

**\$15,000,000**  
**(Aggregate Maximum Principal Amount)**  
**CITY OF WESTWOOD, KANSAS**  
**INDUSTRIAL REVENUE BONDS**  
**(WOODSIDE HEALTH & TENNIS CLUB PROJECT)**  
**SERIES 2014**

**Dated February 20, 2014**

**BOND PURCHASE AGREEMENT**

City of Westwood, Kansas  
4700 Rainbow Boulevard  
Westwood, Kansas 66205

On the basis of the representations, and covenants and upon the terms and conditions contained in this Bond Purchase Agreement, Woodside Racquet Club Management, Inc., a Kansas corporation (the “Purchaser”) offers to purchase from the City of Westwood, Kansas (the “Issuer”), the above-referenced industrial revenue bonds, dated as provided in the Indenture (hereinafter defined), in the maximum aggregate principal amount of \$15,000,000 (the “Bonds”), to be issued by the Issuer under and pursuant to Ordinance No. \_\_\_\_\_ adopted by the governing body of the Issuer on February 13, 2014 (the “Ordinance”) and a Trust Indenture dated as of February 1, 2014 (the “Indenture”), by and between the Issuer and UMB Bank, N.A., duly organized and existing and authorized to accept and execute trusts of the character herein, with its designated corporate trust office located in Kansas City, Missouri, as Trustee (the “Trustee”).

**SECTION 1. REPRESENTATIONS AND AGREEMENTS**

By the Issuer's acceptance hereof, the Issuer hereby represents to the Purchaser that:

(a) The Issuer is a municipal corporation duly organized and validly existing under the laws of the State of Kansas. The Issuer is authorized pursuant to the Constitution and laws of the State of Kansas, to authorize, issue and deliver the Bonds and to consummate all transactions contemplated by this Bond Purchase Agreement, the Ordinance, the Indenture, Base Lease Agreement dated as of February 1, 2014 (the “Base Lease”), by and between Woodside Racquet Club Management, Inc., a Kansas corporation (the “Corporation”) and the Issuer, the Lease Agreement dated as of February 1, 2014 (the “Lease”), by and between the Issuer and the Corporation, and any and all other agreements relating thereto. The proceeds of the Bonds shall be used to finance the Project as defined in the Indenture and may also be used to pay for the costs incurred in connection with the issuance of the Bonds.

(b) There is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the Issuer 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 indebtedness represented by the Bonds or the validity of the Bonds, the Base Lease, the Lease or the Indenture.

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

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 Issuer and the Issuer agrees to sell to the Purchaser the Bonds on the terms and conditions set forth herein.

The interest rate on the Bonds shall be 2.00% per annum.

The maturity date of the Bonds shall be December 31, 2015.

The maximum principal amount of the Bonds is \$15,000,000.

The Bonds shall be sold to the Purchaser by the Issuer on the Closing Date (hereinafter defined) upon payment of an amount equal to the Closing Price (hereinafter defined), which amount shall be deposited in the Project Fund as provided in **Section 402** of the Indenture and shall thereafter on the Closing Date immediately be applied to the payment of Project Costs as defined in the Indenture. From time to time after the Closing Date, the Purchaser shall make additional payments with respect to the Bonds (“Additional Payments”) to the Trustee, which Additional Payments shall be deposited in the Project Fund and applied to the payment of Project Costs; provided that the sum of the Closing Price and all such Additional Payments shall not, in the aggregate, exceed \$15,000,000.

As used herein, the term “Closing Date” shall mean February 20, 2014, or such other date as shall be mutually agreed upon by the Issuer and the Purchaser; the term “Closing Price” shall mean that certain amount specified in writing by the Purchaser and agreed to by the Issuer as the amount required to fund the initial disbursement from the Project Fund and the Costs of Issuance Fund on the Closing Date.

The Bonds shall be issued under and secured as provided in the Ordinance and in the Indenture and the Base Lease and the Lease Agreement authorized thereby and the Bonds shall be subject to redemption as set forth therein. The delivery of the Bonds shall be made in definitive form as a single fully registered bond in the maximum aggregate principal denomination of \$15,000,000; provided, that the principal amount of the Bonds outstanding at any time shall be that amount recorded in the official bond registration 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.

