

**\$67,215,000**  
**(AGGREGATE MAXIMUM PRINCIPAL AMOUNT)**  
**CITY OF JOPLIN, MISSOURI**  
**TAXABLE INDUSTRIAL REVENUE BONDS**  
**(SCHAEFFLER EXPANSION PROJECT)**  
**SERIES 2018**

**Dated as of December 1, 2018**

**BOND PURCHASE AGREEMENT**

Mayor and City Council  
Joplin, Missouri

Ladies and Gentlemen:

On the basis of the representations and covenants and upon the terms and conditions contained in this Bond Purchase Agreement, Schaeffler Group USA Inc., a Delaware corporation (the “Purchaser”), offers to purchase from the City of Joplin, Missouri (the “City”), the above-referenced Taxable Industrial Revenue Bonds (Schaeffler Expansion Project), Series 2018, dated as provided in the Indenture (hereinafter defined), in the maximum aggregate principal amount of \$67,215,000 (the “Bonds”), to be issued by the City under and pursuant to an Ordinance adopted by the governing body of the City on December 17, 2018 (the “Ordinance”), and a Trust Indenture dated as of December 1, 2018 (the “Indenture”) by and between the City and UMB Bank, N.A., as trustee (the “Trustee”). *Capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.*

**SECTION 1. REPRESENTATIONS AND AGREEMENTS**

(a) By the City’s acceptance hereof, the City hereby represents to the Purchaser that:

(1) The City is a home rule charter city duly organized and validly existing under the laws of the State of Missouri. The City is authorized pursuant to the Constitution, the laws of the State of Missouri, and the charter and ordinances of the City, and all necessary action has been taken to authorize, issue and deliver the Bonds and to consummate all transactions contemplated by this Bond Purchase Agreement, the Ordinance, the Indenture and the Lease Agreement dated as of December 1, 2018 (the “Lease Agreement”) by and between the City and the Purchaser and any and all other agreements relating thereto. The proceeds of the Bonds shall be used for the purpose of acquiring and installing the Project Equipment and paying the costs incurred in connection with the issuance of the Bonds.

(2) There is no controversy, suit or other proceeding of any kind pending or to the City’s knowledge threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act leading up to the issuance of the Bonds or the constitutionality or validity of the obligations

represented by the Bonds or the validity of the Bonds, the Lease Agreement, the Indenture or the Performance Agreement.

(b) The Purchaser represents as follows:

(1) *Organization.* The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and duly authorized to transact business in the State of Missouri.

(2) *No Conflict or Breach.* The execution, delivery and performance of this Bond Purchase Agreement by the Purchaser have been duly authorized by all necessary action of the Purchaser and do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, its organizational documents, any law, court or administrative regulation, decree or order applicable to or binding upon the Purchaser, or, to the best of its knowledge, any agreement, indenture, mortgage, lease or instrument to which the Purchaser is a party or by which it is bound.

(3) *Documents Legal, Valid and Binding.* When executed and delivered by the Purchaser, this Bond Purchase Agreement will be, and is, a legal, valid and binding obligation, enforceable in accordance with its terms, subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies.

(4) *Purchaser's Certificates.* Any certificate signed by an authorized officer or agent of the Purchaser and delivered to the City shall be deemed a representation and warranty by the Purchaser to such parties as to the statements made therein.

## **SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS**

On the basis of the representations and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth and in the Indenture, the Purchaser agrees to purchase from the City, and the City agrees to sell to the Purchaser, the Bonds on the terms and conditions set forth herein.

The Bonds shall be sold to the Purchaser by the City on the Closing Date (hereinafter defined) upon payment of an amount equal to the Closing Price (hereinafter defined), which amount shall be applied as provided in the Indenture and the Lease Agreement. From time to time after the Closing Date, the Purchaser shall make additional payments with respect to the Bonds ("Additional Payments") to the Trustee under the Indenture, which Additional Payments shall be applied to the payment of Project Costs or as provided in the Indenture and the Lease Agreement; provided that the sum of the Closing Price and all such Additional Payments shall not, in the aggregate, exceed \$67,215,000.

As used herein, the term "Closing Date" shall mean December \_\_\_\_, 2018, or such other date as shall be mutually agreed upon by the City and the Purchaser; the term "Closing Price" shall mean that certain amount specified in an initial requisition under the Indenture and the Lease and/or a closing memorandum for the Bonds as the amount required to pay for the initial issuance of the Bonds on the Closing Date.

