ORDINANCE NO. ____________

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BETWEEN SPIRIT AEROSYSTEMS, INC. AND THE CITY OF WICHITA, KANSAS; APPROVING AND AUTHORIZING THE EXECUTION OF AN INDENTURE OF TRUST BETWEEN SAID CITY AND U.S. BANK NATIONAL ASSOCIATION; PLEDGING CERTAIN PAYMENTS UNDER SAID LEASE AGREEMENT AND MONEYS AND SECURITIES HELD BY THE TRUSTEE UNDER THE TERMS OF SAID INDENTURE OF TRUST; AUTHORIZING AND DIRECTING THE ISSUANCE OF INDUSTRIAL REVENUE BONDS SERIES X, 2016 (SPIRIT AEROSYSTEMS, INC. PROJECT) OF SAID CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $65,000,000 FOR THE PURPOSE OF PROVIDING FUNDS FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION AND IMPROVEMENT OF CERTAIN INDUSTRIAL AND MANUFACTURING FACILITIES OF SPIRIT AEROSYSTEMS, INC., A DELAWARE CORPORATION, IN SEDGWICK COUNTY, KANSAS; DESIGNATING THE TRUSTEE AND THE PAYING AGENT FOR SAID BONDS; AUTHORIZING THE SALE OF SAID BONDS AND THE EXECUTION OF A BOND PURCHASE AGREEMENT THEREFOR; APPROVING AND AUTHORIZING THE EXECUTION OF AN ADMINISTRATIVE SERVICE FEE AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN RELATED INSTRUMENTS; AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TERMINATION OF LEASE AND OTHER APPROPRIATE INSTRUMENTS

WHEREAS, the City of Wichita, Kansas (the “City”) desires to promote and stimulate general economic welfare and prosperity and provide greater employment opportunities within the City and its environs and thereby to further promote, stimulate and develop the economic welfare and prosperity of the State of Kansas; and

WHEREAS, pursuant to the provisions of K.S.A. 12-1740 et seq., as amended (the “Act”), said City is authorized to issue industrial revenue bonds of said City, and it is hereby found and determined to be advisable and in the interest and for the welfare of the City and its inhabitants that industrial revenue bonds be issued for the purpose of providing funds for the acquisition, construction, reconstruction and improvement of certain industrial and manufacturing facilities of Spirit AeroSystems, Inc., a Delaware corporation (the “Company”), located within the environs of the City in Sedgwick County, Kansas, which facilities include the Project as defined in the Lease Agreement and the Indenture of Trust herein referred to approved and authorized; and

WHEREAS, the Company will acquire a leasehold interest in the Project from the City pursuant to said Lease Agreement; and

WHEREAS, by Letter of Intent dated May 3, 2016 (the “Letter of Intent”), the City has authorized the undertaking of an industrial revenue bond financing for the Project; and
WHEREAS, said Indenture of Trust and this Ordinance provide for the authorization and issuance of a series of such bonds; and

WHEREAS, pursuant to the Act, on December 13, 2005 the Issuer issued its Industrial Revenue Bonds Series VI, 2005 (Spirit AeroSystems, Inc. Project) (the “2005 Bonds”), for the purpose of financing the costs of acquisition, construction, equipping and furnishing of certain industrial facilities (the “2005 Project”) on behalf of the Company; and

WHEREAS, in connection with the issuance of the 2005 Bonds, the Issuer has leased the 2005 Project to the Company pursuant to that certain Lease Agreement, dated as of December 1, 2005 (the “2005 Lease”), by and between Issuer and the Company; and

WHEREAS, Article 11 of the 2005 Lease provides that the Corporation agrees to purchase, and the Issuer agrees to sell, the 2005 Project for $1,000.00, and any and all sums then due to the Issuer under the 2005 Lease at the expiration or sooner termination of the Lease Term following full payment of the 2005 Bonds; and

WHEREAS, Article 11 of the 2005 Lease further provides that upon the closing of the purchase of the related Project, the Issuer shall deliver to the Corporation a release from the trustee for the Bonds of the lien of the bond indenture and other necessary documents conveying to the Company title to the 2005 Project as it then exists; and

WHEREAS, the Issuer has been advised of the Company’s intention to exercise its option to purchase the 2005 Project in accordance with and pursuant to Article 11 of the 2005 Lease on or about December 21, 2016 (the “Purchase Date”); and

WHEREAS, the Issuer finds it necessary to authorize the execution and delivery of a Termination of Lease in connection with the exercise by the Company of its option to purchase the 2005 Project.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:

Section 1. Enabling Declaration. The City Council, as governing body of the City of Wichita, Kansas, has determined and hereby declares that the Project, if in being, would promote the welfare of the City.

