*Servicing Agent*"), and NS Brandenburg Properties LLC., a Delaware limited liability company, as the Purchaser of the Series 2020 Bonds (the "*Purchaser*"), and the Judge/Executive or any member of Fiscal Court of the Issuer is hereby authorized, empowered, and directed to cause the Bond Purchase Agreement to be accepted and executed by the Servicing Agent, hereby so appointed. The Bond Purchase Agreement is hereby approved, authorized, and adopted in substantially the form submitted herewith, with such changes as the officer executing the same may require or approve on behalf of the Issuer, such approval to be conclusively evidenced by the execution and delivery thereof. The Series 2020 Bonds will be secured by a non-foreclosable statutory mortgage lien on the Project as provided by Section 103.250 of the Act. The Series 2020 Bonds will mature as to principal no later than forty years after their date of issuance, will be subject to optional redemption, and will bear interest payable periodically at a fixed rate, all as provided in the Bond Purchase Agreement, reference to which is hereby made. The interest rate on the Series 2020 Bonds shall in no event exceed 5.0% per annum. The sale of the Series 2020 Bonds

pursuant to the terms of the Bond Purchase Agreement is hereby authorized, approved, and directed.

Section 4. Lease Assignment. With respect to the sale of the Series 2020 Bonds, and upon the recommendation of the Company, the Issuer further approves, and the Judge/Executive or any member of the Fiscal Court of the Issuer is authorized and directed to execute and deliver on behalf of the Issuer, a certain Assignment of Lease Agreement between the Issuer and the Purchaser (the "*Assignment*"), being in substantially the form submitted herewith, with such changes as the officer executing the same may require or approve on the Issuer's behalf, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. Payment In Lieu of Taxes. It is acknowledged and agreed that (i) the transactions authorized hereby will exempt the Project from state and local ad valorem property tax as provided in Section 103.285 of the Act as of the effective date of the bonds, and (ii) the state and local ad valorem property taxation of the Company's leasehold interest in the Project, to the extent owned by the Issuer, will be governed by Sections 132.020(1)(f)1. and 103.200(7) of the Kentucky Revised Statutes. It is further acknowledged that the Issuer and the Company will execute a PILOT Agreement previously approved by the Inducement Resolution and such PILOT Agreement shall contain conditions satisfactory to the Issuer requiring the Company to make certain annual payments in lieu of property taxes on the Project to the Issuer so long as the Series 2020 Bonds are outstanding.

Section 6. Authority to Consummate Lease and Bond Sale. The Judge/Executive, any member of the Fiscal Court of the Issuer, the Fiscal Court Clerk, the County Attorney, and other appropriate officials of the Issuer, and each of them, for and on behalf of the Issuer, are hereby authorized, empowered, and directed to do and perform any and all things necessary to effect the execution and delivery of the Bond Purchase Agreement, the Lease Agreement, the Assignment, the PILOT Agreement and all related documents, the performance of all obligations and the preservation of all rights of the Issuer thereunder, the execution and delivery of the Series 2020 Bonds and the performance from time to time of all other actions of whatever nature necessary to carry out the authority conferred or contemplated by and the purposes of this Ordinance, the Bond Purchase Agreement, the Lease Agreement, the Assignment, the PILOT Agreement, and all related documents, and further to approve and to execute all papers, documents, certificates, or other instruments that may be required for the carrying out and effectuation from time to time of the authority conferred by and the purpose of this Ordinance, the Bond Purchase Agreement, the Lease Agreement, the Assignment, the PILOT Agreement, the Series 2020 Bonds, and all related documents, or to evidence said authority and purposes.

Section 7. Lease Not Debt of the Issuer. The Issuer shall never be required to pay from its own funds any obligations deriving from the issuance of the Series 2020 Bonds, and the Series 2020 Bonds are declared to be special and limited obligations payable solely and only from the receipts derived under the Lease Agreement and the "*Pledged Receipts*" pledged

under and defined by the Bond Purchase Agreement, as provided in the documents herein approved.

Section 8. Authority to Supplement. The provisions of this Ordinance may be supplemented from time to time by resolution of the Fiscal Court of the Issuer.

Section 9. Severability. The provisions of this Ordinance are hereby declared to be severable and, if any section or provision shall, for any reason, be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.

Section 10. Resolving Conflicts. Upon any conflict between the provisions of this Ordinance and of any prior ordinance, resolution, or parts thereof related to the Series 2020 Bonds, the provisions of this Ordinance shall prevail as to the Series 2020 Bonds.

Section 11. Date of Effectiveness. This Ordinance shall be in full force and effect from and after its adoption as provided by law. The summary of this Ordinance read at the meetings of the Fiscal Court of the Issuer described below is approved for such purposes and for the purpose of publication as provided by law, and the accuracy of such summary is hereby certified.

[Signature Page To Follow]

[SIGNATURE PAGE TO SERIES 2020 BOND ORDINANCE]

September 8, 2020

FIRST READING

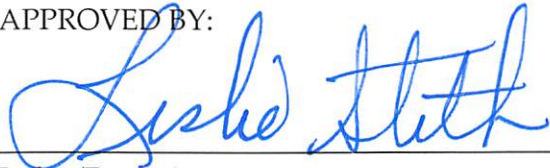
October 13, 2020

SECOND READING

At a meeting of the Fiscal Court of Meade County, Kentucky, held on October 13, 2020, on motion made by Esq. Hardesty and seconded by Esq. Chapman, the foregoing ordinance was adopted, after full discussion, by the following vote:

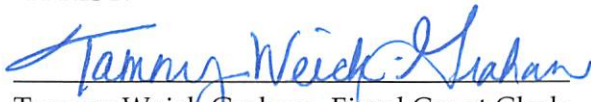
- yea THOMAS GODDARD
- yea DONALD ELI DIX, JR.
- yea BILLY SIPES
- yea GARY CHAPMAN
- yea STEVE WARDRIP
- yea RANDALL HARDESTY
- yea JUDGE/EXECUTIVE LESLIE STITH

APPROVED BY:



Judge/Executive
Meade County, Kentucky

ATTEST:

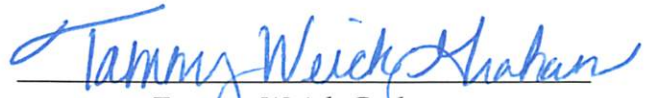


Tammy Weick Graham, Fiscal Court Clerk
Meade County, Kentucky

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Fiscal Court Clerk of Meade County, Kentucky (the "Issuer"), and as such I further certify that the foregoing is a true, correct, and complete copy of an Ordinance duly adopted by the Fiscal Court of the Issuer upon second reading at a duly convened meeting held on October 13, 2020, signed by the Judge/Executive and now in full force and effect, all as appears from the official records of said Issuer in my possession and under my control.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th, 2020.



Tammy Weick Graham
Fiscal Court Clerk
Meade County, Kentucky