
**OFFICIAL TERMS AND CONDITIONS
SERIES 2021B BOND SALE**



\$5,945,000*

TAXABLE GENERAL OBLIGATION BONDS, SERIES 2021B

Electronic Bids Only Due No Later Than

**10:30 A.M., CST*
March 8, 2021***

RAYMOND JAMES®

Municipal Advisor

**1 Burton Hills Blvd. – Suite 225
Nashville, Tennessee 37215
800-764-1002**

* Subject to adjustment and revision

The "Preliminary Official Statement" is incorporated herein by reference and is an integral part of this document.

OFFICIAL TERMS AND CONDITIONS OF SERIES 2021B BOND SALE

\$5,945,000*

City of Bowling Green, Kentucky Taxable General Obligation Bonds, Series 2021B

Notice is hereby given that electronic bids only will be received by the City of Bowling Green, Kentucky (the "Issuer"), until 10:30 a.m., C.S.T. on March 8, 2021 (or at such later time and date announced at least forty-eight hours in advance via IHS Markit's IPREO BiDCOMP/PARITY™ system ("IPREO")) for the purchase of its approximately 5,945,000* Taxable General Obligation Bonds, Series 2021B (the "Series 2021B Bonds"). Electronic bids must be submitted through IPREO and no other provider of electronic bidding services will be accepted.

Statutory Authority. The Series 2021B Bonds are authorized pursuant to Sections 66.011 to 66.181, inclusive, of the Kentucky Revised Statutes and are being issued in accordance with a Bond Ordinance (the "Ordinance") adopted by the City of Bowling Green, Kentucky (the "Issuer") on December 17, 2020.

Security. The Series 2021B Bonds are general obligation bonds and constitute a direct indebtedness of the Issuer.

Purpose. The Series 2021B Bonds are being issued for the purpose of (i) paying or reimbursing the costs of real estate purchases to expand the geographic boundaries of the Kentucky Transpark and (ii) paying certain costs related to the issuance of the Series 2021B Bonds.

Description of the Series 2021B Bonds. The Series 2021B Bonds will be dated their date of initial delivery, bearing interest from such date, payable on the first day of each March and September, commencing September 1, 2021.

Redemption. The Series 2021B Bonds are NOT subject to optional redemption.

Term Bond Option; Mandatory Redemption. Bidders shall have the option to designate certain consecutive serial maturities of the Series 2021B Bonds as term Bonds ("Term Bonds") bearing a single interest rate or yield. If the successful bidder for the Series 2021B Bonds designates certain consecutive serial maturities of the Series 2021B Bonds to be combined as one or more Term Bond as allowed herein, then such Term Bond shall be subject to mandatory sinking fund redemption by the Issuer at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption at the rate stated in the Term Bond to be redeemed. Each such mandatory sinking fund redemption shall be made on the date on which a consecutive maturity included as part of a Term Bond is payable in accordance with the proposal of the successful bidder for the Series 2021B Bonds and in the amount of the maturing principal installment for the Series 2021B Bonds listed herein for such principal payment date. Term Bonds to be redeemed within a single maturity shall be selected in the manner provided for optional redemption of the Series 2021B Bonds within a single maturity.

Bidding Instructions. Electronic bids for the Series 2021B Bonds must be submitted through IPREO and no other provider of electronic bidding services will be accepted. Subscription to IPREO's competitive bidding system is required in order to submit an electronic bid. The Issuer will neither confirm any subscription nor be responsible for the failure of any prospective bidders to subscribe. For the purposes of the bidding process, the time as maintained by IPREO shall constitute the official time with respect to all bids. To the extent any instructions or directions set forth in IPREO conflict with the terms of the "Official Terms and Conditions of Series 2021B Bond Sale", the "Official Terms and Conditions of Series 2021 Bond Sale" shall prevail. Electronic bids made through the facilities of IPREO shall be deemed an offer to purchase in response to the "Official Terms and Conditions of Series 2021B Bond Sale" and shall be binding upon the bidder as if made by a signed, sealed written bid delivered to the City. The City, Bond Counsel and the Municipal Advisor shall not be responsible for any malfunction or mistake made by or as a result of the use of the electronic bidding facilities provided and maintained by IPREO. The use of the IPREO's facilities is at the sole risk of the prospective bidders. Further information regarding IPREO may be obtained from them (www.newissuehome.i-deal.com).

The sale on March 8, 2021* may be postponed prior to the time bids are to be received as published on IPREO. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via IPREO upon forty-eight hours' notice.