Section 2. Application of Letter of Intent Extension to Lease Agreements; Approval and Authorization of Lease Agreement. The Lease Agreement to be dated as of December 1, 2016, between the City, as lessor, and the Company, as lessee (the “Lease”), be and the same is in all respects hereby approved, authorized and confirmed, and the Mayor or Vice Mayor (or in their absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), and the City Clerk or Deputy City Clerk be and they are hereby authorized and directed to execute, attest and deliver the Lease for and on behalf of the City.

Section 3. Approval and Authorization of Indenture of Trust, Designation of Trustee and Paying Agent. The Indenture of Trust, to be dated as of December 1, 2016 (the “Indenture”), between the City and U.S. Bank National Association, as trustee (the “Trustee”), be and the same
is in all respects hereby approved, authorized and confirmed, and said Trustee is hereby designated to act as such thereunder, and the Trustee is hereby designated to act as Paying Agent for the not to exceed $65,000,000 principal amount of City of Wichita, Kansas Industrial Revenue Bonds Series X, 2016 (Spirit AeroSystems, Inc. Project), authorized by this Ordinance and the Indenture, and the Mayor or Vice Mayor (or in their absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), and the City Clerk or Deputy City Clerk be and they are hereby authorized and directed to execute, attest and deliver the Indenture for and on behalf of said City. As provided in the Indenture, the City assigns and pledges to the Trustee certain payments under the Lease and moneys and securities held by the Trustee under the terms of the Indenture as security for such Bonds.

Section 4. Approval, Authorization and Issuance of Bonds. There is hereby created and established an issue of bonds of the City to be known and designated as “City of Wichita, Kansas Industrial Revenue Bonds Series X, 2016 (Spirit AeroSystems, Inc. Project)” (the “Bonds”), which shall consist of not to exceed $65,000,000 principal amount of Bonds, to be dated as of their date of first authentication and delivery, to mature on January 1, 2027, to bear interest at the rate of 4.10% per annum, payable semiannually on January 1 and July 1 in each year, commencing July 1, 2017, and to be subject to redemption at the principal amount thereof plus accrued interest thereon to the redemption date as further provided in the Indenture and shall be in principal amount, form and content and include such other details as specified herein and in the Indenture. The issuance of the Bonds is in all respects hereby approved, authorized and confirmed, and the Mayor or Vice Mayor (or in their absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), and the City Clerk or Deputy City Clerk are authorized and directed to execute and seal the Bonds pursuant to the Indenture, and the Trustee is hereby authorized and directed to authenticate the Bonds, to deliver the same to the purchaser designated in the Bond Purchase Agreement hereinafter referred to for and on behalf of the City upon receipt of the purchase price therefor and to deposit the proceeds thereof with itself as trustee, in the manner provided for by this Ordinance and the Indenture. The Bonds, together with the interest thereon, are not general obligations of the City, but are special obligations payable (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to the income from the temporary investment thereof) solely from the lease payments under the Lease, and the Bond Fund and other moneys held by the Trustee, as provided in the Indenture. Neither the credit nor the taxing power of the State of Kansas or of any political subdivision of such State is pledged to the payment of the principal of the Bonds and premium, if any, and interest thereon or other costs incident thereto.

Section 5. Authorization of the Sale of the Bonds. The sale of the Bonds pursuant to the terms of the Bond Purchase Agreement, at a purchase price of 100% of the principal amount thereof plus accrued interest from the date of authentication to the date of delivery of and payment for the Bonds, is hereby approved, authorized and confirmed. The Mayor or Vice Mayor (or in their absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), is hereby authorized and directed to execute the Bond Purchase Agreement, dated as of December 1, 2016, covering the sale of the Bonds.

Section 6. Approval and Authorization of Administrative Service Fee Agreement. The Administrative Service Fee Agreement, to be dated as of December 1, 2016, between the City and the Company, (the “Fee Agreement”), be and the same is in all respects hereby approved,
authorized and confirmed, and the Mayor or Vice Mayor (or in their absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), and the City Clerk or Deputy City Clerk be and they are hereby authorized and directed to execute and deliver the Fee Agreement, for and on behalf of the City.
Section 7. Authority to Correct Errors, Etc. The Mayor or Vice Mayor (or in their absence, the next person in order of succession pursuant to the Order of Succession Resolution of the City), the City Clerk and Deputy City Clerk are hereby authorized and directed to make any alterations, changes or additions in the instruments herein approved, authorized and confirmed necessary to correct errors or omissions therein or to conform the same to the other provisions of said instruments or to the provisions of this Ordinance.

Section 8. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. It shall not be necessary for the Lease, the Indenture, the Fee Agreement or the Bond Purchase Agreement to be published in the official City paper, but all such documents shall be on file in the office of the City Clerk and shall be available for inspection by any interested party.


(a) Definition of Terms. All terms and phrases not otherwise defined in this Section 9 shall have the respective meanings set forth in the 2005 Lease.

(b) Authorization of Termination of 2005 Lease. The Issuer is hereby authorized to execute and deliver a Termination of Lease with respect to the 2005 Lease (the “2005 Lease Termination”) by and between the Company and the Issuer in substantially the same form as Exhibit A, attached hereto.

