

**Lee's Summit, Missouri  
General Obligation Bonds, Series 2018A**

Summary of Proposed Terms

<u>Issuer:</u>	Lee's Summit, Missouri
<u>Purchaser:</u>	Zions Municipal Funding II (ZMFU, II)
<u>Amount:</u>	\$3,763,000 (not to exceed)
<u>Purpose:</u>	The Bonds are being issued to finance various capital projects within the City and will exhaust (subject to change) previously voter-approved but unissued general obligation authority.
<u>Security:</u>	The Bonds will constitute general obligations of the City and will be payable as to both principal and interest from ad valorem taxes that may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.
<u>CUSIP:</u>	CUSIP numbers will not be required.
<u>Maturity Dates:</u>	April 1, 2020
<u>Interest Payments:</u>	Semiannually beginning on April 1, 2019
<u>Principal Payments:</u>	Annually beginning on April 1, 2019
<u>Interest Rate:</u>	2.74%
<u>Tax Status:</u>	Tax Exempt
<u>Bank Qualified:</u>	No
<u>Optional Redemption:</u>	Callable any time at par plus accrued interest with 30 days written notice.
<u>Closing Date:</u>	October 25, 2018
<u>Reporting Requirement:</u>	Audited financials to be provided within 270 days of fiscal year end.

# ZIONS BANK®

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September 6, 2018

Re: Lee's Summit, Missouri General Obligation Bonds, Series 2018A

We are pleased to respond to your request for financing. Our corporation enjoys an excellent reputation in the financing industry and is one of the premier lending institutions in the Western United States. We have the capacity and experience to meet your financing needs and have been entering into direct purchases with municipal entities for over 20 years.

## Lender Information:

### Contact/Purchaser:

Jonathan Baker  
Senior Vice President  
Zions Bank  
One South Main Street, 18<sup>th</sup> Floor  
Salt Lake City, Utah 84133  
[Jonathan.baker@zionsbank.com](mailto:Jonathan.baker@zionsbank.com)  
801-844-7640

### Contact/ Purchaser

Legal Counsel  
Garrett Gross  
Zions Bank  
One South Main Street  
11<sup>th</sup> Floor  
Salt Lake City, Utah 84133  
[Garrett.gross@zionsbank.com](mailto:Garrett.gross@zionsbank.com)  
801-844-7829

Rate Lock:

Quoted rate is fixed for 60 days from the bid date. If closing does not occur within 60 days from the bid date, rates would reset to the prevailing market rate on a mutually agreed upon date. Rates are derived from the Baa MMD curve with adjustments for the bank's cost of funds (using the LIBOR swap curve as a floor). As of September 5th, the Proposed Rate is based on serial pricing using the 1 year SWAP rate for the 4/1/2019 maturity and the 2 year SWAP rate for the 4/1/2020 maturity. If needed, the SWAP rate can be pulled from Bloomberg as of 10am CST on the agreed upon date of pricing. In addition to using the current SWAP rates for the 1 and 2 year maturities, it would be necessary to compare those rates to the 1 and 2 year Baa MMD rates. If the Baa MMD rate is 15 basis points higher than the SWAP rates, the final pricing would be based on the MMD rates.

Bank Closing Costs: \$0

Annual/Ongoing Cost: \$0

Credit Approval: This proposal has been credit reviewed, but is subject to final credit approval

Other terms/conditions:

Bond Counsel will provide at closing, satisfactory to ZB, N.A. (The Purchaser) the following:


- Bond Opinion- addressed to ZB, N.A., satisfactory to the Purchaser dated the date of closing relating to the legality and validity of the note and the excludability of interest on the note from gross income of the holders thereof for federal tax purposes
- Resolution of Governing Body
- Certificate from authorized officers of the Issuer, in form and substance acceptable to the Purchaser, to the effect that the representations and information of the Issuer contained in this Purchase agreement delivered to us with respect to the Issuer are true and correct when made and as of the closing

- Acknowledgment of the costs of issuance budget with respect to the issuance of the bonds.
- IRS Form 8038-G
- Tax Certificate
- Purchaser presently intends to hold the Issue until maturity and does not intend to resell.
- To facilitate closing, ZB, N.A. requests a scan of all signed documents be delivered to by 12:00 PM the day before closing.

Role of Bank as Purchaser: Purchaser is acting solely as Purchaser for its own account and not as a fiduciary for Issuer or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor. Purchaser has not provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of Issuer with respect to the proposed Bond. Issuer shall represent in the Bond documentation that Issuer has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the proposed Bond from its financial, legal and other advisors (and not Purchaser) to the extent that Issuer desired to obtain such advice.

Purchaser Restrictions: The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the Bonds. The Purchaser will be expected to sign an Investor Letter acknowledging the same.

  
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City of Lee's Summit

  
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Zions Bank (ZMFU, II) as Purchaser