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Bidding Specifications

INTEREST		BIDDING	
Dated Date:*	March 25, 2021	Bids Due:*	10:30 a.m., CST, March 8, 2021
Delivery Date:*	March 25, 2021	Bids Accepted/Rejected:	By the Issuer on the date of sale
Day Count:	30/360	Electronic Submission:	IHS Markit's IPREO's BiDCOMP/Parity <u>only</u>
Interest Payment Dates:	March 1 and September 1	Award Basis:	Lowest TIC
First Interest:	September 1, 2021	All or None:	Yes
Coupon Multiples:	0.01% and/or 0.125% of 1.0%	Good Faith Deposit:	\$120,000 – See information herein for complete transmittal instructions
High Coupon:	5.0%		
Low Coupon:	None	Ascending Coupons:	Not required
Rate Per Maturity:	One	Bank Qualified:	N/A
Tax Status:	Taxable		
PRINCIPAL		PRICING	
Par Amount:*	\$5,945,000	Minimum Bid:	Not Less Than 99.00% of par
Due Date:	September 1 as shown below	Maximum Bid:	Not Greater Than 120.0%
Term Bonds:	Permitted as described herein	Zero Coupon:	Not permitted
Denominations:	\$5,000 or Multiples Thereof		
Optional Redemption:	N/A		
Adjustments:	Yes, see the following paragraphs for details		

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Preliminary Amortization Schedule

September 1*	Bonds*	September 1*	Bonds*
2021	\$80,000	2026	\$1,330,000
2022	80,000	2027	1,365,000
2023	80,000	2028	1,405,000
2024	80,000	2029	1,445,000
2025	80,000		

Adjustment and/or Revision. While it is the City's intention to sell and issue the approximate par amount of the Series 2021B Bonds as offered herein, adjustments and/or revisions may be necessary in order to properly size the Series 2021B Bonds. Accordingly, the Issuer reserves the right, in its sole discretion, to increase the aggregate principal amount of the Series 2021B Bonds as a whole in an amount not to exceed \$6,500,000 and to decrease, in authorized denominations, the aggregate principal amount without limitation. The Issuer reserves the right to make corresponding adjustments in each maturity of the Series 2021B Bonds as described in the following paragraphs.

The Issuer reserves the right in its sole discretion to adjust (up or down) the original par amount of each maturity without limitation and/or to cancel one or more original maturities in their entirety. Among other factors the Issuer may (but shall be under no obligation to do so) consider in sizing the transaction and individual par amounts of each maturity are the coupons bid per maturity, the amount of resulting premium per maturity, the size of the individual maturities or sinking fund installments and assuring other preferences of the City.

In the event of any such adjustments and/or revisions, no rebidding will be permitted. The Underwriter's Discount on the Series 2021B Bonds as submitted by the successful bidder shall be held constant. The "Underwriter's Discount" shall be defined as the difference between the purchase price of the Series 2021B Bonds submitted by the bidder and the price at which the Series 2021B Bonds will be issued to the public, as calculated from information provided by the bidder, divided by the par amount of the bid.

Notwithstanding the paragraphs above, prior to the sale, the Issuer may make a decision on whether to adjust the amortization schedule and the par amounts of each maturity of the Series 2021B Bonds. Unless the market is notified via the IPREO not later than 12:00 Noon (CST) on the business day preceding the sale date, the Series 2021B Bonds will be offered as outlined herein, but subject to the foregoing additional adjustments, if necessary.

The successful bidder for Series 2021B Bonds will be notified not later than 4:00 p.m., CST, on the sale date of the exact revisions and/or adjustments required.

* Subject to revision and adjustment

Award. Unless bids are rejected, the Series 2021B Bonds will be awarded on an all or none basis on the sale date to the bidder whose bid results in the lowest true interest rate for the Series 2021B Bonds to be calculated as that rate (or yield) that, when used in computing the present worth of all payments of principal and interest on the Series 2021B Bonds (compounded semi-annually from the date of the Series 2021B Bonds), produces an amount equal to the purchase price of the Series 2021B Bonds, exclusive of accrued interest. For purposes of calculating the true interest cost, the principal amount of any Term Bond scheduled for mandatory sinking fund redemption as part of the Term Bond shall be treated as a serial maturity in such year for the Series 2021B Bonds. In the event that two or more bidders offer to purchase the Series 2021B Bonds at the same lowest true interest rate, the City, in consultation with its Municipal Advisor, shall determine (in its sole discretion) which bidder shall be awarded the Series 2021B Bonds.

The Issuer reserves the right to reject all bids for the Series 2021B Bonds and to waive informalities in the bids accepted.