The Corporation agrees to indemnify and hold harmless the Issuer, including any member, officer, official or employee of the Issuer (collectively, the “Indemnified Parties”), against any and all losses, claims, damages, liabilities or expenses whatsoever (but expressly excluding consequential, punitive or similar type damages) to the extent caused by any violation or failure by the Corporation to comply with any federal or state securities laws in connection with the Bonds, provided, however, the indemnification contained in this paragraph shall not extend to such Indemnified Party if such loss, claim, damage, liability or expense is (a) the result of the Indemnified Parties’ negligence or willful misconduct, or (b) the Indemnified Party is not following the written instructions of the Corporation or the Owner of the Bonds.

In case any action shall be brought against one or more of the Indemnified Parties based upon the foregoing indemnification and in respect of which indemnity may be sought against the Corporation, the

Indemnified Parties shall promptly notify the Corporation in writing and the Corporation shall promptly assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless employment of such counsel has been specifically authorized by the Corporation. The Corporation shall not be liable for any settlement of any such action effected without its consent by any of the Indemnified Parties, but if settled with the consent of the Corporation or if there be a final judgment for the plaintiff in any such action against the Corporation or any of the Indemnified Parties, with or without the consent of the Corporation, the Corporation agrees to indemnify and hold harmless the Indemnified Parties to the extent provided herein.

### **SECTION 3. CONDITIONS TO THE PURCHASER'S OBLIGATIONS**

The Purchaser's obligations hereunder shall be subject to the due performance by the Issuer of the Issuer's obligations and agreements to be performed hereunder on or prior to the Closing Date and to the accuracy of and compliance with the Issuer's 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 Indenture, the Base Lease and the Lease 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 Issuer shall confirm on the Closing Date by a certificate that at and as of the Closing Date the Issuer has taken all action necessary to issue the Bonds and that there is no controversy, suit or other proceeding of any kind pending or threatened wherein any question is raised affecting in any way the legal organization of the Issuer 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 indebtedness represented by the Bonds or the validity of the Bonds or any proceedings in relation to the issuance or sale thereof. The form and substance of such certificate shall be satisfactory to the Purchaser and the Corporation; and

(c) Receipt by the Purchaser and the Corporation of an approving opinion from Gilmore & Bell, P.C., Bond Counsel, in form and substance satisfactory to the Purchaser and the Corporation.

### **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 Issuer in writing 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. PAYMENT OF EXPENSES**

The Corporation shall pay all reasonable expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds from Bonds proceeds or otherwise.

## **SECTION 8. NOTICE**

Any notice or other communication to be given to the Issuer under this Agreement may be given by mailing or delivering the same in writing to the Issuer at 4700 Rainbow Boulevard, Westwood, Kansas 66205, Attention: City Clerk; any notice or other communication to be given to the Purchaser under this Agreement may be given by delivering the same in writing to Woodside Racquet Club Management, Inc., 2000 W. 47<sup>th</sup> Place, Westwood, Kansas 66205, Attention: Blair Tanner; and any notice or other communication to be given to the Corporation under this Agreement may be given by delivering the same in writing to Woodside Racquet Club Management, Inc., 2000 W. 47<sup>th</sup> Place, Westwood, Kansas 66205, Attention: Blair Tanner.

## **SECTION 9. APPLICABLE LAW; ASSIGNABILITY**

This Bond Purchase Agreement shall be governed by the laws of the State of Kansas and may be assigned by the Purchaser with the written consent of the Issuer, which consent shall not be unreasonably withheld, conditioned or delayed.

## **SECTION 10. EXECUTION OF COUNTERPARTS**

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 remainder of this page intentionally left blank.]

Very truly yours,

**WOODSIDE RACQUET CLUB  
MANAGEMENT, INC.,** a Kansas corporation,  
as Purchaser

By: \_\_\_\_\_  
Name: Blair Tanner  
Title: President

**WOODSIDE RACQUET CLUB  
MANAGEMENT, INC.,** a Kansas corporation,  
as Corporation

By: \_\_\_\_\_  
Name: Blair Tanner  
Title: President

Accepted and Agreed to this \_\_\_\_ day of February, 2014.

**CITY OF WESTWOOD, KANSAS**

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

(Seal)

ATTEST:

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