The Bonds shall be issued under and secured as provided in the Ordinance, the Indenture and the Lease Agreement authorized thereby and the Bonds shall have the maturity, interest rate and shall be subject to redemption as set forth therein. The delivery of the Bonds shall be made in definitive form as a fully registered bond in the maximum aggregate principal denomination of \$67,215,000 and bearing interest at 5.00% per annum; provided, that the principal amount of the Bonds outstanding at any time shall be that amount recorded in the records of the Trustee and further provided that interest shall be payable on the Bonds only on the outstanding principal amount of the Bonds, as more fully provided in the Indenture.

### **SECTION 3. CONDITIONS TO THE OBLIGATIONS**

The obligations hereunder shall be subject to the due performance by the parties of the obligations and agreements to be performed hereunder on or prior to the Closing Date and to the accuracy of and compliance with the representations contained herein, as of the date hereof and as of the Closing Date, and are also subject to the following conditions:

(a) There shall be delivered to the Purchaser on or prior to the Closing Date a duly executed copy of the Ordinance, the Trust Indenture and the Lease Agreement and any other instrument contemplated thereby shall be in full force and effect and shall not have been modified or changed except as may have been agreed to in writing by the Purchaser.

(b) The City shall confirm on the Closing Date by a certificate that at and as of the Closing Date the City has taken all action necessary to issue the Bonds and that there is no controversy, suit or other proceeding of any kind pending or to its knowledge threatened wherein any question is raised affecting in any way the legal organization of the City or the legality of any official act shown to have been done in the transcript of proceedings leading up to the issuance of the Bonds, or the constitutionality or validity of the obligations represented by the Bonds or the validity of the Bonds or any proceedings in relation to the issuance or sale thereof.

(c) The Purchaser shall execute a certificate, dated the Closing Date, to the effect that (i) no litigation, proceeding or investigation is pending against the Purchaser or its affiliates or, to the knowledge of the Purchaser, threatened which would (A) contest, affect, restrain or enjoin the issuance, validity, execution, delivery or performance of the Bonds, or (B) in any way contest the existence or powers of the Purchaser, (ii) no litigation, proceeding or investigation is pending or, to the knowledge of the Purchaser, threatened against the Purchaser that could reasonably be expected to adversely affect its ability to perform its obligations hereunder, (iii) the representations and warranties of the Purchaser herein were and are true and correct in all material respects and not misleading as of the date made and as of the Closing Date, and (iv) such other matters as are reasonably requested by the other parties in connection with the issuance of the Bonds.

### **SECTION 4. THE PURCHASER'S RIGHT TO CANCEL**

The Purchaser shall have the right to cancel its obligation hereunder to purchase the Bonds by notifying the City in writing or by telegraph of its election to make such cancellation at any time prior to the Closing Date.

## **SECTION 5. CONDITIONS OF OBLIGATIONS**

The obligations of the parties hereto are subject to the receipt of the approving opinion of Gilmore & Bell, P.C., Bond Counsel, with respect to the validity of the authorization and issuance of the Bonds.

## **SECTION 6. REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY**

All of the representations and agreements by either party shall remain operative and in full force and effect, and shall survive delivery of the Bonds to the Purchaser.

## **SECTION 7. NOTICE**

Any notice or other communication to be given under this Agreement may be given by mailing or delivering the same in writing to the City, Trustee or Company at the times and at the addresses set forth for notices in the Indenture.

## **SECTION 8. APPLICABLE LAW; ASSIGNABILITY**

This Bond Purchase Agreement shall be governed by the laws of the State of Missouri and may be assigned by the Purchaser to any entity controlled by, under common control with or controlling the Purchaser. Any such assignee shall agree to be bound by the terms of this Bond Purchase Agreement. Upon such assignment, the Purchaser shall be released from and have no further obligations under this Bond Purchase Agreement.

## **SECTION 9. EXECUTION OF COUNTERPARTS; ELECTRONIC STORAGE**

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

*[remainder of page intentionally left blank]*

Very truly yours,

**SCHAEFFLER GROUP USA INC.,**  
as Purchaser

By: \_\_\_\_\_  
Name:  
Title:

Accepted and Agreed to by:

**CITY OF JOPLIN, MISSOURI**

By: \_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

By: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney