

APPENDIX B: GUIDELINES FOR ISSUANCE OF BONDS
(As amended, August 11, 2020)

Bonds (both tax-exempt and taxable) shall be subject to the following guidelines, provided that the Executive Director shall be authorized to waive or amend such guidelines with the advice of bond counsel, issuer's counsel and its financial advisor, as applicable, with respect to any series of bonds.

1. All documents to which OAQDA is a party, and all documents which provide security for the holders of the bonds, shall be governed by Ohio law.
2. All documents executed by the borrower and any other document which provides security to the holders of the bonds must be the subject of an opinion addressed to OAQDA by borrower's counsel, and such opinion must address matters of Ohio law and be given by an attorney admitted to practice law in Ohio.
3. The Inducement Resolution authorized thereunder, shall be effective for a period of no longer than one year from the date of the adoption of the Inducement Resolution.
4. For all bond issues in which the bonds are either unrated or have a rating below investment grade, as determined at the time by the Executive Director, shall be required to issue the bonds in minimum denominations of \$100,000, and shall be sold only to Qualified Institutional Buyers ("QIBs") or Accredited Investors, and all subsequent transfers of the bonds shall be made only to QIBs or Accredited Investors. A letter from the Original Purchaser (an "Investor Letter") shall be delivered at closing in which the Original Purchaser acknowledges compliance with such requirements.
5. It is the policy of OAQDA to NOT be a party to any swap, hedge or other derivative agreement or arrangement. In the event that the transaction utilizes such arrangement between the borrower and the lender, the bond documents may provide, subject to approval of bond counsel, that such payments may be accepted as Loan Payments, but OAQDA will have no other responsibilities with respect to such arrangement.
6. In the event the borrower, following issuance of the bonds, requests OAQDA to amend the terms of the bonds or the terms of the bond documents, OAQDA reserves the right to charge a reasonable fee in connection therewith.
7. In all tax-exempt transactions, the borrower shall enter into an Arbitrage Rebate Calculation Agreement with the Arbitrage Calculating Agent chosen by the Executive Director. Such agreement shall provide that the borrower will cooperate with such Agent in connection with the calculation of rebate payments, and shall make all payments determined by the Agent to be due to the IRS in connection with such rebate calculation in order to maintain the tax-exempt status of the bonds. It shall be the responsibility of the borrower to pay the fee of the Arbitrage Calculating Agent, generally at the five-year anniversary of the issuance of the bonds.
8. OAQDA will require the borrower:
 - a) to establish a separate fund or sub-account, or similar segregation of funds, for proceeds deposited as the project fund,
 - b) to track proceeds disbursements with an alignment to approved project components,
 - c) to monitor the Project for a period during the outstanding term of the bond in order to measure

- performance against projections,
- d) to measure performance of certain quantitative metrics set forth in the resolution approving the Project, and
 - e) to report such measures, as identified in 8.a), 8.b), 8.c), and 8.d) above. Such reports shall be made to OAQDA, annually, on June 30 of each year during which the bonds remain outstanding.
 - f) OAQDA reserves the right to include accountability provisions to ensure the Project meets the intended results as described in the application and approved with the bond resolution.
9. If applicable, the borrower and the underwriter shall comply with the Continuing Disclosure requirements of SEC Rule 15c2-12, either by the necessary updates and filings to EMMA and the Bond Trustee, or via the retention of a nationally recognized Dissemination Agent, and shall, at least annually, demonstrate such compliance to OAQDA with a copy of required annual filings and any material event notices.
10. On the later of the principal payment date each year while any bonds are outstanding, the borrower shall file or cause to be filed with OAQDA a confirmation of all payments of principal and interest which have been made, and the amount of all bonds then outstanding.
11. In the event that OAQDA adopts an inducement resolution and the bonds are not issued within one year, the borrower shall pay all professional fees of bond counsel, issuer's counsel, and technical consultants incurred in connection with the Project, as well as a reasonable fee to OAQDA to reimburse OAQDA for its time and costs expended, up to 25% of the OAQDA fee which would have been due had the bonds been issued.

Except for refundings, refinancings or other forms of restructuring of debt that place a borrower in a better financial position, OAQDA will not consider any applications for financing that do not include construction of Air Quality Facilities.