

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 22, 2026

Book-Entry Only
New Issue – Not Bank Qualified

Rating: Moody’s “Aa3”
See “Rating” herein

In the opinion of Dinsmore & Shohl, LLP, Bond Counsel for the Bonds, based upon an analysis of laws, regulations, rulings, and court decisions, and assuming continuing compliance with certain covenants made by the City, and subject to the conditions and limitations set forth herein under the caption “LEGAL MATTERS – Tax Treatment,” interest on the Bonds is excludable from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds is exempt from Kentucky income tax and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.



\$6,580,000*
CITY OF VERSAILLES, KENTUCKY
GENERAL OBLIGATION BONDS
SERIES 2026A

Dated: Date of Initial Delivery

Due: May 1, as shown below

Interest on the above-captioned Bonds (the “Bonds”) will be payable from the dated date, on May 1 and November 1, commencing November 1, 2026, and the Bonds mature on each May 1, as shown below:

<u>Year</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP 925173†</u>	<u>Year</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP 925173†</u>
2027	\$310,000					2035	\$410,000				
2028	\$320,000					2036	\$425,000				
2029	\$330,000					2037	\$440,000				
2030	\$345,000					2038	\$460,000				
2031	\$355,000					2039	\$480,000				
2032	\$365,000					2040	\$500,000				
2033	\$380,000					2041	\$520,000				
2034	\$395,000					2042	\$545,000				

The Bonds will initially be issued under a book-entry system, registered in the name of The Depository Trust Company or its nominee. There will be no distribution of the Bonds to the ultimate purchasers. See “Book-Entry Only System” herein. The principal of and interest on the Bonds is payable at the designated corporate trust office of Zions Bancorporation, National Association, Chicago, Illinois, as Paying Agent and Bond Registrar. The Bonds are being issued as fully registered bonds in denominations of \$5,000 and any integral multiple thereof. Interest payments will be mailed by the Paying Agent and Bond Registrar to each holder of record as of the fifteenth day of the month preceding the date for such interest payment.

The Bonds are subject to redemption before maturity, as described herein.

The City deems this Preliminary Official Statement to be final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, except for certain information on the cover page hereof and certain pages herein that has been omitted in accordance with Rule 15c2-12 and will be provided with the final Official Statement.

The Bonds are offered when, as, and if issued, subject to the approval of legality and tax treatment by Dinsmore & Shohl LLP, Bond Counsel, Louisville, Kentucky. Certain legal matters will be passed upon for the City by Dinsmore & Shohl LLP, Louisville, Kentucky, as disclosure counsel. Certain legal matters have been passed upon for the City by William K. Moore, Esq., City Attorney. The Bonds are expected to be available for delivery on or about May 26, 2026.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY AND IS NOT A COMPLETE SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

FIRST KENTUCKY SECURITIES CORPORATION
MUNICIPAL ADVISOR

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale, attached as **Appendix G** hereto.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. Copyright© Global Systems. The CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Bonds. Neither the Underwriter nor the City is responsible for the selection or use of the CUSIP numbers and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions, including, without limitation, a refunding, in whole or in part, of such maturity or as to the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

THIS PRELIMINARY OFFICIAL STATEMENT AND INFORMATION CONTAINED HEREIN ARE SUBJECT TO CHANGE, COMPLETION, OR AMENDMENT, WITHOUT NOTICE. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY THESE SECURITIES BE ACCEPTED BEFORE THE OFFICIAL STATEMENT IS DELIVERED IN FINAL FORM. UNDER NO CIRCUMSTANCES SHALL THIS PRELIMINARY OFFICIAL STATEMENT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF ANY OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF, THESE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION, OR SALE WOULD BE UNLAWFUL BEFORE REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF SUCH JURISDICTION.

CITY OF VERSAILLES, KENTUCKY

Mayor
Laura Dake

City Council
Chantel Bingham
Mary Bradley
Lisa Johnson
Gary Jones
Ann Miller
Fred Siegelman

City Attorney
William K. Moore, Esq.

City Clerk/Treasurer
Elizabeth Reynolds

BOND COUNSEL
Dinsmore & Shohl LLP
Louisville, Kentucky

MUNICIPAL ADVISOR
First Kentucky Securities Corporation
Lexington, Kentucky

PAYING AGENT AND REGISTRAR
Zions Bancorporation, National Association,
Chicago, Illinois

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REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Bonds by the City. No dealer, broker, salesman, or any other person has been authorized by the City to give any information or to make any representation, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the Bonds, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The information and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Upon their issuance, the Bonds will not be registered by the City under any federal or state securities law and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal, or other governmental entity or agency, except the City, will have, at the request of the City, (i) passed upon the accuracy or adequacy of this Official Statement or (ii) approved the Bonds for sale.

All financial and other information presented in this Official Statement has been provided by the City from its records, except for any information expressly attributed to other sources. The presentation of this information, including the tables of receipts from taxes and other sources, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that the past experience of the City, as is shown by the financial and other information presented in this Official Statement, will necessarily continue or be repeated in the future. Insofar as the statements contained in this Official Statement involve matters of opinion or estimates, even if not expressly stated as such, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements have been or will be realized. In addition, such statements should be regarded as suggesting independent investigation or consultation of other sources prior to the making of investment decisions. Certain information contained in this Official Statement may not be current; however, attempts were made to date and document all sources of information. Neither this Official Statement nor any oral or written representations made by or on behalf of the City preliminary to the sale of the Bonds should be regarded as part of the City's contract with the successful bidder or the holders from time to time of the Bonds.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 (as defined herein).

All references in this Official Statement to any provisions of Kentucky law, whether codified in the Kentucky Revised Statutes ("KRS") or uncodified, or to any provisions of the Kentucky Constitution or the City's ordinances, resolutions, or municipal orders, are references to such provisions as they presently exist. Any of these provisions may from time to time be amended, repealed, or supplemented.

As used in this Official Statement, "debt service" means principal of, interest, and any premium on, the obligations referred to; "City" means the City of Versailles; and "State" or "Kentucky" means the Commonwealth of Kentucky.

INTRODUCTION

The purpose of this Official Statement, which includes the cover pages and appendices hereto, is to provide certain information with respect to the issuance of \$6,580,000* aggregate principal amount of General Obligation Bonds, Series 2026A (the “Bonds”) of the City of Versailles, Kentucky as specified on the cover page hereof.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The Issuer

The Bonds are being issued by the City of Versailles, Kentucky (the “City”), a municipal corporation and political subdivision of the Commonwealth of Kentucky. The City is in Woodford County in central Kentucky.

Authority for Issuance

Authority for the issuance of the Bonds is provided by Sections 66.011 through 66.191 of the Kentucky Revised Statutes (“KRS”) and an ordinance adopted by the City Council of the City on April 21, 2026 (the “Ordinance”).

Sources of Payment for the Bonds

The Bonds are a general obligation debt of the City. The basic security for the Bonds is (i) the City’s ability to levy an annual tax to pay the interest on and principal of the Bonds as and when the same become due and payable. (See “DESCRIPTION OF THE BONDS – Security and Source of Payment for the Bonds” herein).

Purpose of the Bonds

The Bonds are being issued for the purpose of (i) refunding, paying, and discharging the City’s \$9,195,000 General Obligation Bond Anticipation Notes, Series 2022 dated August 15, 2022 (the “Series 2022 Notes”), which were used to finance (a) the costs of the acquisition, construction, equipping, and installation of capital improvements to Edgewood Industrial Park, (b) a maintenance garage to be used by the City for municipal purposes, (c) capital improvements to Versailles Fire Station, and (d) various other community development projects (collectively, the “Series 2022 Project”); (ii) paying the costs of various other community development projects, (iii) paying all or a portion of the costs of credit enhancement for the Bonds, if any, and (iv) paying the costs of issuance of such Bonds. (See “PLAN OF FINANCING” herein).

Description of the Bonds

The Bonds will mature in the years and in the principal amounts set forth on the cover page hereof. The Bonds are being offered in denominations of \$5,000 and any integral multiple thereof. The Bonds are initially being issued in book-entry only form, registered in the name of The Depository Trust Company (“DTC”), which will act as the securities depository for the Bonds, or the name of its nominee. There will

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale, attached as *Appendix G* hereto.

be no distribution of the Bonds to the ultimate purchasers thereof. (See “DESCRIPTION OF THE BONDS – Book-Entry Only System,” herein).

Redemption

The Bonds maturing on or after May 1, 2035 are subject to optional redemption before maturity, commencing May 1, 2034 (see “DESCRIPTION OF THE BONDS – Redemption Provisions – Optional Redemption,” herein).

[The Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption commencing May 1, 20__ (see “DESCRIPTION OF THE BONDS – Redemption Provisions – Mandatory Sinking Fund Redemption,” herein).]

If any Bonds are called for redemption, notice shall be given by mailing a copy of the redemption notice at least thirty days before the date fixed for redemption to the registered owner of each Bond to be redeemed (see “DESCRIPTION OF THE BONDS – Redemption Provisions,” herein).

Book-Entry

The Bonds are issuable only as fully registered Bonds, without coupons. The Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, which will act as securities depository for the Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and interest due on the Bonds will be made directly to DTC. Principal of, redemption premium, if any, and interest on the Bonds will be paid directly to DTC by Zions Bancorporation, National Association, Chicago, Illinois, as Paying Agent and Registrar. (See “DESCRIPTION OF THE BONDS – Book-Entry Only System” and Appendix F attached hereto.)

Payment of Bonds and Paying Agent and Registrar

Principal of the Bonds will be paid in lawful money of the United States of America at the designated corporate trust office of Zions Bancorporation, National Association, Chicago, Illinois (the “Paying Agent and Registrar”), and interest shall be mailed by the Paying Agent and Registrar to the record date registered holders at the address of such holder maintained on the registration book of the Paying Agent and Registrar. The record dates for May 1 and November 1 interest payment dates on the Bonds shall be the preceding April 15 and October 15, respectively.

Interest

The Bonds shall be dated their date of initial issuance and delivery and bear interest at the rates set forth on the cover page hereof, payable semi-annually on each May 1 and November 1, commencing November 1, 2026.

Tax Treatment

Under the laws, regulations, rulings, and judicial decisions in effect as of the date hereof, the interest, including original issue discount, if any, on the Bonds is excludible from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”). In addition, the interest on the Bonds will not be treated as a specific item of tax preference in computing the federal alternative minimum tax imposed on individuals. Further, the interest on the Bonds is also exempt from Kentucky income taxation, and the Bonds are also exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. In rendering the opinions contained in this paragraph, Dinsmore & Shohl LLP, as Bond Counsel for the Bonds, has assumed continuing compliance with certain covenants designed to meet the requirements of Section 103 of the Code. Bond Counsel expresses no other

opinion with respect to the federal or state tax consequences of purchasing, holding, or disposing of the Bonds.

The City has not designated the Bonds as “qualified tax-exempt obligations” with respect to certain financial institutions under Section 265 of the Code.

Bond Counsel expresses no other opinion as to the federal tax consequences of purchasing, holding, or disposing of the Bonds.

See “LEGAL MATTERS – Tax Treatment” herein and Appendix E hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the delivery of the Bonds.

Parties to the Issuance of the Bonds

The Paying Agent and Registrar is Zions Bancorporation, National Association, Chicago, Illinois. Legal matters incident to the issuance of the Bonds and with regard to the treatment status of the interest thereon are subject to the approving legal opinion of Dinsmore & Shohl LLP, Louisville, Kentucky, Bond Counsel. The Municipal Advisor to the City is First Kentucky Securities Corporation, Lexington, Kentucky.

Offering and Delivery of the Bonds

The Bonds are offered when, as, and if issued by the City. The Bonds will be delivered on or about May 26, 2026 through the Depository Trust Company (DTC).