Good Faith Deposit. No good faith check will be required to accompany any bid submitted. The successful bidder shall be required to deliver to the Issuer (wire transfer) in the amount of \$120,000 that will secure the faithful performance of the terms of the bid. A wire transfer must be received by the Issuer no later than noon CST on the business following the competitive sale.

A wire transfer should be sent to:

U.S. Bank National Association

ABA 091000022

Beneficiary Account Number: 180121167365

Beneficiary Account Address: 60 Livingston Ave, St. Paul MN 55107-2292

OBI: Bowling Green 2021

The good faith deposit shall be applied (without interest) to the purchase price of the Series 2021B Bonds. If the successful bidder should fail to accept or pay for the Series 2021B Bonds when tendered for delivery and payment, the good faith deposit will be retained by the Issuer as liquidated damages.

In the event of the failure of the Issuer to deliver the Series 2021B Bonds to the purchaser in accordance with the terms of this “Official Terms and Conditions of Series 2021B Bond Sale” within 45 days after the date of the sale, the good faith deposit will be promptly returned to the purchaser unless the purchaser directs otherwise.

CUSIP Numbers. CUSIP numbers will be assigned to the Series 2021B Bonds at the expense of the Issuer. The Issuer will assume no obligation for assignment of such numbers or the correctness of such numbers and neither failure to record such numbers on the Series 2021B Bonds nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and make payment for the Series 2021B Bonds.

Official Statements; Other. The Issuer has deemed the “Preliminary Official Statement” (which is an integral part hereof and incorporated herein by reference) to be final as of its date within the

meaning of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) except for the omission of certain pricing and other information.

The Issuer will provide or cause to be provided, to the successful bidder in electronic format or printed copies, at the expense of the successful bidder, the final “Official Statement” to enable the successful bidder to comply with SEC Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board. The final “Official Statement” will be provided to the successful bidder not later than seven business days after the sale, or, if the City, or its Municipal Advisor, is notified that any confirmation requesting payment from any customer will be sent before the expiration of such period and specifying the date such confirmation will be sent the final “Official Statement” will be provided in sufficient time to accompany such confirmation.

Delivery of Series 2021B Bonds. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2021B Bonds. They will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered Bond certificate will be issued for each maturity of the Series 2021B Bonds of each series, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Purchases of the Series 2021B Bonds under the DTC system must be made by or through securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations (the “Direct Participants”), which will receive a credit for the Series 2021B Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2021 Bond (a “Beneficial Owner”) is in turn to be recorded on the records of Direct Participants or securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant (the “Indirect Participants”). Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021B Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2021B Bonds, except in the event that use of the book-entry system for the Series 2021B Bonds is discontinued.

Municipal Advisor. Bidders are advised that Raymond James & Associates, Inc. has been employed as Municipal Advisor in connection with the issuance of the Series 2021B Bonds. Their fee for services rendered with respect to the sale of the Series 2021B Bonds is contingent upon the issuance and delivery thereof.

Continuing Disclosure. In accordance with the Securities and Exchange Commission Rule 15c2-12 (the “Rule”) and so long as the Series 2021B Bonds are outstanding the City of Bowling Green, Kentucky (the “Obligated Person”) will agree pursuant to a Continuing Disclosure Undertaking dated as of the date of initial delivery and issuance of the bonds (the “Disclosure Undertaking”), to be delivered on the date of delivery of the Series 2021B Bonds, to cause the following information to be provided:

(i) to the Municipal Securities Rulemaking Board (“MSRB”), or any successor thereto for purposes of the Rule, through the continuing disclosure service portal provided by the MSRB’s Electronic Municipal Market Access (“EMMA”) system as described in 1934 Act Release No. 59062, or any similar system that is acceptable to the Securities and Exchange Commission, certain annual financial information and operating data, including audited financial statements, generally consistent with the information contained in “Appendix A” and “Appendix B” of the Official Statement (“Financial Data”); such information shall be provided on or before March 1 following the fiscal year ending on the preceding June 30, commencing with the fiscal year ended June 30, 2021; provided that the audited financial statements may not be available by such date, but will be made available immediately upon delivery thereof by the auditors for the Obligated Person;

(ii) to the MSRB through EMMA, in a timely manner, not in excess of ten business days after the occurrence of the event, notice of the occurrence of the following events with respect to the Series 2021B Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;
- (g) Modifications to rights of security holders, if material;
- (h) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);
- (i) Defeasances;
- (j) Release, substitution or sale of property securing repayment of the securities, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);
- (m) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive

- agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (o) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
 - (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the obligated person, any of which reflect financial difficulties.

(iii) in a timely manner, to the MSRB through EMMA, notice of a failure (of which the Obligated Persons have knowledge) of the Obligated Person to provide the required Annual Financial Information on or before the date specified in the Disclosure Agreement.

The Disclosure Undertaking provides bondholders, including beneficial owners of the Series 2021B Bonds, with certain enforcement rights in the event of a failure by the Obligated Person to comply with the terms thereof; however, a default under the Disclosure Undertaking does not constitute an event of default under the Ordinance. The Disclosure Undertaking may also be amended or terminated under certain circumstances in accordance with the Rule as more fully described therein.

For purposes of this transaction with respect to events as set forth in the Rule:

- (a) there are no debt service reserve funds applicable to the Series 2021B Bonds;
- (b) there are no credit enhancements applicable to the Series 2021B Bonds;
- (c) there are no liquidity providers applicable to the Series 2021B Bonds; and
- (d) there is no property securing the repayment of the Series 2021B Bonds.

The Issuer provided certain information required to be filed under its continuing disclosure agreements, namely the annual Operating Data for the Issuer for the fiscal years ended June 30, 2016 through and including June 30, 2020 by reference to its Comprehensive Annual Financial Reports, all of which were filed on a timely basis and which are available on MSRB's Electronic Municipal Market Access ("EMMA").

The Operating Data set forth in the Comprehensive Annual Financial Reports was not clearly cross-referenced in the annual Operating Data filings. In order to facilitate review, the Operating Data was also filed with EMMA on February 26, 2021 in a consolidated format. The Issuer intends to make complete and timely disclosures of its Operating Data in the future using this consolidated format.

The Issuer and the Bowling Green Municipal Utilities Board ("BGMU") entered into continuing disclosure agreements in connection with certain City of Bowling Green, Kentucky Water and Sewer Revenue Bonds, Series 2011, 2012, and 2013 (the "Utility Bonds") under which the annual report of the Issuer was to be submitted within 180 days of fiscal year end. For fiscal years ended June 30, 2015, 2016, 2017, and 2018, the annual reports were timely posted to EMMA within the

180 days, but not linked on EMMA to the Utility Bonds. The Issuer has filed a late filing material event notice linking the previously posted annual reports to the Utility Bonds.

On January 17, 2018, Moody's Investors Service, ("Moody's") downgraded the senior debt rating of MBIA Inc. (MBIA) to Ba3 from Ba1 and the insurance financial strength (IFS) rating of its principal operating subsidiary, National Public Finance Guarantee Corporation (National), to Baa2 from A3. On June 26, 2017, S&P Global Ratings lowered its financial strength rating on National Public Finance Guarantee Corp. (National) to 'A' from 'AA-' and its long-term counterparty credit rating on MBIA Inc. to 'BBB' from 'A-'. On December 1, 2017, S&P withdrew all ratings at MBIA's request. MBIA was the provider of a municipal bond insurance policy on the Issuer's General Obligation Public Project Bonds, Series 2007. The Issuer did not make prompt notification of the rating downgrades and subsequent withdrawal. The Issuer has since filed a material event notice regarding the rating change on EMMA.

Except for the foregoing, the Issuer has not failed to comply, in any material respect, in the last five years with any previous undertakings. See Official Statement "APPENDIX E: Form of Continuing Disclosure Certificate" for additional information.

Tax Treatment. In the opinion of Bond Counsel for the Series 2021B Bonds, based upon an analysis of existing laws, regulations, rulings and court decisions, interest on the Series 2021B Bonds will be includable in gross income for Federal income tax purposes. Furthermore, Bond Counsel for the Series 2021B Bonds is of the opinion that interest on the Series 2021B Bonds is exempt from income taxation and the Series 2021B Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

Further Information. Further information may be obtained from IHS Markit's IPREO BiDCOMP/PARITY™, 1359 Broadway - 2nd Floor, New York, NY 10018, Telephone: (800) 850-7422.

Additional information, including the "Preliminary Official Statement" and the "Official Terms and Conditions of Series 2021B Bond Sale" may be obtained from iProspectus at (www.i-dealprospectus.com) or the City's Municipal Advisor:

Raymond James & Associates, Inc.
One Burton Hills Blvd. - Suite 225
Nashville, Tennessee 37215-6299
Telephone: 615-665-6920 or 800-764-1002
richard.dulaney@raymondjames.com or elizabeth.zuelke@raymondjames.com

/s/ Todd Alcott
Mayor, Issuer of Bowling Green, Kentucky