(c) Execution of Documents. The Mayor and Vice Mayor of the Issuer are each hereby authorized and directed to execute the 2005 Lease Termination for and on behalf of and as the act and deed of the Issuer in substantially the same form as it is presented, with such minor corrections or amendments thereto as the Mayor or Vice Mayor of the governing body of the Issuer shall approve, which approval shall be evidenced by his or her execution thereof, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Ordinance. The City Clerk or any Deputy City Clerk of the Issuer are hereby authorized and directed to attest the execution of the 2005 Lease Termination behalf of the Issuer and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

(d) Delivery of Documents. The Mayor, Vice Mayor, City Clerk or other appropriate staff members of the Issuer are hereby authorized and directed to deliver the 2005 Lease Termination and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance on the Purchase Date concurrently with the satisfaction of the requirements set forth in the 2005 Lease.

(e) Release and Consideration. Following receipt by the Issuer from the bond trustee of the Release of Lien of Indenture relating to the 2005 Bonds, which Release is hereby authorized to be delivered with regard to the 2005 Bonds to the Company, and from or on behalf of the Company of a corporate check in the amount of $1,000 in consideration
of the purchase price of the 2005 Project, the Release is hereby authorized to be delivered
to the Company on the Purchase Date, all in accordance with Article 11 of the 2005 Lease
and Section 9(d) of this Ordinance.

(f) Further Authority. The Issuer shall, and the officers, agents and employees
of the Issuer are hereby authorized and directed to, take such action and execute such other
documents, certificates and instruments as may be necessary or desirable to carry out and
comply with the provisions of Section 9 of this Ordinance and to carry out, comply with
and perform the duties of this Issuer with respect to the 2005 Lease Termination, all as
necessary to carry out and give effect to the transaction contemplated hereby and thereby.

Section 10. Further Authority. The Mayor or Vice Mayor (or in their absence, the next
person in order of succession pursuant to the Order of Succession Resolution of the City), the City
Clerk, Deputy City Clerk, City Treasurer, Interim City Attorney and Director of Law and other
City officials are hereby authorized to execute and deliver for and on behalf of the City any and
all additional certificates, documents or other papers and to perform all other acts as they may
deed necessary or appropriate in order to implement and carry out the matters herein authorized.

Section 11. Effective Date. This Ordinance shall take effect and be in force from and
after its passage and publication in the official City paper.

PASSED by the City Council this ______ day of December, 2016.

Signed by the ____________________ .

__________________________________
Jeff Longwell
Mayor

Attest:

______________________________
City Clerk

[SEAL]

Approved as to Form:

__________________________________
Jennifer L. Magana
City Attorney and Director of Law
EXHIBIT A

TERMINATION OF LEASE

The CITY OF WICHITA, KANSAS (“City”) and SPIRIT AEROSYSTEMS, INC., a Delaware corporation (“Lessee”), hereby agree that in connection with the Lease Agreement by and between City and Lessee, dated as of December 1, 2005 (the “Lease”), which Lease relates to the property comprising the Project (as defined by the Lease), and in consideration of the purchase of the Project by Lessee from City in accordance with Article 11 of the Lease, all right, title and interest of City in and to the Project and all obligation or liability of Lessee under the Lease is hereby released, terminated and discharged in all respects, and the Project is hereby sold by City to Assignee in consideration of $1,000 paid by Assignee to City in accordance with such Article 11.

This Termination of Lease may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Dated effective as of this [___] day of December, 2016.

SPIRIT AEROSYSTEMS, INC., a Delaware Corporation, as Lessee

By: ____________________________
Name: __________________________
Title: ___________________________
CITY OF WICHITA, KANSAS

By ______________________________
Jeff Longwell, Mayor

(SEAL)

Attest:

_______________________________
Karen Sublett, City Clerk
ACKNOWLEDGMENT

STATE OF KANSAS )
COUNTY OF SEDGWICK )

BE IT REMEMBERED, that on this _______ day of December, 2016, before me, the undersigned, a Notary Public in and for such County and State, came [________________], the [____________] of Spirit AeroSystems, Inc., a Delaware corporation, and that said instrument was signed on behalf of Spirit AeroSystems, Inc..

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

__________________________________________
Notary Public
My commission expires:

[SEAL]
ACKNOWLEDGMENT

STATE OF KANSAS  )
    ) ss.
COUNTY OF SEDGWICK  )

BE IT REMEMBERED, that on this _______ day of December, 2016, before me, the undersigned, a Notary Public in and for said County and State, came JEFF LONGWELL, Mayor, and KAREN SUBLETT, City Clerk, of the City of Wichita, Kansas, a municipal corporation duly authorized, incorporated and existing under and by virtue of the Constitution and laws of the State of Kansas, and that said instrument was executed on behalf of the City.

    IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

Notary Public
My commission expires:

[SEAL]