Disclosure Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement and continuing disclosure documents of the City are intended to be made available through one or more repositories. Copies of the basic documentation relating to the Bonds, including the authorizing ordinances and the bond forms, are available from the City.

The City deems this Preliminary Official Statement to be final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, except for certain information on the cover page hereof and certain pages herein that has been omitted in accordance with Rule 15c2-12 and will be provided with the final Official Statement.

Additional Information

Additional information concerning this Official Statement, as well as copies of the basic documentation relating to the Bonds, is available from First Kentucky Securities Corporation, 1500 Leestown Road, Suite 330, Lexington, Kentucky 40511, Telephone (859) 425-1100, Attention: Stan Kramer.

DESCRIPTION OF THE BONDS

The Bonds are dated their date of initial issuance and delivery and bear interest from such date at the rates set forth on the cover page of this Official Statement. The Bonds are being issued as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof.

Interest on the Bonds is payable semi-annually on May 1 and November 1, commencing November 1, 2026, and shall be paid by check or draft mailed to the registered owners thereof, as of the applicable record date set forth below, by Zions Bancorporation, National Association, Chicago, Illinois, the Paying Agent and Registrar for the Bonds. The principal amount of the Bonds shall be paid when due to the registered owners thereof, upon the surrender of the Bonds at the designated corporate trust office of the Paying Agent and Bond Registrar in Chicago, Illinois. Alternatively, the principal of and interest on the

Bonds may be paid by any other transfer of funds acceptable to the Paying Agent and Bond Registrar and the registered owners of the Bonds. The record date for each May 1 and November 1 interest payment date shall be the preceding April 15 and October 15, respectively.

Redemption Provisions

Optional Redemption

The Bonds maturing on and after May 1, 2035 shall be subject to optional redemption before maturity on any date on or after May 1, 2034, in whole or in part, in such order of maturity as may be selected by the City and by lot within a maturity, at a redemption price equal to the principal amount of Bonds to be redeemed, plus accrued interest to the date of redemption.

[Mandatory Sinking Fund Redemption]

The Bonds maturing on the dates set forth below are subject to mandatory sinking fund redemption before maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on the dates, in the years, and in the principal amounts as follows:

<u>Maturing May 1, 20[]</u>	
<u>Date</u>	<u>Amount</u>
May 1, 20__	\$ _____
May 1, 20__	_____
<u>May 1, 20__ *</u>	_____
*Final Maturity	

Notice of Redemption

If less than all of the Bonds which are payable by their terms on the same date are to be called, the particular Bonds or portions of Bonds payable on such same date and to be redeemed from such series shall be selected by lot by the Paying Agent and Registrar, in such manner as the Paying Agent and Registrar in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof, and that, in selecting Bonds for redemption, the Paying Agent and Registrar shall treat each bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

At least thirty days before the redemption date of any Bonds the Paying Agent and Registrar shall cause a notice of such redemption either in whole or in part, signed by the Paying Agent and Registrar, to be mailed, postage prepaid, to all registered owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Paying Agent and Registrar, but failure so to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid, and, if less than all of the Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive numbers or letters, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date upon surrender of such Bonds, a new Bond in principal amount equal to the unredeemed portion of such Bonds will be issued.

On the date so designated for redemption, notice having been sent in the manner and under the conditions hereinabove provided and moneys for payment of the redemption price being held in separate accounts by the Paying Agent and Registrar for the holders of the Bonds or portions thereof to be redeemed, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the

redemption price provided for redemption of such Bonds or portions of Bonds on such date, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, and the holders or registered owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and to receive Bonds for any unredeemed portions of Bonds.

In case part but not all of an outstanding Bond shall be selected for redemption, the registered owner thereof or his attorney or legal representative shall present and surrender such Bond to the Paying Agent and Registrar for payment of the principal amount hereof so called for redemption, and the City shall execute and the Paying Agent and Registrar shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, a new Bond in a principal amount equal to the unredeemed portion of the Bond so surrendered for redemption, of the same series and maturity and bearing interest at the same rate as the Bond so redeemed.

Security and Source of Payment for the Bonds

The Bonds are general obligations of the City, and the full faith, credit, and taxing power of the City is irrevocably pledged to the payment of the principal of and interest on the Bonds when due. The basic security for the general obligation debt of the City, including the Bonds, is the City's ability to levy, and its pledge to levy, an annual tax to pay the principal of and interest on the Bonds as and when the same become due and payable. The tax must be levied in sufficient amount to pay, as the same become due, the principal of and interest on the Bonds, as well as the principal of and interest on all outstanding general obligation bonds and other obligations of the City. The Kentucky Constitution mandates the collection of a tax sufficient to pay the interest on an authorized indebtedness and the creation of a sinking fund for the payment of the principal thereof. The Ordinance levies such annual tax, which shall be collected to the extent other lawfully available monies of the City are not provided. The Ordinance also requires the maintenance of the City's existing sinking fund, into which the proceeds of such tax or other lawfully available monies of the City are to be deposited for payment of the principal of and interest on the Bonds authorized by the Ordinance, and such proceeds or other monies shall not be used for any other purpose.

Chapter 9 of the federal Bankruptcy Code contains provisions relating to the adjustment of the debts of a state's political subdivisions, public agencies, and instrumentalities (each, an "eligible entity"), such as the City. Under the Bankruptcy Code and in certain circumstances described therein, an eligible entity may be authorized to initiate Chapter 9 proceedings without prior notice to or consent of its creditors, which proceedings may result in a material and adverse modification or alteration of the rights of its secured and unsecured creditors, including the holders of its bonds and notes.

Statutory Lien

KRS Section 66.400 (the "Municipal Bankruptcy Law") permits a political subdivision, such as the City, for the purpose of enabling such subdivision to take advantage of the provisions of the Bankruptcy Code, and for that purpose only, (i) to file a petition stating that the subdivision is insolvent or unable to meet its debts as they mature and that it desires to effect a plan for the composition or readjustment of its debts and (ii) to take such further proceedings as are set forth in the Bankruptcy Code as they relate to such subdivision. In addition, the City does not need the approval or permission of the State Local Debt Officer or any other governmental authority before availing itself of the bankruptcy process.

The Municipal Bankruptcy Law provides that (a) a statutory lien exists on tax revenues pledged for the benefit of general obligation debt; (b) the tax revenues are pledged for the repayment of principal of, premium, and interest on all outstanding general obligation indebtedness, whether or not the pledge is stated in the documents or in the proceedings authorizing the obligations; and (c) the pledge constitutes a first lien on such tax revenues. In addition, the Municipal Bankruptcy Law creates a statutory lien on annual appropriations for the payment of obligations subject to annual renewal, including, without limitation, leases entered into under KRS Chapter 58 and Chapter 65.

The validity and priority of the statutory lien have not been adjudicated in any Chapter 9 bankruptcy proceeding or otherwise.

Book-Entry Only System

The Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by DTC. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Bonds and Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the Ordinance. For additional information about DTC and the book-entry only system see “APPENDIX F – Book-Entry Only System.”

THE INFORMATION IN THIS SECTION AND IN APPENDIX F CONCERNING DTC AND DTC’S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CITY BELIEVES TO BE RELIABLE, BUT THE CITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

PLAN OF FINANCING

The Bonds are being issued for the purpose of (i) refunding, paying, and discharging the City’s Series 2022 Notes, which were used to finance (a) the costs of the acquisition, construction, equipping, and installation of capital improvements to Edgewood Industrial Park, (b) a maintenance garage to be used by the City for municipal purposes, (c) capital improvements to Versailles Fire Station, and (d) various other community development projects (collectively, the “Series 2022 Project”); (ii) paying the costs of various other community development projects, (iii) paying all or a portion of the costs of credit enhancement for the Bonds, if any, and (iv) paying the costs of issuance of such Bonds.

Pursuant to an Escrow Agreement to be dated the date of delivery of the Bonds (the “Escrow Agreement”), by and between the City and Zions Bancorporation, National Association, Chicago, Illinois, as escrow trustee (the “Escrow Trustee”), a portion of the proceeds of the Bonds, will be irrevocably deposited in an escrow fund established by such Escrow Agreement, (the “Escrow Fund”), to be held in trust thereunder, in connection with the refunding of the Series 2022 Notes.

Moneys deposited in such Escrow Fund will be used by the City, in accordance with the Escrow Agreement, to provide for the purchase of certain direct noncallable obligations of the United States of America (which constitute Defeasance Obligations under the Trust Agreement, referred to herein as the “Escrow Obligations”) having such maturities or redemption dates and interest payment dates and bearing such interest as will be, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, sufficient, together with any other moneys remaining in the Escrow Fund after such purchase, for the payment of all principal of, and premium and interest on, the Series 2022 Notes through the redemption date thereof. Such Escrow Obligations will be in the form of either Treasury Securities – State and Local Government Series and/or open-market securities for deposit by the Escrow Trustee into the Escrow Fund. According to the terms of the Trust Agreement, upon the establishment and funding of the irrevocable Escrow Fund, the Series 2022 Notes will be deemed paid and discharged.

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SOURCES AND USES OF FUNDS

Sources:

Bond Proceeds	\$ _____
[Plus Original Issue Premium][Less Original Issue Discount]	
City Contribution	<u>2,000,000.00</u>
Total Sources	\$ _____

Uses:

Underwriter’s Discount	\$ _____
Deposit to the Construction Fund	
Deposit to Escrow Account to pay the Series 2022 Notes	_____
Cost of Issuance	_____
Total Uses	\$ _____

INVESTMENT CONSIDERATIONS

The following is a discussion of certain investment considerations for investors to consider of risks that could affect payments to be made with respect to the Bonds. Such discussion is not exhaustive and should be read in conjunction with all other parts of this Official Statement, and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which are available as described in this Official Statement.

Limitation on Enforcement of Remedies

Enforcement of the remedies applicable to the Bonds under the Ordinance may be limited or restricted by laws relating to bankruptcy and insolvency and by the rights of creditors under the application of general principles of equity, and may be substantially delayed or subject to judicial discretion in the event of litigation or the use of statutory remedial procedures. All legal opinions with respect to the enforceability of the Bonds delivered in connection with the Bonds contain an exception relating to the limitations that may be imposed by bankruptcy and insolvency laws and by the rights of creditors under general principles of equity.

Risk of Bankruptcy

The obligations of the City under the Bonds and the Ordinance are general obligations of the City and are secured only by the pledge of the City’s full faith, credit, and taxing power, any monies held in the City’s Sinking Fund (on a parity with other general obligation debt), the bond payment fund established under the Ordinance (the “Bond Payment Fund”), and the statutory lien provided by KRS Section 66.400. A bondholder’s enforcement of any remedies provided under the Ordinance may be limited or delayed in the event of the application of federal bankruptcy laws or other laws affecting creditors’ rights and may be substantially delayed and subject to judicial discretion in the event of litigation or the required use of statutory remedial procedures. The validity and priority of the statutory lien provided under KRS Section 66.400 have not been adjudicated in any Chapter 9 bankruptcy proceeding or otherwise.

KRS Section 66.400 permits the City to file a petition for relief under Chapter 9 of Title 11 of the United States Code (the “Bankruptcy Code”) without the prior approval of any official or department of state government. If the City were to file such a petition, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against the City and any interest in monies contained in the sinking fund, the Bond Payment Fund, the City’s general fund revenues, or the City’s taxing power. However, the petition does not stay the application of pledged special revenues as defined by the Bankruptcy Code.

During its bankruptcy, the City could use its property, including its tax receipts and proceeds thereof, but excluding pledged special revenues, for the benefit of the City's bankruptcy estate despite the claims of its creditors. Notwithstanding the foregoing, it is possible that pledged special revenues could also be used by the City post-petition to pay certain operating expenses.

In a Chapter 9 proceeding under the Bankruptcy Code, only the City, and not any other creditor or party in interest, could file a proposed plan of adjustment. The plan of adjustment is the vehicle for satisfying, and provides for the comprehensive treatment of, all of the claims against the City, and could result in the modification of the rights of any class of creditors, whether secured or unsecured, which modification of rights could be contrary to state law. For a plan to be confirmed, with one exception discussed below, it must be approved by the vote of each class of impaired creditors. A class of impaired creditors approves a plan if, of those who vote, those holding more than one-half in number and at least two-thirds in amount vote in favor of the plan. If fewer than all of the impaired classes vote to accept the plan, the plan may nevertheless be confirmed by the bankruptcy court, and all claims and interests would be bound thereby, regardless of whether or how they voted. For this "cramdown" to occur, at least one of the impaired classes must vote to accept the plan and the bankruptcy court must determine that the plan does not "discriminate unfairly" and is "fair and equitable" with respect to the non-consenting class or classes. For a plan to be confirmed, the bankruptcy court must also determine that the plan, among other requirements, is proposed in good faith and is in the best interest of creditors, such that the plan represents a reasonable effort by the City to satisfy its debts that is a better alternative than dismissal of the bankruptcy case. Unlike in a Chapter 11 proceeding, in a Chapter 9 proceeding, this standard does not include the use of a liquidation analysis.

Generally speaking, the City would likely receive a discharge after (i) the plan of adjustment is confirmed; (ii) the City deposits any consideration to be distributed under the plan with a disbursing agent appointed by the bankruptcy court; and (iii) the bankruptcy court determines that the securities deposited with the disbursing agent will constitute valid and legal obligations of the City and that any provision made to pay or secure payment of such obligations is valid.

See the additional discussion herein regarding the statutory pledge of tax revenues provided for the Bonds at "DESCRIPTION OF THE BONDS – Statutory Lien." Prospective bondholders should consult their legal counsel regarding the impact of a bankruptcy filing by the City on the payment and security of the Bonds.

Suitability of Investment

An investment in the Bonds involves a certain degree of risk. The interest rates borne by the Bonds is intended to compensate the investor for assuming this element of risk. Prospective investors should carefully examine this Official Statement, including the Appendices hereto, and assess their ability to bear the economic risk of such an investment and determine whether or not the Bonds are an appropriate investment for them.

Additional Debt

The City may, from time to time, issue additional general obligation bonds or notes. Such issuances of general obligation bonds or notes would increase debt service requirements and could adversely affect debt service coverage on the Bonds.

General Economic Conditions

Adverse general economic conditions may result in, among other adverse circumstances, reduction in occupational license fees and general tax revenues or declines in investment portfolio values, resulting in increased funding requirements, negatively impacting the results of operations and the overall financial condition of the City.

Market for the Bonds

There is presently no secondary market for the Bonds and no assurance that a secondary market will develop. Consequently, investors may not be able to resell the Bonds purchased should they need or wish to do so for emergency or other purposes.

Bond Rating

There can be no assurance that the rating assigned to the Bonds at the time of issuance will not be lowered or withdrawn at any time in the future, the effect of which could adversely affect the market price for and marketability of the Bonds. For more information, see "RATING" herein.

Tax Implications

Prospective purchasers of the Bonds may need to consult their own tax advisors before any purchase of the Bonds as to the impact of the Internal Revenue Code of 1986, as amended (the "Code"), upon their acquisition, holding, or disposition of the Bonds.

PROFILE OF THE CITY AND SURROUNDING AREA

Economic and financial data information with respect to the City is set forth in *Appendix B* hereto.

CITY GOVERNMENT

Elected and Appointed Officials

The City of Versailles, Kentucky (the "City"), a municipal corporation and political subdivision of the Commonwealth of Kentucky (the "State"), is governed by a City Council, which is comprised of a Mayor, who is elected to a four year term, and six councilmembers, who are elected to two year terms. The members of the City Council and their terms of office are as follows:

<u>Member</u>	<u>Original Term Began</u>	<u>Current Term Ends</u>
Mayor Laura Dake	November 22, 2024	December 31, 2026
Chantel Bingham	January 1, 2023	December 31, 2026
Mary Ellen Bradley	January 1, 1996	December 31, 2026
Lisa Johnson	January 1, 2021	December 31, 2026
Gary Jones	January 1, 2023	December 31, 2026
Ann Miller	January 1, 2023	December 31, 2026
Fred Siegelman	January 1, 2025	December 31, 2026

The current appointed City officials who serve at the pleasure of City Council are:

City Clerk/Treasurer	Elizabeth Reynolds
Assistant City Clerk	Marlena Jacobs
City Attorney	William K. Moore, Esq.
Public Works Director	Bart Miller

Financial Management

The City Council is responsible for appropriating the funds used to support the various City activities. The City Council exercises its legislative powers by budgeting, appropriating, levying taxes, issuing bonds and notes, and letting contracts for public works and services to provide this financial management.

Financial Reports and Examinations of Accounts

Each city in the State is required to keep its accounting records and render financial reports in such a way as to: (i) determine compliance with statutory provisions; (ii) determine fairly and with full disclosure the financial operations of consistent funds and account groups of the city in conformity with generally accepted governmental accounting principles; and (iii) readily provide such financial data as may be required by the federal revenue sharing program. Municipal accounting systems are required to be organized and operated on a fund basis. The City maintains its accounts and other fiscal records on an appropriation and modified accrual basis in accordance with the procedures established and prescribed by the Kentucky Department for Local Government.

As required by law, financial reports are prepared annually by the City and filed with the Kentucky Department for Local Government. Audits are required to be completed by the February 1st immediately following the fiscal year being audited.

The accounting procedures prescribed by the Kentucky Department for Local Government are generally applicable to all cities in Kentucky and may be different from generally accepted government accounting principles as presented and recommended in the National Council on Governmental Accounting publication "Governmental Accounting Auditing and Financial Reporting," and the Industry Audit Guide of the American Institute of Certified Public Accountants, entitled "Audits of State and Local Governmental Units." Those publications, among other things, provide for a modified accrual basis of accounting for the general fund, all special revenue funds, and the debt service fund, and for a full accrual basis of accounting for all other funds, and further provide for the preparation for each fund of balance sheets, statements of revenues and expenditures, and statements showing changes in fund balances.

The Audited Financial Statements of the City of Versailles, Kentucky for its Fiscal Year ending June 30, 2024 are attached hereto as *Appendix C*.

Budgeting and Appropriations Procedures

Detailed provisions for City budgeting, tax levies, and appropriations are made in the Kentucky Revised Statutes. Cities are required to operate under an annual budget ordinance and no City may expend any moneys from a governmental or proprietary fund except in accordance with such budget. A budget proposal must be submitted to the City's legislative body no later than thirty days prior to the beginning of the fiscal year covered by the budget. No budget ordinance may be adopted which provides for appropriations to exceed revenues and the available fund balance in a fiscal year. The full amount estimated to be required for debt service during the budget year must be appropriated.

Investment Policies

KRS Section 66.480 sets forth the requirements and limitations for investments of the State's political subdivisions, including the City. Under that Section, the City must adopt an investment policy and may invest its funds only in the classifications of obligations; which are eligible for investment, which are as follows:

- (i) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, if delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian. These investments may be accomplished through repurchase agreements reached with sources including, but not limited to, national or state banks chartered in Kentucky;

- (ii) Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States governmental agency, including, but not limited to:
 - (a) United States Treasury;
 - (b) Export-Import Bank of the United States;
 - (c) Farmers Home Administration;
 - (d) Governmental National Mortgage corporation; and
 - (e) Merchant Marine bonds;

- (iii) Obligations of any corporation of the United States government, including, but not limited to:
 - (a) Federal Home Loan Mortgage Corporation;
 - (b) Federal Farm Credit Banks;
 - (c) Bank for Cooperatives;
 - (d) Federal Intermediate Credit Banks;
 - (e) Federal Land Banks;
 - (f) Federal Home Loan Banks;
 - (g) Federal National Mortgage Association; and
 - (h) Tennessee Valley Authority;

- (iv) Certificates of deposit or other interest-bearing accounts issued through a bank or savings and loan institution having a physical presence in Kentucky which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations, including surety bonds, permitted by KRS Section 41.240(4);

- (v) Uncollateralized certificates of deposit issued by any bank or savings and loan institution having a physical presence in Kentucky rated in one of the three highest categories by a competent rating agency;

- (vi) Bankers' acceptances for banks rated in one of the three highest categories by a competent rating agency;

- (vii) Commercial paper rated in the highest category by a competent rating agency;

- (viii) Bonds or certificates of indebtedness of this state and of its agencies and instrumentalities;

- (ix) Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one of the three highest categories by a competent rating agency;

- (x) Shares of mutual funds, each of which shall have the following characteristics:
 - (a) The mutual fund shall be an open-end diversified investment company registered under the Federal Investment Company Act of 1940, as amended;
 - (b) The management company of the investment company shall have been in operation for at least five years; and
 - (c) All of the securities in the mutual fund shall be eligible investments pursuant to this section;

- (xi) Individual equity securities if the funds being invested are managed by a professional investment manager regulated by a federal regulatory agency. The individual equity securities shall be included within the Standard and Poor's 500 Index, and a single sector shall not exceed twenty-five percent of the equity allocation; and
- (xii) Individual high-quality corporate bonds that are managed by a professional investment manager that:
 - (a) Are issued, assumed, or guaranteed by a solvent institution created and existing under the laws of the United States;
 - (b) Have a standard maturity of no more than ten years; and
 - (c) Are rated in the three highest rating categories by at least two competent credit rating agencies.

The City's current investment policy is more restrictive than is permitted by State law.

The City values safety, liquidity, and return, in that order.

Debt Limitation

Section 158 of the Kentucky Constitution provides that cities shall not incur indebtedness to an amount exceeding the following maximum percentages on the value of the taxable property therein, to be estimated by the last assessment previous to the incurring of the indebtedness:

- (i) Cities having a population of 15,000 or more, 10%;
- (ii) Cities having a population of less than 15,000 but not less than 3,000, 5%; and
- (iii) Cities having a population of less than 3,000, 3%.

Nothing shall prevent the issue of renewal bonds, or bonds to fund the floating indebtedness of any city, county, or taxing district. Subject to the limits and conditions set forth in that section and elsewhere in the Kentucky Constitution, the General Assembly has the power to establish additional limits on indebtedness and conditions under which debt may be incurred by cities.

KRS Section 66.041 provides the same limitations as are set forth in the Kentucky Constitution except that the limitations apply to "net indebtedness." In calculating "net indebtedness," KRS Section 66.031 provides that certain obligations of a municipality are not to be considered in the calculation, including notes issued in anticipation of bonds, self-supporting obligations, revenue bonds, special assessment debt, and other infrequently-issued types of obligations. (For a complete list of exempt debt, see the Statement of Indebtedness attached hereto as Appendix D.)

Appendix D of this Official Statement is a Statement of Indebtedness for the City, certified by the City Clerk/Treasurer, calculating the amount of the outstanding obligations of the City (including the Bonds) which are subject to the total direct debt limit (5% limit). The total principal amount of general obligation debt that could be issued by the City, subject to the 5% total direct debt limitation is \$63,748,203 and the City's net debt subject to such limitation presently outstanding (including the Bonds) is \$16,730,000,* leaving a balance of approximately \$47,018,203 borrowing capacity issuable within such limitation.

However, as described below, the City's ability to incur debt in these amounts is restricted by tax limitations. In the case of general obligation debt, both the debt limitations and tax limitations must be met.

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale, attached as *Appendix G* hereto.

Tax Limitation

Section 157 of the Kentucky Constitution also indirectly imposes a debt limitation on general obligation indebtedness of cities by limiting the tax rates cities may impose upon the value of taxable property, as follows:

- (i) cities having a population of 15,000 or more, \$1.50 on each \$100.00 of assessed value;
- (ii) cities having a population of less than 15,000 but not less than 10,000, \$1.00 on each \$100.00 of assessed value; and
- (iii) cities having a population of less than 10,000, \$0.75 on each \$100.00 of assessed value.

Section 159 of the Kentucky Constitution requires the collection of an annual tax sufficient to pay the interest on contracted indebtedness and to retire indebtedness over a period not exceeding forty years. The two constitutional provisions operate as a limit on general obligation debt. Because the indirect debt limit results from tax limitations and the requirement to levy taxes to pay debt charges, it has application only to debts which are payable from taxes either initially or in the event other pledged non-tax revenues prove to be insufficient. It does not have any application where the type of debt being issued does not pledge the credit of the municipality or when the debt is payable solely out of the revenues of non-tax sources, such as utility income.

Appendix D of this Official Statement contains a Statement of Indebtedness, certified by the City, setting forth the property tax rate currently levied by the City of \$0.049 per \$100.00 for real property and \$0.10 per \$100.00 for personal property, and certifying that the issuance of the Bonds will not cause such rates to increase to amounts which would exceed the maximum permissible rates.

Bond Anticipation Notes

Under Kentucky law, notes, including renewal notes, issued in anticipation of general obligation bonds may be issued from time to time upon the same terms and conditions as bonds except that notes may be sold by private negotiated sale in a manner determined or authorized by the legislative authority. The ability of the City to retire bond anticipation notes from the proceeds of the sale of either renewal notes or bonds will be dependent upon the marketability of such renewal notes or bonds under market conditions then prevailing.

Future Borrowings of the City

The City may issue additional series of general obligation bonds in the future to finance the costs of additional public projects, subject to the constitutional and statutory restrictions described herein. The City currently has no formal plans to issue additional general obligation bonds or other indebtedness to finance the costs of designated public projects. Nevertheless, the City further reserves the right to issue additional general obligation bonds in the future.

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LEGAL MATTERS

General Information

Legal matters incident to the issuance of the Bonds and with regard to the tax status thereof are subject to the approving legal opinion of Dinsmore & Shohl LLP, Bond Counsel. Upon delivery of the Bonds of the City to the successful bidder therefor, the Bonds will be accompanied by an approving opinion dated the date of such delivery, rendered by Dinsmore & Shohl LLP. A draft of such legal opinion for the Bonds is attached hereto as Appendix E.

As Bond Counsel, Dinsmore & Shohl LLP has performed certain functions to assist the City in the preparation of this Official Statement. However, the firm assumes no responsibility for, and will express no opinion regarding the accuracy or completeness of this Official Statement or any other information relating to the City or the Bonds that may be made available by the City or others to the bidders, the holders of the Bonds, or others.

The engagement of the firm as Bond Counsel is limited to the preparation of certain of the documents contained in the transcript of proceedings with regard to the Bonds, and an examination of such transcript proceedings incident to rendering its legal opinion. In its capacity as Bond Counsel, the firm has reviewed the information in this Official Statement under Sections entitled “INTRODUCTION – Authority for Issuance,” “DESCRIPTION OF THE BONDS – Security and Source of Payment for the Bonds,” “CITY GOVERNMENT – Debt Limitation,” “CITY GOVERNMENT – Tax Limitation,” “LEGAL MATTERS – General Information,” and “LEGAL MATTERS – Tax Treatment”, which review did not include any independent verification of financial statements and statistical data included therein, if any.

Transcript and Closing Certificates

A complete transcript of proceedings, a no-litigation certificate, and other appropriate closing documents will be delivered by the City when the Bonds are delivered to the original purchaser. The City will also provide to the original purchaser, at the time of such delivery, a certificate from the City’s Mayor and/or City Clerk/Treasurer addressed to such purchaser relating to the accuracy and completeness of this Official Statement.

Litigation

To the knowledge of the City, no litigation, administrative action, or proceeding is pending or threatened directly affecting the Bonds, the security for the Bonds, or the improvements being financed from the proceeds of the Bonds. A No-Litigation Certificate to that effect will be delivered to the purchaser at the time of delivery of the Bonds.

TAX TREATMENT

General

In the opinion of Bond Counsel for the Bonds, based upon an analysis of existing laws, regulations, rulings, and court decisions in effect as of the date hereof, interest on the Bonds will be excludible from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”). Further, Bond Counsel is of the opinion that interest on the Bonds will not be a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals (for a discussion of the corporate alternative minimum tax, see “LEGAL MATTERS – Tax Treatment – Corporate Alternative Minimum Tax” herein). In addition, Bond Counsel is also of the opinion that interest on the Bonds is exempt from Kentucky income taxation and that the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

A copy of the opinion of Bond Counsel to be delivered concurrently with the issuance of the Bonds is set forth in Appendix E, attached hereto.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion of the interest on certain obligations, such as the Bonds, from gross income for federal income tax purposes. The City has covenanted to comply with certain restrictions designed to ensure that interest on the related issues of Bonds will not be includable in gross income for federal income tax purposes. Failure to comply with these covenants could result in the interest on the Bonds being includable in gross income for federal income tax purposes, and such inclusion could be required retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or any events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the tax status of interest on the Bonds.

Certain requirements and procedures contained or referred to in the Bonds and any other relevant documents may be changed, and certain actions (including, without limitation, the defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or the tax status of the interest thereon if any such change occurs or any such action is taken or omitted upon the advice or approval of bond counsel other than Dinsmore & Shohl LLP.

Although Bond Counsel is of the opinion that interest on the Bonds will be excludible from gross income for federal income tax purposes and that interest on the Bonds will be excludible from gross income for Kentucky income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Bondholder's federal, state, or local tax liabilities. The nature and extent of these tax consequences may depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinions regarding any tax consequences other than what is set forth in its opinion, and each Bondholder or potential Bondholder is urged to consult with its tax counsel with respect to the effects of purchasing, holding, or disposing of the Bonds on the tax liabilities of the individual or entity.

Receipt of tax-exempt interest, ownership, or disposition of the Bonds may result in other collateral federal, state, or local tax consequences for certain taxpayers. Such effects may include, without limitation, increasing the federal tax liability of certain foreign corporations subject to the branch profits tax imposed by Section 884 of the Code; increasing the federal tax liability of certain insurance companies under Section 832 of the Code; increasing the federal tax liability and affecting the status of certain S Corporations subject to Section 1362 and Section 1375 of the Code; increasing the federal tax liability of certain individual recipients of Social Security or the Railroad Retirement benefits under Section 86 of the Code; and limiting the amount of the Earned Income Credit under Section 32 of the Code that might otherwise be available. Ownership of the Bonds may also result in the limitation of interest and certain other deductions for financial institutions and certain taxpayers under Section 265 of the Code. Finally, the residence of a bondholder in a state other than Kentucky or a bondholder being subject to tax in a state other than Kentucky may result in income or other tax liabilities being imposed on such bondholder by such states or their political subdivisions based on the interest or other income from the Bonds.

The City has not designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265 of the Code.

Original Issue Premium

"Acquisition Premium" is the excess of the cost of a bond over the stated redemption price of such bond at maturity or, for bonds that have one or more earlier call dates, the amount payable at the next call date. The Bonds that bear an interest rate that is higher than the yield (as shown on the cover page of this Official Statement), are initially being offered and sold to the public at an Acquisition Premium (the "Premium Bonds"). For federal income tax purposes, the amount of Acquisition Premium on each bond,

the interest on which is excludable from gross income for federal income tax purposes (“tax-exempt bonds”), must be amortized and will reduce the bondholder’s adjusted basis in that bond. However, no amount of amortized Acquisition Premium on tax-exempt bonds may be deducted in determining a bondholder’s taxable income for federal income tax purposes. The amount of any Acquisition Premium paid on the Premium Bonds, or on any of the Bonds, that must be amortized during any period will be based on the “constant yield” method, using the original bondholder’s basis in such bonds and compounding semiannually. This amount is amortized ratably over that semiannual period on a daily basis.

Holders of any Bonds, including any Premium Bonds, purchased at an Acquisition Premium should consult their own tax advisors as to the actual effect of such Acquisition Premium with respect to their own tax situation and as to the treatment of Acquisition Premium for state tax purposes.

Original Issue Discount

The Bonds having a yield that is higher than the interest rate (as shown on the cover page hereof) are being offered and sold to the public at an original issue discount (“OID”) from the amounts payable on such Bonds at maturity (the “Discount Bonds”). OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the “issue price” of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of bonds of the same maturity are sold in accordance with that initial offering. For federal income tax purposes, OID on each bond will accrue over the term of such bond, and for the Discount Bonds, the amount of such accretion will be based on a single rate of interest, compounded semiannually (the “yield to maturity”). The amount of OID that accrues during each semiannual period will do so ratably over that period on a daily basis. With respect to an initial purchaser of a Discount Bond at its issue price, the portion of OID that accrues during the period such purchaser owns the Discount Bond is added to the purchaser’s tax basis for purposes of determining gain or loss at the maturity, redemption, sale, or other disposition of that Discount Bond and thus, in practical effect, is treated as stated interest, which is excludable from gross income for federal income tax purposes.

In addition to the foregoing, OID that accrues in each year to an owner of a Discount Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed above. Consequently, owners of any of the Discount Bonds should be aware that the accrual of OID in each year may result in an alternative minimum tax liability, additional distribution requirements, or other collateral federal income tax consequences even though the owner of such Discount Bond has not received cash attributable to such OID in such year.

Holders of Discount Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such Discount Bonds other than at the issue price during the initial public offering and as to the treatment of OID for state tax purposes.

Corporate Alternative Minimum Tax

The Inflation Reduction Act of 2022 imposes a corporate alternative minimum tax equal to 15% of the “adjusted financial statement income” of “applicable corporations,” both as defined in Section 59(k) of the Code. Generally, an applicable corporation includes any corporation (as defined for federal income tax purposes, other than S corporations, regulated investment companies, and real estate investment trusts) with an “average annual adjusted financial statement income” of more than \$1,000,000,000 over any preceding period of three tax years (ending with a tax year ending after December 31, 2021). The corporate alternative minimum tax applies for tax years commencing after December 31, 2022. Under the Inflation Reduction Act, the interest on tax-exempt bonds, including interest on the Bonds, is included (i) in computing a corporation’s “average annual adjusted financial statement income” for the purpose of determining whether the corporation qualifies as an “applicable corporation,” and (ii) in calculating an applicable corporation’s “adjusted financial statement income” for the purpose of determining the alternative minimum tax that will

be imposed on such applicable corporation under Section 55 of the Code, regardless of the issue date of such tax-exempt bonds.

RATING

As noted on the cover page of this Official Statement, Moody's Ratings ("Moody's") has assigned its municipal bond rating of "Aa3" to the Bonds. Such ratings reflect only the view of Moody's. Any explanation of the significance of such ratings may only be obtained from Moody's at the following address: Moody's Ratings, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, (212) 553-0300.

There can be no assurance that a rating when assigned will continue for any given period of time or that it will not be lowered or withdrawn entirely by Moody's if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability and/or market price of the Bonds.

The City presently expects to furnish Moody's with information and material that it may request on future general obligation bond issues. However, the City assumes no obligation to furnish requested information and materials and may issue debt for which a rating is not requested. Failure to furnish requested information and materials or the issuance of debt for which a rating is not requested may result in the suspension or withdrawal of Moody's ratings on outstanding general obligation bonds and notes.

CONTINUING DISCLOSURE

In accordance with the Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"), and so long as the Bonds are outstanding, the City will agree, pursuant to an Undertaking to be dated as of the date of issuance and delivery of the Bonds (the "Disclosure Undertaking"), to cause the following information to be provided:

- (i) to the Municipal Securities Rulemaking Board ("MSRB"), or any successor thereto for purposes of Rule 15c2-12, through the continuing disclosure service portal provided by the MSRB's Electronic Municipal Market Access ("EMMA") system as described in 1934 Act Release No. 59062, or any similar system that is acceptable to the Securities and Exchange Commission, certain annual financial information and operating data, including audited financial statements, generally consistent with the annual audited financial statements contained in Appendix C of the Official Statement ("Financial Data"). The annual financial information shall be provided within 270 days after the end of the fiscal year ending June 30, commencing with the fiscal year ending June 30, 2025, provided that the audited financial statements may not be available by such date, but will be made available immediately upon delivery thereof by the auditors for the City; and
- (ii) to the MSRB, through EMMA, in a timely manner, not in excess of ten business days after the occurrence of the event, notice of the occurrence of the following events with respect to the Bonds:
 - (a) Principal and interest payment delinquencies;
 - (b) Non-payment related defaults, if material;
 - (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (e) Substitution of credit or liquidity providers, or their failure to perform;
 - (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with

- respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;
- (g) Modifications to rights of security holders, if material;
 - (h) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);
 - (i) Defeasances;
 - (j) Release, substitution, or sale of property securing repayment of the securities, if material;
 - (k) Rating changes;
 - (l) Bankruptcy, insolvency, receivership, or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City);
 - (m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (o) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affects security holders, if material; and
 - (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.
- (iii) in a timely manner, to the MSRB through EMMA, notice of a failure (of which the City has knowledge) of the City to provide the required Annual Financial Information on or before the date specified in the Disclosure Agreement.

“Financial Obligation” shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

The Disclosure Undertaking provides bondholders, including beneficial owners of the Bonds, with certain enforcement rights in the event of a failure by the City to comply with the terms thereof; however, a default under the Disclosure Undertaking does not constitute an event of default under the Ordinance. The Disclosure Undertaking may also be amended or terminated under certain circumstances in accordance with Rule 15c2-12as more fully described therein.

For purposes of this transaction with respect to events as set forth in Rule 15c2-12:

- (i) there are no credit enhancements applicable to the Bonds;
- (ii) there are no liquidity providers applicable to the Bonds; and
- (iii) there is no property securing the repayment of the Bonds.

The City has previously entered into continuing disclosure undertakings pursuant to Rule 15c2-12(the “Prior Disclosure Undertakings”). During the past five years, the City has materially complied with its continued disclosure obligations under Rule 15c2-12; provided, however, that (i) the annual financial data required to be submitted by March 27, 2022 under the Prior Disclosure Undertakings for the City’s outstanding general obligation bonds was filed on June 6, 2022 and a material events notice regarding this late filing was posted to EMMA on June 6, 2022, (ii) the annual financial data required to be submitted by March 27, 2024 under the Prior Disclosure Undertakings for the City’s Water and Sewer System bonds was filed on May 9, 2024 and a material events notice regarding this late filing was posted to EMMA on May 9, 2024 and (iii) the annual financial data required to be submitted under the Prior Disclosure Undertakings for the City’s outstanding general obligation bonds and the City’s Water and Sewer System bonds has not been filed as required. The required annual financial audit report will be filed as soon as it is finalized and adopted by the City Commission. A material events notice regarding Notice of Failure to File was posted to EMMA on March 26, 2026.

As stated herein, the City can and will fulfill all future annual financial information and operating data disclosure obligations owed under its existing obligations under Rule 15c2-12 and those owed in connection with the Bonds by the filing of its annual audited financial statements for each fiscal year incurred after the date of issuance of the Bonds.

UNDERWRITING

The Bonds are being purchased for reoffering by [_____] (the “Underwriter”). The Underwriter has agreed to purchase the Bonds at an aggregate purchase price of \$[_____] (reflecting the par amount of the Bonds, less original issue discount of \$[_____] , less underwriter’s discount of \$[_____]). The initial public offering prices which produce the yields set forth on the cover page of this Official Statement may be changed by the Underwriter and the Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the offering prices which produce the yields set forth on the cover page hereto.

MUNICIPAL ADVISOR

First Kentucky Securities Corporation, Lexington, Kentucky (the “Municipal Advisor”) has been employed as Municipal Advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor’s fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery thereof.

[Remainder of page intentionally left blank]

MISCELLANEOUS

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but such information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the holders of the Bonds.

This Official Statement has been duly executed and delivered for and on behalf of the City of Versailles, Kentucky, by its Mayor.

CITY OF VERSAILLES, KENTUCKY

By: _____
Name: _____ Mayor _____

Dated: _____, 2026

APPENDIX A
DEBT SERVICE REQUIREMENTS FOR THE BONDS*

<u>Year</u>	<u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Period Debt</u> <u>Service</u>	<u>Fiscal</u> <u>Total</u>	<u>Remaining</u> <u>Principal</u> <u>Balance</u>
2027	\$ 310,000				
2028	320,000				
2029	330,000				
2030	345,000				
2031	355,000				
2032	365,000				
2033	380,000				
2034	395,000				
2035	410,000				
2036	425,000				
2037	440,000				
2038	460,000				
2039	480,000				
2040	500,000				
2041	520,000				
2042	<u>545,000</u>				
TOTAL	\$6,580,000				

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale, attached as *Appendix G* hereto.

**APPENDIX B
ECONOMIC AND DEMOGRAPHIC DATA
WITH RESPECT TO THE CITY OF VERSAILLES, KENTUCKY**

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CITY OF VERSAILLES, KENTUCKY

The City of Versailles is the county seat of Woodford County, in the heart of the Bluegrass Region of Kentucky. In 2024, the population was 10,656. It is part of the Lexington-Fayette, KY Metropolitan Statistical Area. Major employers are manufacturers of automotive parts, signs, and educational materials, as well as commercial baking and book printing. Versailles houses the headquarters of the Kentucky Community and Technical College System.

Known for its picturesque countryside, hand-laid rock fences and love for all things bourbon, wine & equine, Woodford County is home to Woodford Reserve premium Kentucky bourbon, manufactured at the Labrot & Graham Distillery. Labrot & Graham, established in 1812, is the oldest bourbon distillery in the state. Its visitor center hosts over 130,000 folks annually.

Woodford County is also the capital of the Kentucky horse industry, including thoroughbred, standardbred and saddledbred breeding, training, boarding and competing. Woodford County has more equine residents than any county in Kentucky, and is home to the last two Triple Crown winners, Justify and American Pharoah. World class bike trails, zip line, horse & hiking trails and family team building activities at the Life Adventure Center, in addition to a regionally acclaimed community theater, a railroad museum, railbike tours at Rail Explorers Bluegrass Division, quilt trail and many seasonal festivals, enhance the quality of life in Versailles and Woodford County. As the Mayor likes to say, “Versailles has the small town feel you want, with the urban access you need.”

Notably, Versailles is a significant hub in the thoroughbred horse industry, contributing immensely to Kentucky's reputation as the horse capital of the world. The area surrounding Versailles is dotted with world-renowned horse farms, including Lane's End and WinStar Farm, which have produced numerous champion racehorses. The thoroughbred industry brings substantial economic benefits to the region, with \$115 million in tax revenues for Kentucky through the Thoroughbred industry annually; \$1 billion impact on labor income; and \$2.7 billion impact on output. Specifically, Woodford County sees a significant portion of this impact, contributing around \$600 million to the local economy. This influx of capital supports the local economy and creates over 24,000 jobs statewide, with many centered in and around Versailles, positioning the town as a crucial player in the global equine market.

Manufacturing is a significant presence and key employer in Versailles, Kentucky. The city hosts major manufacturing companies, including Lakeshore Learning Materials (educational materials and furniture), Sheridan Kentucky (books), and Pilkington North America (automotive glass), which substantially contribute to the local economy and provide numerous jobs to the community. These manufacturing firms play a crucial role in the economic landscape of Versailles, complementing the area's robust agricultural and equine industries.

The bourbon industry in Woodford County, Kentucky, is a crucial economic driver, anchored by renowned historic distilleries like Woodford Reserve. This industry attracts over 100,000 tourists annually, significantly benefiting the local hospitality and service sectors. It provides approximately 400 direct jobs at distilleries and additional employment in related sectors such as tourism, agriculture, and retail. The demand for locally sourced grains supports regional agriculture, fostering a symbiotic relationship between distilleries and farmers. Ancillary businesses, including bottling companies, transportation, and retail, also thrive due to the industry. Woodford County's contributions are integral to Kentucky's broader bourbon industry, which has a \$10.6 billion economic impact statewide. There are six federally licensed distilled producers in Woodford County: Woodford Reserve; Castle and Key; Glens Creek Distilling; Bluegrass Distillers; Saddlestone Distillery, and White Dog Trading and Storage.

TAXES

Assessment of Taxable Property

<u>Fiscal Year Ended June 30</u>	<u>Real Property</u>	<u>Bank Franchise & Deposit Tax</u>	<u>Personal Property</u>
2025	\$1,274,964,073	\$494,965,260	\$83,291,618
2024	1,207,101,595	465,485,692	77,178,472
2023	982,565,218	489,424,877	93,484,001
2022	936,325,168	508,165,012	88,975,556
2021	874,297,798	477,011,024	71,266,574
2020	830,554,348	414,634,324	65,020,408
2019	794,265,698	379,655,098	68,284,497

Property Tax Rates (Per \$100 of Assessed Value)

<u>Fiscal Year Ended June 30</u>	<u>Real Property</u>	<u>Bank Shares</u>	<u>Personal Property</u>
2025	0.049	0.224	0.10000
2024	0.050	0.224	0.1000
2023	0.055	0.224	0.0943
2022	0.055	0.224	0.0944
2021	0.055	0.224	0.1000
2020	0.056	0.224	0.1100
2019	0.056	0.224	0.0978

Taxes Levied and Collected (Includes Bank Shares)

<u>Fiscal Year Ended June 30</u>	<u>Taxes Levied</u>	<u>Taxes Collected</u>
2025	\$818,541.61	\$811,920.39
2024	736,754.33	744,719.69
2023	738,197.45	818,122.00
2022	726,680.91	785,249.00
2021	643,483.34	727,179.00
2020	694,178.91	711,036.83
2019	681,164.37	689,727.00

Top 10 Property Taxpayers 2025

<u>Owner</u>	<u>Location</u>	<u>Assessment</u>
More Than a Bakery LLC	570 Big Sink Pike	\$30,800,000
Anderson Wooldridge 2 LLC	224 Cheney	17,370,000
Kroger Ltd Ptnrship	212 Kroger Way	14,447,300
Ledvance LLC	1100 Tyrone Pike	10,133,000
Versailles Sr Living LLC	1001 Crossfield	8,937,500
Harold & Jeffrey S Cunningham	104 Fieldview	7,100,000
100 US 60 LLC	100 US 60 Bypass	6,967,000
Pilkington NA Inc	102 Industry Drive	6,401,000
Versailles Hotel Company	365 Commerce	6,300,000
YH America	105 Industry Drive	5,628,000

DEMOGRAPHICS

Total Population

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Woodford County	26,789	27,075	27,053	27,268	27,728
Versailles	9,359	10,431	10,411	10,491	10,656
Midway	1,825	1,744	1,748	1,755	1,755

Source: U.S. Department of Commerce, Bureau of the Census, Annual Estimates.

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Population by Selected Age Groups, 2020

	Woodford County	
	<u>Number</u>	<u>Percent</u>
Under 20	5,858	21.80
20-29	2,987	11.15
30-39	2,908	10.86
40-49	3,305	12.34
50-64	5,808	21.68
65 and older	5,212	19.40
Median Age	42.4	

Source: U.S. Department of Commerce, Bureau of the Census.

Population Projections

	<u>2030</u>	<u>2035</u>	<u>2040</u>	<u>2045</u>
Woodford County	28,374	28,930	29,285	29,462

Source: Kentucky State Data Center, University of Louisville.

Average Household Income 2024

Versailles	\$62,368
Woodford County	\$83,788
Kentucky	\$63,726

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

WORKFORCE

From a workforce perspective, there are over 50 higher education and training facilities within reach of Woodford County, leading to a diverse and well-trained, growing workforce. 41% of residents hold a bachelor's degree or higher. Woodford County historically boasts the lowest unemployment rate in Kentucky (2.7% as of December 2025). There are over 400,000 individuals in the potential regional workforce. Currently, 62% of workers are employed by private companies, 18% in the public sector, and 11% are self-employed.

Civilian Labor Force 2020

	<u>Labor Force</u>	<u>Number of Businesses</u>
Versailles	4,810	584
Midway	947	80
Woodford County	13,950	1,057
Unemployment Rate (%)	5.2	

On a state level, leading economic development publication Site Selection magazine ranked Kentucky number two in the South Central region of the U.S. in its 2024 Prosperity Cup rankings. The commonwealth also placed eighth nationally, maintaining a top 10 ranking for more than five years. These accolades follow the announcement of 180 private-sector new-location and expansion projects in 2023. The Prosperity Cup

recognizes the competitiveness of state-level economic development agencies and their success in attracting capital investment projects, based on data from 2023.

In Versailles, notable economic activities over the past couple of years include the city purchasing 118 acres of land for future industrial use, currently under contract with a large company. Additionally, there have been major improvements to downtown retail businesses, including new restaurants and event spaces. One highlight is the Aldenberg Hotel, Kentucky’s first hotel-distillery combo, a \$5 million project revitalizing a former bank building. Other initiatives include the revitalization of Big Spring Park and the creation of the Versailles Community Market Pavilion, a three-season market pavilion and \$3.6 million investment.

Woodford County Major Employers

	<u>Employer</u>	<u>Number of Employees</u>
1.	Woodford County Public Schools	650
2.	Lakeshore Learning Materials	425
3.	Sheridan	350
4.	NSG Pilkington	300
5.	More Than a Bakery	180
6.	Clark Distributing Company	129
7.	Midway University	117
8.	Ruggles Sign Co.	98
9.	Castle & Key	50
10.	American HOWA Kentucky Inc	45
11.	Yokohama Industries Americas Inc/Division	41

GOVERNMENT

The City of Versailles, Kentucky, operates under a mayor-council form of government. This system includes an elected mayor who serves as the executive officer, overseeing the city's administration and daily operations, and a city council composed of elected members who serve as the legislative body, responsible for enacting ordinances, approving budgets, and setting policies for the city. The mayor, as the executive officer, implements and enforces these policies and manages the city's daily operations. The collaboration between the city council and the mayor ensures that the city's governance reflects the needs and interests of its residents.

[END OF APPENDIX B]

APPENDIX C
AUDITED FINANCIAL STATEMENTS OF THE CITY OF VERSAILLES, KENTUCKY
FOR FISCAL YEAR ENDING JUNE 30, 2024

The Audited Financial Statements of the City of Versailles, Kentucky, for the Fiscal Year ending June 30, 2024 are accessible via following link:

https://versailles.klc.org/assets/files/uploads/20251022101735107_58a3afe9c6604606acaa0a0dbc6534cd.pdf

(g) Bonds issued in the case of an emergency, when the public health or safety should so require \$0

(h) Bonds issued to fund a floating indebtedness \$0

TOTAL EXEMPT OBLIGATIONS \$30,150,000

5. The total of bonds, bond anticipation notes, and other obligations subject to the debt limitation set forth in KRS Section 66.041 (3 minus 4) is \$16,730,000*

6. The total of bonds, bond anticipation notes, and other obligations subject to the debt limitation set forth in KRS Section 66.041 as computed in 5 above, does not exceed 5% of the assessed valuation of all the taxable property in the City.*

7. The current tax rate of the City, for other than school purposes, upon the value of its taxable property is \$0.049 per \$100 of assessed valuation for real property and \$0.10 per \$100 of assessed valuation for tangible property, which does not exceed the maximum permissible tax rates for the City as set forth in Section 157 of the Kentucky Constitution.

8. The issuance of the bonds, bond anticipation notes, or other obligations set forth in 3 hereof will not cause the tax rate set forth in 7 hereof to increase in an amount which would exceed the maximum permissible tax rate for the City as set forth in Section 157 of the Kentucky Constitution.

IN WITNESS WHEREOF, I have hereunto set my hand this _____, 2026.

By:

Elizabeth Reynolds
City Clerk/Treasurer

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale, attached as *Appendix G* hereto.

* Per KRS 66.041, a city, urban-county, consolidated local government, or charter county shall not incur net indebtedness to an amount exceeding the following maximum percentages on the value of taxable property within the city, urban-county, consolidated local government, or charter county, as estimated by the last certified assessment previous to the incurring of the indebtedness:

(a) Cities, urban-counties, consolidated local governments, and charter counties having a population of 15,000 or more, 10%;

(b) Cities, urban-counties, and charter counties having a population of less than 15,000 but not less than 3,000, 5%; and

(c) Cities, urban-counties, and charter counties having a population of less than 3,000, 3%.

APPENDIX E
FORM OF LEGAL APPROVING OPINION OF BOND COUNSEL

The form of the legal approving opinion of Dinsmore & Shohl LLP, Bond Counsel, is set forth below. The actual opinion will be delivered on the date of delivery of the Bonds referred to therein and may vary from the form set forth to reflect circumstances both factual and legal at the time of such delivery. Recirculation of the Final Official Statement shall create no implication that Dinsmore & Shohl LLP has reviewed any of the matters set forth in such opinion subsequent to the date of such opinion.

Ladies and Gentlemen:

We have examined the transcript of proceedings relating to the issue of \$6,580,000* General Obligation Bonds, Series 2026A, (the “Bonds”) of the City of Versailles, Kentucky (the “City”), dated _____, 2026, numbered R-1 upward, and of denominations of \$5,000 and any integral multiple thereof. The Bonds mature, bear interest, and are subject to mandatory and optional redemption upon the terms set forth therein. We have also examined a specimen Bond.

Based on this examination, we are of the opinion, based upon laws, regulations, rulings, and decisions in effect on the date hereof, that:

1. The Bonds constitute valid obligations of the City in accordance with their terms, which, unless paid from other sources, are payable from taxes to be levied by the City without limitation as to rate.
2. Under the laws, regulations, rulings, and judicial decisions in effect on the date hereof, interest on the Bonds is excludible from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”). Further, the interest on the Bonds will not be treated as a specific item of tax preference in computing the federal alternative minimum tax imposed on individuals. In rendering the opinions contained in this paragraph, we have assumed continuing compliance with certain covenants designed to meet the requirements of Section 103 of the Code. We express no other opinion with respect to the federal or state tax consequences of purchasing, holding, or disposing of the Bonds.
3. The interest on the Bonds is not subject to income taxation by the Commonwealth of Kentucky, and the Bonds are not subject to ad valorem taxation by the Commonwealth of Kentucky or by any political subdivision thereof.
4. The City has not designated the Bonds as “qualified tax-exempt obligations” with respect to investments by certain financial institutions under Section 265 of the Code.

In rendering this opinion, we have relied upon the covenants and certifications of facts, estimates, and expectations made by officials of the City and others contained in the transcript of proceedings for the Bonds, which we have not independently verified. It is to be understood that the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws in effect from time to time affecting creditors’ rights generally, and to the exercise of judicial discretion.

Very truly yours,

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale, attached as *Appendix G* hereto.

APPENDIX F BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company (“DTC”), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity date of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all of the Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, the disbursement of such payments to Direct Participants will be the responsibility of DTC, and the disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

City may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

**APPENDIX G
OFFICIAL TERMS AND CONDITIONS OF BOND SALE**

\$6,580,000*
CITY OF VERSAILLES, KENTUCKY
GENERAL OBLIGATION BONDS,
SERIES 2026A

Notice is hereby given that electronic bids will be received by the City of Versailles, Kentucky (the “City”), until 11:00 a.m. Eastern Time on April 28, 2026, (or at such later time and date announced at least forty-eight hours in advance via the BiDCOMP™/PARITY™ system) for the purchase of approximately \$6,580,000* of the City’s General Obligation Bonds, Series 2026A (the “Bonds”). Alternatively, written sealed or facsimile bids for the Bonds by the designated time will be received by the City Clerk/Treasurer, 196 South Main Street, Versailles, Kentucky 40383 (FAX: (859) 873-5969). Electronic bids must be submitted through BiDCOMP™/PARITY™ as described herein and no other provider of electronic bidding services will be accepted. Bids will be opened and acted upon later that same day.

STATUTORY AUTHORITY, PURPOSE OF ISSUE AND SECURITY

These Bonds are authorized pursuant to Sections 66.011 to 66.181, inclusive, of the Kentucky Revised Statutes and are being issued in accordance with a Bond Ordinance (the “Bond Ordinance”) adopted by the City on April 21, 2026. The Bonds are general obligation bonds and constitute a direct indebtedness of the City.

The Bonds are secured by the City’s ability to levy and its pledge to levy an ad valorem tax on all property within the City in a sufficient amount to pay the principal of and interest on the Bonds when due.

The Bonds are being issued for the purpose of (i) refunding, paying, and discharging the City’s \$9,195,000 General Obligation Bond Anticipation Notes, Series 2022 dated August 15, 2022 (the “Series 2022 Notes”), which were used to finance (a) the costs of the acquisition, construction, equipping, and installation of capital improvements to Edgewood Industrial Park, (b) a maintenance garage to be used by the City for municipal purposes, (c) capital improvements to Versailles Fire Station, and (d) various other community development projects (collectively, the “Series 2022 Project”); (ii) paying the costs of various other community development projects; (iii) paying all or a portion of the costs of credit enhancement for the Bonds, if any, and (iv) paying the costs of issuance of such Bonds.

BOND MATURITIES AND PAYING AGENT

The Bonds will be dated their date of initial delivery, bearing interest from such date, payable on each on May 1 and November 1, commencing November 1, 2026.

The Bonds are scheduled to mature on May 1, in each of the years as follows:

MATURITY SCHEDULE

Maturity	Amount*	Maturity	Amount*
2027	\$310,000	2035	\$410,000
2028	320,000	2036	425,000
2029	330,000	2037	440,000
2030	345,000	2038	460,000
2031	355,000	2039	480,000
2032	365,000	2040	500,000
2033	380,000	2041	520,000
2034	395,000	2042	545,000

* Preliminary, subject to Permitted Adjustment.

The Bonds maturing on and after May 1, 2035 shall be subject to optional redemption prior to their maturity on any date on or after May 1, 2034, in whole or in part, in such order of maturity as may be selected by the City and by lot within a maturity at a redemption price equal to the principal amount of Bonds to be redeemed, plus accrued interest to the date of redemption.

At least thirty days before the redemption date of any Bonds, the Paying Agent and Registrar shall cause a notice of such redemption either in whole or in part, signed by the Paying Agent and Registrar, to be mailed, first class, postage prepaid, to all registered owners of the Bonds to be redeemed at their addresses as they appear on the registration books kept by the Paying Agent and Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption of Bonds for which such notice has been sent. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive number or letters, if any, of such Bonds to be redeemed.

Zions Bancorporation, National Association, Chicago, Illinois, has been appointed Paying Agent and Registrar for the Bonds.

BIDDING CONDITIONS AND RESTRICTIONS

The terms and conditions of the sale of the Bonds are as follows:

(A) Electronic bids for the Bonds must be submitted through BiDCOMP™/PARITY™ system and no other provider of electronic bidding services will be accepted. Subscription to the BiDCOMP™/PARITY™ Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidders to subscribe. For the purposes of the bidding process, the time as maintained by BiDCOMP™/PARITY™ shall constitute the official time with respect to all bids whether in electronic or written form. To the extent any instructions or directions set forth in BiDCOMP™/PARITY™ conflict with the terms of the Official Terms and Conditions of Bond Sale, this Official Terms and Conditions of Bond Sale shall prevail. Electronic bids made through the facilities of BiDCOMP™/PARITY™ shall be deemed an offer to purchase in response to the Notice of Bond Sale and shall be binding upon the bidders as if made by signed, sealed written bids delivered to the City. The City shall not be responsible for any malfunction or mistake made by or as a result of the use of the electronic bidding facilities provided and maintained by BiDCOMP™/PARITY™. The use of BiDCOMP™/PARITY™ facilities are at the sole risk of the prospective bidders. Notwithstanding the foregoing non-electronic bids may be submitted via facsimile or by hand delivery utilizing the Official Bid Form. Written sealed bids (in a sealed envelope marked “Official Bid for Bonds”) or facsimile bids for the Bonds by the designated time will be received by the City Clerk/Treasurer, 196 South Main Street, Versailles, Kentucky 40383 (FAX: (859) 873-5969).

(B) Bidders are required to bid for the entire issue of Bonds at a minimum price of not less than \$6,448,400 (98% of par) and not more than \$6,909,000 (105% of par) (excluding original issue discount, if applicable), PAYABLE IN IMMEDIATELY AVAILABLE FUNDS.

(C) Interest rates for the Bonds must be in multiples of one-eighth of one percent (0.125%) and/or one-twentieth of one percent (0.05%), which rates must be on an ascending scale, in that the rate on the Bonds in any maturity is not less than the rate on the applicable Bonds for any preceding maturity and all Bonds of the same maturity and all Bonds of the same maturity shall bear the same and a single interest rate from the date thereof to maturity.

(D) The determination of the best purchase bid for the Bonds shall be made on the basis of all bids submitted for exactly \$6,580,000 principal amount of Bonds offered for sale hereunder; but the City may adjust the principal amount of Bonds which may be awarded to such

best bidder upward by \$660,000 (10%) or downward by any amount (the “Permitted Adjustment”). In the event of such Permitted Adjustment, no rebidding or recalculation of a submitted bid will be required or permitted. The price of which such adjusted principal amount of Bonds will be sold will be the same price per \$1,000 of Bonds as the price per \$1,000 for the \$6,580,000 of Bonds bid.

While it is the City’s intention to sell and issue the approximate par amounts of the Bonds as set forth herein, there is no guarantee that adjustments and/or revisions may not be necessary in order to properly size the Bonds. Accordingly, the City reserves the right in its sole discretion to adjust up or down the original par amount of the Bonds per maturity, even if the issue size of the Bonds does not change. Among other factors the City may (but shall be under no obligation to) consider in sizing the par amounts and individual maturities of the Bonds, is the size of individual maturities or sinking fund installments, assuring level debt service, and/or other preferences of the City.

(E) Upon any such adjustment and/or revision with respect to the Bonds, no rebidding will be permitted, and the portion of such premium or discount (as may have been bid on the Bonds) shall be adjusted in the same proportion as the amount of such revision in par amount of the Bonds bears to the original par amount of such Bonds offered for sale.

Unless bids for the Bonds are rejected, the Bonds will be awarded on an all or none basis on the sale date to the bidder whose bid result in the lowest true interest costs for the Bonds, to be calculated by computing the total interest payable on the Bonds from the expected date of delivery, through the final maturity date, plus discount or less premium. For purposes of calculating the true interest cost, the principal amount of any Term Bonds scheduled for mandatory sinking fund redemption as part of the Term Bond shall be treated as a serial maturity in such year for the Bonds. In the event that two or more bidders offer to purchase the Bonds at the same lowest true interest rate, the Mayor or the City Clerk/Treasurer, upon the advice of the Municipal Advisor shall determine (in his or her sole discretion) which of the bidders shall be awarded the Bonds.

The successful bidder for the Bonds will be notified by no later than 5:00 p.m. (Eastern Daylight Savings Time), on the sale date of the exact revisions and/or adjustment required, if any.

(F) Bidders have the option of specifying that Bonds maturing in any two or more consecutive years may, in lieu of maturing in each of such years, be combined to comprise one or more maturities of Bonds scheduled to mature in the latest of such year and be subject to mandatory sinking fund redemption at par in each of the years and in the principal amounts of such term Bonds scheduled in the year of maturity of the term Bonds, which principal amount shall mature in that year.

(G) The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the successful bidder or bidders. Improper imprintation or the failure to imprint CUSIP numbers shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms of any accepted proposal for the purchase of the Bonds.

(H) The City will provide to the successful purchaser a Final Official Statement in accordance with SEC Rule 15c2-12. A final Official Statement will be provided in Electronic Form to the successful bidder, in sufficient time to meet the delivery requirements of the successful bidder under SEC and Municipal Securities Rulemaking Board Delivery Requirements. The successful bidder will be required to pay for the printing of Final Official Statements.

(I) Bids need not be accompanied by a certified or bank cashier’s good faith check, but the successful bidder will be required to wire transfer to the order of the City an amount equal to 2% of the amount of the principal amount of Bonds awarded by the close of business on the day

following the award. Said good faith amount will be forfeited as liquidated damages in the event of a failure of the successful bidder to take delivery of such Bonds when ready. The good-faith amount will be applied (without interest) to the purchase price upon delivery of the Bonds. The successful bidder shall not be required to take delivery and pay for the Bonds unless delivery is made within forty-five days from the date the bid is accepted.

(J) Unless the successful bidder elects to notify the Municipal Advisor within twenty-four hours of the award that standard bond certificates be issued, the Depository Trust Company (“DTC”) will act as securities depository for the Bonds. They will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Purchases of the Bonds under the DTC system must be made by or through securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations (the “Direct Participants”), which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (a “Beneficial Owner”) is in turn to be recorded on the records of Direct Participants or securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant (the “Indirect Participants”). Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except if use of the book-entry system for the Bonds is discontinued. The successful bidder may also elect to notify the Municipal Advisor within twenty-four hours of the award that standard bond certificates be issued. In the event that certificated Bonds are to be issued at the election of a successful bidder, the costs of printing such Bond Certificates shall be borne by such bidder.

(K) The City reserves the right to reject any and all bids or to waive any informality in any bid. The Bonds are offered for sale subject to the principal and interest on the Bonds not being subject to Federal or Kentucky income taxation or Kentucky ad valorem taxation on the date of their delivery to the successful bidder, all in accordance with the final approving legal opinion of Dinsmore & Shohl LLP, Louisville, Kentucky, which opinion will be qualified in accordance with the section hereof on TAX EXEMPTION.

(L) Bidders are advised that First Kentucky Securities Corporation has been employed as Municipal Advisor in connection with the issuance of the Bonds. Their fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery thereof. They may submit a bid for the purchase of the Bonds at the time of the advertised public sale, either individually or as a member of a syndicate organized to submit a bid for the purchase of the Bonds.

(M) The purchasers of the Bonds will be required to certify to the City as to certain of their activities regarding any reoffering to the public of the Bonds, including any reoffering prices. This information from the purchasers of the Bonds shall also be made available to the Financial Advisor immediately after the sale of the Bonds.

(N) Additional information, including the Preliminary Official Statement, the Official Terms and Conditions of Bond Sale and the Official Bid Form, may be obtained from the City’s Municipal Advisor, First Kentucky Securities Corporation, Municipal Advisor to the City of Versailles, Kentucky, 1500 Leestown Road, Suite 330, Lexington, Kentucky 40511, telephone (859) 425-1100, Attention: Stan Kramer. Further information regarding BiDCOMP™/PARITY™ may be obtained from BiDCOMP™/PARITY™, 1359 Broadway - 2nd Floor, New York, NY 10018, Telephone: (800) 850-7422.

(O) At the election and cost of the purchaser of the Bonds, one or more maturities of the Bonds may be insured under a municipal bond insurance policy. In such event, the City agrees to cooperate with the purchaser to qualify the Bonds for bond insurance; however the City will not assume any of the expenses incident to the issuance of such a bond insurance policy, other than the costs for securing a rating of the Bonds.

(P) The winning bidder for the Bonds shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A-1, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City, and Bond Counsel. All actions to be taken by the City under these Official Terms and Conditions of Note Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City’s financial advisor identified herein and any notice or report to be provided to the City shall be provided to the City’s Financial Advisor.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of each of the Bonds (the “competitive sale requirements”) because:

(1) the City shall disseminate these Official Terms and Conditions of Note Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the City may receive bids from at least three underwriters of municipal Bonds who have established industry reputations for underwriting new issuances of municipal Bonds; and

(4) the City anticipates awarding the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost, as set forth in these Official Terms and Conditions of Note Sale.

Any bid submitted pursuant to these Official Terms and Conditions of Note Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(Q) If the competitive sale requirements are not satisfied, the City shall so advise the applicable winning bidder. The City will treat the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). Bids will not be subject to cancellation if the City determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(R) If the competitive sale requirements are not satisfied, the winning bidder for the Bonds shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an “issue price” or similar certificate setting forth the hold-the-offering-price rule as the issue price of that maturity, in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) substantially in the form attached hereto as Exhibit A-2, with such modifications as may

be appropriate or necessary, in the reasonable judgment of the winning bidder, the City, and Bond Counsel.

The City acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires; (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires; and (iii) if an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(S) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement, and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires; and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

CONTINUING DISCLOSURE

In accordance with Securities and Exchange Commission Rule 15c2-12, as amended (“Rule 15c2-12”) the City (the “Obligated Person”) will agree pursuant to a Continuing Disclosure Undertaking dated as of the date of issuance and delivery of the Bonds (the “Disclosure Undertaking”), to cause the following information to be provided:

- (i) to the Municipal Securities Rulemaking Board (“MSRB”), for each fiscal year of the City, (a) the operating data of the City for such fiscal year that is included within this Official Statement that is also included in the Comprehensive Annual Financial Report of the City, which at a minimum shall include (1) tax levies, rates, and collections, (2) assessed valuation, and (3) the City’s indebtedness (with respect to direct debt only); and (b) audited financial statements prepared in accordance with generally accepted accounting principles as applied to governmental units, generally consistent with the information contained in “Appendix C” of this Official Statement and which may also be included in the Comprehensive Annual Financial Report of the City; all such information shall be provided on or before January 25 following the fiscal year ending on the preceding June 30, commencing with the fiscal year ended June 30, 2025, provided that the audited financial statements may not be available by such date, but will be made available immediately upon delivery thereof by the auditor to the Obligated Person; and

- (ii) to the MSRB, notice of the occurrence of the following events, if material, with respect to the Bonds:
- (a) Principal and interest payment delinquencies;
 - (b) Non-payment related defaults;
 - (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (e) Substitution of credit or liquidity providers, or their failure to perform;
 - (f) Adverse tax opinions or events affecting the tax-exempt status of the security;
 - (g) Modifications to rights of security holders;
 - (h) Bond calls, except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event;
 - (i) Defeasances;
 - (j) Release, substitution or sale of property securing repayment of the securities;
 - (k) Rating changes; and
 - (l) Bankruptcy, insolvency, receivership or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);
 - (m) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
 - (o) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer or obligated person, any of which reflect financial difficulties.
- (iii) in a timely manner, to the MSRB, notice of a failure (of which the Obligated Persons have knowledge) of an Obligated Person to provide the required Annual Financial Information on or before the date specified in the Disclosure Undertaking.

“Financial Obligation” shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

The Disclosure Undertaking provides bondholders, including beneficial owners of the Bonds, with certain enforcement rights in the event of a failure by the Obligated Person to comply with the terms thereof; however, a default under the Disclosure Undertaking does not constitute an event of default under the Bond Ordinance. The Disclosure Undertaking may also be amended or terminated under certain circumstances in accordance with Rule 15c2-12 as more fully described therein.

For purposes of this transaction with respect to material events as defined under Rule 15c2-12:

- (a) there are no credit enhancements applicable to the Bonds;
- (b) there are no liquidity providers applicable to the Bonds; and
- (c) there is no property securing the Bonds.

TAX TREATMENT

In the opinion of Bond Counsel for the Bonds, based upon an analysis of existing laws, regulations, rulings and court decisions, interest on the Bonds will be included in gross income for federal income tax purposes. Furthermore, Bond Counsel is of the opinion that interest on the Bonds is exempt from income taxation and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for federal income tax purposes of the interest on obligations such as the Bonds. The City has covenanted to comply with certain restrictions designed to ensure that interest on the related issues of Bonds will not be includable in gross income for federal income tax purposes. Failure to comply with these covenants could result in interest on the Bonds being includable in income for federal income tax purposes, and such inclusion could be required retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the tax status of the interest on the Bonds.

Certain requirements and procedures contained or referred to in the Bond documents and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Dinsmore & Shohl LLP.

While Bond Counsel is of the opinion that interest on the Bonds will be excludible from gross income for federal income tax purposes and that interest on the Bonds is excludible from gross income for Kentucky income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Bondholder's federal, state, or local tax liabilities. The nature and extent of the other tax consequences may depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinions regarding any tax consequences other than what is set forth in its opinion and each potential Bondholder is urged to consult with tax counsel with respect to the effects of purchasing, holding, or disposing of the Bonds on the tax liabilities of the individual or entity.

Receipt of tax-exempt interest, ownership, or disposition of the Bonds may result in other collateral federal, state, or local tax consequences for certain taxpayers. Such tax consequences may include, without limitation, increasing the federal tax liability of certain foreign corporations subject to the branch profits tax imposed by Section 884 of the Code; increasing the federal tax liability of certain insurance companies under Section 832 of the Code; increasing the federal tax liability and affecting the status of certain S Corporations subject to Section 1362 and Section 1375 of the Code; increasing the federal tax liability of certain individual recipients of Social Security or Railroad Retirement benefits under Section 86 of the Code; and limiting the amount of Earned Income Credit under Section 32 of the Code that might otherwise be available. Ownership of the Bonds may also result in the limitation of interest and certain other deductions for financial institutions and certain other taxpayers under Section 265 of the Code. Finally, residence of a holder of the Bonds in a state other than Kentucky or being subject to tax in a state other than Kentucky may result in income or other tax liabilities being imposed by such states or their political subdivisions based on the interest or other income from the Bonds.

The City has not designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265 of the Code.

/s/ Hon. Laura Dake
Mayor, City of Versailles, Kentucky

EXHIBIT A-1 TO APPENDIX G
FORM OF ISSUE PRICE CERTIFICATE

[In case of receipt of at least three qualified bids for the Bonds]

ISSUE PRICE CERTIFICATE

\$ _____ **City of Versailles, Kentucky General Obligation Bonds, Series 2026A**

The undersigned, on behalf of [Name of Underwriter] (“[Short Name of Underwriter]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [Short Name of Underwriter] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [Short Name of Underwriter] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [Short Name of Underwriter] to purchase the Bonds.

(b) [Short Name of Underwriter] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [Short Name of Underwriter] constituted a firm offer to purchase the Bonds.

2. CUSIP Number. The CUSIP number assigned to the final maturity of the Bonds is 925173 [CUSIP Number].

3. Yield on the Bonds. It computed the yield on the Bonds, [Yield]%, as that yield (determined on the basis of semiannual compounding) which, when used in computing the present worth of all payments of principal and interest to be made with respect to particular obligations, produces an amount equal to their purchase price, which, in the case of the Bonds is the Expected Offering Prices, determined without taking into account issuance expenses and Underwriter’s discount.

4. Weighted Average Maturity. The “weighted average maturity” of the Bonds has been calculated to be [] years. The weighted average maturity is the sum of the products of the respective Expected Offering Price of each Maturity and the number of years to maturity (determined separately for each Maturity and by taking into account mandatory redemptions), divided by the aggregate Expected Offering Prices of the Bonds as of the date hereof.

5. Defined Terms.

(a) “Issuer” means the City of Versailles, Kentucky.

(b) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(d) “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 28, 2026.

(e) “Underwriter” means (i) any person that agrees, pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate), to participate in the initial sale of

the Bonds to the Public, and (ii) any person that agrees, pursuant to a written contract, directly or indirectly, with a person described in clause (i) of this paragraph, to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [Short Name of Underwriter]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the foregoing tax certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Dinsmore & Shohl LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[NAME OF UNDERWRITER]

By: _____
Name: _____
Title: _____
Date: _____

**SCHEDULE A
TO
ISSUE PRICE CERTIFICATE
EXPECTED OFFERING PRICES**

[TO BE PROVIDED]

**SCHEDULE B
TO
ISSUE PRICE CERTIFICATE**

COPY OF BID

[TO BE PROVIDED]

EXHIBIT A-2 TO APPENDIX G

FORM OF ISSUE PRICE CERTIFICATE

[In case of receipt of less than three qualified bids for the Bonds]

§ _____ **City of Versailles, Kentucky General Obligation Bonds, Series 2026A**

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [Name of Underwriter] ([“Short Name of Underwriter”]), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) [Short Name of Underwriter] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Official Terms and Conditions of Note Sale, [Short Name of Underwriter] has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”); and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. CUSIP Number. The CUSIP number assigned to the final maturity of the Bonds is 925173 [CUSIP Number].

4. Yield on the Bonds. It computed the yield on the Bonds, [Yield]%, as that yield (determined on the basis of semiannual compounding) which, when used in computing the present worth of all payments of principal and interest to be made with respect to particular obligations, produces an amount equal to their purchase price, which, in the case of the Bonds is the Initial Offering Prices, determined without taking into account issuance expenses and Underwriter’s discount.

5. Weighted Average Maturity. The “weighted average maturity” of the Bonds has been calculated to be [] years. The weighted average maturity is the sum of the products of the respective Initial Offering Price of each Maturity and the number of years to maturity (determined separately for each Maturity and by taking into account mandatory redemptions), divided by the aggregate Initial Offering Prices of the Bonds as of the date hereof.

6. Defined Terms.

(a) “General Rule Maturities” means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) “Hold-the-Offering-Price” Maturities means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) “Holding Period” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2026), or (ii) the date on which [Short Name of Underwriter] has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) “Issuer” means the City of Versailles, Kentucky.

(e) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(g) “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 28, 2026.

(h) “Underwriter” means (i) any person that agrees, pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate), to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees, pursuant to a written contract, directly or indirectly, with a person described in clause (i) of this paragraph, to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [Short Name of Underwriter]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the foregoing tax certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Dinsmore & Shohl LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[NAME OF UNDERWRITER]

By: _____
Name: _____
Title: _____
Date: _____

**SCHEDULE A
TO
ISSUE PRICE CERTIFICATE**

**SALE PRICES OF THE GENERAL RULE MATURITIES
AND INITIAL OFFERING PRICES OF THE
HOLD-THE-OFFERING-PRICE MATURITIES**

[TO BE PROVIDED]

**SCHEDULE B
TO
ISSUE PRICE CERTIFICATE**

PRICING WIRE OR EQUIVALENT COMMUNICATION

[TO BE PROVIDED]

**APPENDIX H
OFFICIAL BID FORM**

Subject to the terms and conditions set forth in the Ordinance adopted by the City of Versailles, Kentucky (the “City”) on April 21, 2026 providing for the sale of \$6,580,000* (which amount may be decreased as necessary) of its General Obligation Bonds, Series 2026A (the “Bonds”), and in accordance with the Official Terms and Conditions of Bond Sale, to all of which the undersigned agrees, the undersigned hereby submits the following offer to purchase the Bonds.

We hereby bid for the \$6,580,000* principal amount of the Bonds maturing on May 1, 2027, and each May 1 thereafter of the years and in the amounts set forth below, the total sum of \$6,580,000 (not less than \$6,448,400 and not more than \$6,909,000) plus accrued interest from April 28, 2026, at the following annual rate(s), payable semiannually, commencing May 1, 2027:

Maturity	Amount*	Interest Rate	Maturity	Amount*	Interest Rate
May 1, 2027	\$310,000	_____ %	May 1, 2035	\$410,000	_____ %
May 1, 2028	320,000	_____ %	May 1, 2036	425,000	_____ %
May 1, 2029	330,000	_____ %	May 1, 2037	440,000	_____ %
May 1, 2030	345,000	_____ %	May 1, 2038	460,000	_____ %
May 1, 2031	355,000	_____ %	May 1, 2039	480,000	_____ %
May 1, 2032	365,000	_____ %	May 1, 2040	500,000	_____ %
May 1, 2033	380,000	_____ %	May 1, 2041	520,000	_____ %
May 1, 2034	395,000	_____ %	May 1, 2042	545,000	_____ %

PURCHASER’S OPTION - The Purchaser of the Bonds may specify to the City that any Bonds may be combined with immediately succeeding sequential maturities into a Term Bond or Term Bonds, bearing a single rate of interest, with the maturities set forth above (or as such may be adjusted as provided herein) comprising mandatory sinking fund redemption amounts for such Term Bond(s).

The amounts indicated above maturing in the following years: _____ are sinking fund redemption amounts for term bonds due _____.

The amounts indicated above maturing in the following years: _____ are sinking fund redemption amounts for term bonds due _____.

Completed bid forms may be submitted via facsimile to the offices of the City Clerk/Treasurer, 196 South Main Street, Versailles, Kentucky 40383 (FAX: (859) 873-5969). Neither the City nor the Municipal Advisor assumes any responsibility whatsoever with regard to the receipt of bids, or that adequate personnel and/or equipment are available to accept all telephonic transfers of bids before the appointed date and time of sale. Bidders have the sole responsibility of assuring that their bids have been received via facsimile or delivered before the appointed date and time of sale. Any bids in progress by facsimile at the appointed time will be considered as received by the appointed time. No bids will be received via telephone. Bids may be submitted electronically via PARITY® pursuant to this Notice until the appointed date and time, but no bid will be received after such time.

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale, attached as **Appendix G** hereto.

It is understood that the City will furnish the final, approving Legal Opinion of Dinsmore & Shohl LLP, Bond Counsel to the City. We understand that no certified or bank cashier's check will be required to accompany the bid, but that if we are the successful bidder, we shall be required to wire transfer an amount equal to two percent (2%) of the amount of Bonds awarded by the close of business on the day following the award. Said amount will be applied (without interest) to the purchase price when the Bonds are tendered to us for delivery.

If we are the successful bidder, we agree to accept and make payment for the Bonds in immediately available funds within forty-five days from the date of sale in accordance with the terms of the sale.

Respectfully submitted,

Bidder

Address

By: _____
Signature

Total interest cost from May 26, 2026, to final maturity	\$	_____
Plus premium or less discount, if any	\$	_____
True interest cost (i.e. TIC)	\$	_____
True interest rate (%)		_____ %

The above computation of true interest cost and of true interest rate or cost is submitted for information only and is not a part of this Bid.

Accepted this April ___, 2026 by the City of Versailles, Kentucky, as follows:

Maturity	Amount*	Interest Rate	Maturity	Amount	Interest Rate
May 1, 2027	\$310,000	_____ %	May 1, 2035	\$410,000	_____ %
May 1, 2028	320,000	_____ %	May 1, 2036	425,000	_____ %
May 1, 2029	330,000	_____ %	May 1, 2037	440,000	_____ %
May 1, 2030	345,000	_____ %	May 1, 2038	460,000	_____ %
May 1, 2031	355,000	_____ %	May 1, 2039	480,000	_____ %
May 1, 2032	365,000	_____ %	May 1, 2040	500,000	_____ %
May 1, 2033	380,000	_____ %	May 1, 2041	520,000	_____ %
May 1, 2034	395,000	_____ %	May 1, 2042	545,000	_____ %

Mayor
City of Versailles, Kentucky

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale.