
ESCROW AGREEMENT

between

CITY OF MARION, OHIO

and

[U.S. BANK NATIONAL ASSOCIATION]

Dated

September __, 2020

Relating to the Refunding of these Securities
Issued by the City of Marion, Ohio:

<u>Title</u>	<u>Dated</u>	Bonds Maturing or Subject to Mandatory Sinking Fund Redemption on December 1 <u>in the Years</u>	<u>Aggregate Principal Amount</u>
Various Purpose Refunding Bonds, Series 2010A	June 22, 2010	2021 through 2030	\$2,685,000
Various Purpose Improvement Bonds, Series 2010B	October 12, 2010	2021 through 2030	\$4,930,000

ESCROW AGREEMENT

between

CITY OF MARION, OHIO

and

[U.S. BANK NATIONAL ASSOCIATION]

THIS ESCROW AGREEMENT (this "Agreement") is made and entered into as of September __, 2020, by and between the City of Marion, Ohio (the "Issuer"), a municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Ohio, and U.S. Bank National Association, in Columbus, Ohio (the "Escrow Trustee"), a national banking association duly organized and validly existing under the laws of the United States of America and authorized to exercise trust powers under Ohio law in its capacity as escrow trustee under this Agreement;

WITNESSETH:

WHEREAS, the Issuer has previously issued the Refunded 2010A Bonds, outstanding in the aggregate principal amount of \$2,685,000, which Refunded 2010A Bonds were issued pursuant to the Original 2010A Bond Legislation; and

WHEREAS, the Issuer has previously issued the Refunded 2010B Bonds, outstanding in the aggregate principal amount of \$4,930,000, which Refunded 2010B Bonds were issued pursuant to the Original 2010B Bond Legislation; and

WHEREAS, the Issuer is issuing and delivering the Refunding Bonds for the purpose of current refunding the Refunded Bonds, all pursuant to the Refunding Bond Legislation; and

WHEREAS, it is the intent and purpose of this Agreement, entered into pursuant to the Act, to provide for the deposit and application of the proceeds of the Refunding Bonds needed for the purpose of refunding the Refunded Bonds, in such manner as to provide for the payment of the Accruing Debt Charges on the Refunded Bonds and thereby to cause the Refunded Bonds to be deemed to be paid and discharged and no longer to be considered outstanding for purposes of the Act;

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for the purposes stated in the preambles, the Issuer and the Escrow Trustee covenant, agree and bind themselves as follows:

Section 1. Definitions. In addition to the terms Agreement, Issuer, and Escrow Trustee defined above, the following terms as used in this Agreement shall have the following meanings:

“Accruing Debt Charges” means Debt Charges payable on the Refunded Bonds, after the date of this Agreement as they come due on the Optional Redemption Date, all as shown on attached **EXHIBIT A**.

“Act” means Chapter 133 of the Ohio Revised Code, including particularly but without limitation Section 133.34.

“Bond Retirement Fund” means the Issuer’s Bond Retirement Fund created pursuant to Section 5705.09, Ohio Revised Code.

“Code” means the Internal Revenue Code of 1986, as amended, the regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing, and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code includes such applicable regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

“Debt Charges” means the principal and interest required to be paid on the Refunded Bonds.

“Escrow Fund” means the City of Marion, Ohio – Series 2020 Refunding Escrow Fund established pursuant to Section 2 and the Escrow Fund Deposits in it.

“Escrow Fund Deposits” means money and Escrow Securities, and investment earnings on and income derived from those Escrow Securities, in the Escrow Fund.

“Escrow Securities” means those Escrow Securities referred to in Section 4 and set forth on attached **EXHIBIT B**, and also includes Substitute Escrow Securities.

“Fiscal Officer” means the Auditor of the Issuer.

“Government Obligations” means non-callable direct obligations of, and obligations fully and unconditionally guaranteed as to the timely payment of principal and interest by, the United States of America, as referred to and defined in Section 133.34(D) of the Ohio Revised Code, that mature or are subject to redemption by and at the option of the holder not later than the date or dates when the moneys will be required for purposes of this Agreement.

“Optional Redemption Date” means December 1, 2020.

“Original 2010A Bond Legislation” means, collectively Ordinances No. 2010-49 and No. 2010-50, each passed by the Taxing Authority on May 10, 2010, authorizing the issuance of the Refunded 2010A Bonds.

“Original 2010B Bond Legislation” means Ordinance No. 2010-97 passed by the Taxing Authority on September 27, 2010, authorizing the issuance of the Refunded 2010B Bonds.

“Original Bond Legislation” means, collectively, the Original 2010A Bond Legislation and the Original 2010B Bond Legislation.

“Paying Agent” means the designated paying agent or place of payment for the Refunded Bonds, and the designated successor.

“Refunded 2010A Bonds” means that portion of the Various Purpose Refunding Bonds, Series 2010A, dated June 22, 2010, outstanding in the aggregate principal amount of \$2,685,000 and maturing annually on December 1 in the years and in the amounts set forth below:

<u>Principal Maturity Date (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Principal Maturity Date (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$460,000	4.000%	2028	\$580,000	4.150%
2024	490,000	4.000	2030	625,000	4.300
2026	530,000	4.000			

The Refunded 2010A Bonds maturing on December 1, 2022 are term bonds and are subject to mandatory sinking fund redemption on the Mandatory Redemption Date and in the principal amount as follows (with the balance of \$235,000 to be paid at stated maturity on December 1, 2022):

<u>Mandatory Redemption Date (December 1)</u>	<u>Principal Amount</u>
2021	\$225,000

The Refunded 2010A Bonds maturing on December 1, 2024 are term bonds and are subject to mandatory sinking fund redemption on the Mandatory Redemption Date and in the principal amount as follows (with the balance of \$250,000 to be paid at stated maturity on December 1, 2024):

<u>Mandatory Redemption Date (December 1)</u>	<u>Principal Amount</u>
2023	\$240,000

The Refunded 2010A Bonds maturing on December 1, 2026 are term bonds and are subject to mandatory sinking fund redemption on the Mandatory Redemption Date and in the principal amount as follows (with the balance of \$270,000 to be paid at stated maturity on December 1, 2026):

<u>Mandatory Redemption Date (December 1)</u>	<u>Principal Amount</u>
2025	\$260,000

The Refunded 2010A Bonds maturing on December 1, 2028 are term bonds and are subject to mandatory sinking fund redemption on the Mandatory Redemption Date and in the principal amount as follows (with the balance of \$295,000 to be paid at stated maturity on December 1, 2028):

<u>Mandatory Redemption Date (December 1)</u>	<u>Principal Amount</u>
2027	\$285,000

The Refunded 2010A Bonds maturing on December 1, 2030 are term bonds and are subject to mandatory sinking fund redemption on the Mandatory Redemption Date and in the principal amount as follows (with the balance of \$320,000 to be paid at stated maturity on December 1, 2030):

<u>Mandatory Redemption Date (December 1)</u>	<u>Principal Amount</u>
2029	\$305,000

Refunded 2010B Bonds” means that portion of the Various Purpose Improvement Bonds, Series 2010B, dated October 12, 2010, outstanding in the aggregate principal amount of \$4,930,000 and maturing annually on December 1 in the years and in the amounts set forth below:

<u>Principal Maturity Date (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Principal Maturity Date (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2021	\$410,000	4.000%	2026	\$500,000	4.000%
2022	435,000	4.000	2027	515,000	4.000
2023	440,000	4.000	2028	545,000	4.300
2024	455,000	4.000	2029	570,000	4.000
2025	480,000	4.000	2030	580,000	4.000

“Refunded Bonds” means, collectively, the Refunded 2010A Bonds and the Refunded 2010B Bonds.

“Refunding Bond Legislation” means, collectively, Ordinances No. 2020-____ and No. 2020-____, each passed by the Taxing Authority on July ___, 2020, and the Certificate of Award executed and delivered pursuant thereto.

“Refunding Bonds” means the \$_____ Various Purpose Refunding Bonds, Series 2020, dated September ___, 2020, identified in and issued or to be issued pursuant to the Refunding Bond Legislation.

“State” means the State of Ohio.

“Substitute Escrow Securities” means those Substitute Escrow Securities referred to in Section 5.

“Taxing Authority” means the City Council of the Issuer.

“Verification Report” means a report of an independent public accounting firm of national reputation determining and verifying initially (being the report referred to in Section 7), or at a subsequent time as provided for in this Agreement, the matters contemplated for such a report by Section 133.34(D) of the Ohio Revised Code. Those matters are, in substance, that the Escrow Securities, including interest or other investment income on them, are of such maturities (including redemption by and at the option of the holder) and payment dates as will be sufficient, without further investment or reinvestment of either the principal amount of or the investment income from those Escrow Securities, together with any moneys held in the form of cash in the Escrow Fund, for the payment of Accruing Debt Charges on the Refunded Bonds, as provided in this Agreement.

Any reference to:

(i) The Taxing Authority, or to the Issuer’s officers, or to other public officers, boards, commissions, departments, institutions, agencies, bodies or entities, shall include those succeeding to their functions, duties or responsibilities by operation of law, and also those at the time legally acting in their place.

(ii) A section or provision of the Ohio Revised Code, or to the laws of Ohio, shall include that section or provision and those laws as from time to time amended, modified, revised or superseded.

(iii) A Section or Exhibit, unless otherwise stated, is to that Section or Exhibit of this Agreement.

Section 2. Escrow Fund. In accordance with and for the purposes of the Refunding Bond Legislation and this Agreement, there is hereby established with the Escrow Trustee and ordered to be maintained in a separate deposit account (except when invested as hereinafter provided) a trust fund to be designated the “City of Marion, Ohio – Series 2020 Refunding Escrow Fund”. The Escrow Fund shall be held in the custody of the Escrow Trustee, and is to be held in trust for and pledged for the benefit, equally and ratably, of the holders of the Refunded Bonds, and shall be

used and applied, and irrevocably committed, to pay the Accruing Debt Charges on the scheduled date[s] as shown on **EXHIBIT A**, all as provided in the Refunding Bond Legislation and this Agreement.

Section 3. Application of Money to and Investment of Escrow Fund. At the time of delivery of and payment for the Refunding Bonds, the amount of \$ _____ from the proceeds of the Refunding Bonds shall be delivered to the Escrow Trustee in immediately available funds for further deposit into the Escrow Fund. Of the amount deposited into the Escrow Fund, \$ _____ shall be immediately utilized by the Escrow Trustee to purchase the Escrow Securities (which shall be Government Obligations) identified on **EXHIBIT B**, and the balance of \$ _____ shall be held in cash in the Escrow Fund.

Section 4. Escrow Securities.

(a) The Taxing Authority has heretofore found and determined that the investments in the Escrow Securities are advantageous and, based on the Verification Report referred to in Section 7, proper in yield and payment dates, in order to make available the necessary money to provide, from the proceeds of the Escrow Fund Deposits, for the payment when due of the applicable Accruing Debt Charges on the Refunded Bonds, and to meet the applicable requirements of Section 148 of the Code.

(b) The cash receipts derived from the Escrow Securities shall be credited to the Escrow Fund. If at any time any money in the Escrow Fund is not invested, the Escrow Trustee shall hold that money in cash without liability for interest or, at the written direction of the Fiscal Officer, shall invest that money in Government Obligations that shall both (i) mature on or prior to the date on which that money, together with the proceeds of other Escrow Fund Deposits will be needed, as evidenced by a Verification Report to be delivered to the Escrow Trustee, to pay Accruing Debt Charges on the scheduled dates as shown on **EXHIBIT A** for those payments, and (ii) bear interest or other investment income at such rate or rates as, in the opinion of nationally recognized bond counsel, will not cause the interest on the Refunded Bonds, or the Refunding Bonds to become included in gross income for federal income tax purposes.

Section 5. Substitute Escrow Securities.

(a) At the written direction of the Fiscal Officer, the Escrow Trustee shall from time to time sell all or a portion of the Escrow Securities and purchase for deposit into the Escrow Fund other Government Obligations specified in that direction. Any such purchase of Substitute Escrow Securities shall be further evidenced by a supplemental **EXHIBIT B**, as appropriate, to be appended to this Agreement, and signed on behalf of the Issuer by the Fiscal Officer and by the Escrow Trustee. The Escrow Trustee shall have received, prior to the substitution of Substitute Escrow Securities for other Escrow Securities, both:

(i) An opinion of nationally recognized bond counsel that the substitution is permitted under the terms of the Agreement and that sale, purchase and substitution will not cause the interest on the Refunded Bonds, or on the Refunding Bonds to become included in gross income of holders for federal income tax purposes, and

(ii) A Verification Report relating to the respective Escrow Securities (including the Substitute Escrow Securities) and any money then to be in the Escrow Fund, including any cash deposited by the Issuer in addition to the cash deposited initially in the Escrow Fund.

The Escrow Trustee shall deliver a copy of the Verification Report referred to in (ii) above to each rating service that has at the Issuer's request rated the Refunded Bonds.

(b) Any amount received by the Escrow Trustee upon any such sale of Escrow Securities which is in excess of the amount needed and used to purchase Substitute Escrow Securities or to be held in cash for the purposes of this Agreement in accordance with this Agreement and the Verification Report shall be paid promptly to the Issuer. All costs relating to any such substitution or exchange of Escrow Securities, including without limitation the costs of obtaining any necessary opinions of bond counsel and Verification Report, shall be paid by the Issuer.

Section 6. Application of Escrow Fund.

(a) Subject to the provisions of this Agreement, the Escrow Fund shall be held by the Escrow Trustee in trust for and irrevocably committed to pay, and shall be used solely, to pay when due the Accruing Debt Charges.

(b) Money in the Escrow Fund shall be, and the Escrow Trustee agrees that money will be, used solely for the purposes as described in this Agreement, and the deposit of the money in the Escrow Fund shall be irrevocable. The Escrow Trustee further agrees that it will not surrender or otherwise attempt to redeem or otherwise negotiate the Escrow Securities except as they shall come due at maturity or redemption as shown on **EXHIBIT B** or when they become due following reinvestment pursuant to Section 4 or upon substitution of Escrow Securities in accordance with Section 5.

(c) Subject to the above requirements for the use of the Escrow Fund and of the Escrow Fund Deposits, and except as otherwise provided in this Agreement, the Issuer and the Escrow Trustee covenant and agree that the Escrow Trustee shall have and exercise full and complete control and authority, and the Issuer will not have or exercise any control or authority, over and with respect to the Escrow Fund and the Escrow Fund Deposits.

(d) On or before the day when Accruing Debt Charges are due and payable, the Escrow Trustee shall transmit to the Paying Agent, from monies then on deposit in the Escrow Fund, amounts sufficient for the Paying Agent to make payment of the Accruing Debt Charges then due and payable.

(e) The Escrow Trustee agrees that it will, promptly following the payment (or reserving money in the Escrow Fund for the payment) when due of all Accruing Debt Charges as provided for in this Agreement, pay to the Issuer for credit to the Bond Retirement Fund any money then remaining in the Escrow Fund (except any money that is required to be reserved in the Escrow Fund for that payment).

(f) Any money that remains unclaimed in the Escrow Fund by any holder of a Refunded Bond, not presented for payment within a period of four years from the date that amount has become due or payable (whether at maturity or upon call for redemption), shall be free of any trust or lien under this Agreement in favor of that holder, and shall be paid by the Escrow Trustee to the Issuer.

(g) At least twice each year so long as the Escrow Fund is maintained, the Escrow Trustee shall send by first-class mail to the Fiscal Officer a statement with respect to the Escrow Fund, stating in detail the income, investments, sales, redemptions and withdrawals of moneys relating to it for the immediately preceding six-month period.

Section 7. Verification Report. The Escrow Trustee acknowledges that it has received the Verification Report of _____, dated September __, 2020. The Issuer acknowledges that it is satisfied that that Verification Report complies with the requirements of the Act for the Refunded Bonds, to be considered no longer outstanding.

Section 8. Prior Redemption and Refunding Notices.

(a) The Issuer and the Escrow Trustee, in its capacity as Bond Registrar and Paying Agent for the Refunded Bonds, each hereby acknowledge that this Agreement constitutes, as of the date of execution and delivery of this Agreement, the irrevocable written notice by the Issuer to the Bond Registrar and Paying Agent of the call for optional redemption of the Refunded Bonds that is required to be given by the Issuer to the Bond Registrar under the Refunding Bond Legislation and the Original Bond Legislation.

(b) The Escrow Trustee is hereby authorized and directed, and agrees, upon initial deposit of the Escrow Fund Deposits into the Escrow Fund:

(i) On behalf of the Issuer to give timely notice to (A) the Municipal Securities Rulemaking Board, (B) the Ohio Municipal Advisory Council, as the state information depository for the State of Ohio, (C) each rating service that has at the Issuer's request rated the Refunded Bonds, and (D) Assured Guaranty Municipal Corp. as the bond insurer for the Refunded Bonds, of the refunding of the Refunded Bonds and the deposit of the Escrow Fund Deposits into the Escrow Fund for that purpose, which notice shall be substantially in the forms attached hereto as **EXHIBITS C-1 AND C-2**; and

(ii) To timely give, or provide for the giving of, the notice required by and in accordance with the Original Bond Legislation that the Refunded Bonds have been and are to be called for prior redemption and redeemed on the Optional Redemption Date and prior to their stated maturities, which notice shall be substantially in the forms attached hereto as **EXHIBITS D-1 AND D-2**; and

(iii) To deliver to the Issuer a certificate substantially in the form of **EXHIBIT E**.

The Issuer agrees to pay all costs incurred by the Escrow Trustee in giving those notices described in Sections 8(b)(i) and (ii).

(c) The Escrow Trustee confirms that the arrangements for giving notice of that prior redemption, as provided in this Agreement, are satisfactory to it for purposes of this Agreement, the Original Bond Legislation and Section 133.34 of the Ohio Revised Code.

(d) Promptly following receipt by the Issuer of the Escrow Trustee's certificate described in Section 8(b)(iii) and redemption and payment of the Refunded Bonds, the Fiscal Officer shall sign and deliver to the Marion County Auditor a certificate substantially in the form attached hereto as **EXHIBIT F**.

Section 9. Pledge. The trust and fiduciary relationship created by this Agreement is irrevocable and intended for the benefit of the holders from time to time of the then unpaid Refunded Bonds as provided in this Agreement. The money in the Escrow Fund and any money realized from the investment income on and the principal of the Escrow Securities is hereby dedicated to and pledged for the payment when due of the Accruing Debt Charges. That money is subject to the lien of that pledge, which shall be valid and binding against all parties having claims of any kind against the Issuer or the Escrow Trustee and which pledge shall constitute a perfected security interest, and such money and the Escrow Securities are pledged and shall be used solely for the purposes stated in this Agreement. The lien of that pledge and the security interest created pursuant to this Agreement, shall take effect on the date of this Agreement without regard to the date of actual signing and delivery of this Agreement or deposit of Escrow Fund Deposits in the Escrow Fund, and shall remain in full force and effect until the terms of this Agreement have been satisfied and the Escrow Fund Deposits and proceeds from those Deposits have been applied as provided for in this Agreement.

Section 10. Expenses.

(a) The Issuer shall pay, or cause to be paid, to the Escrow Trustee for its services under this Agreement a one-time fee of \$ _____ within 60 days of receipt of an invoice for that amount, plus all out-of-pocket costs incurred by the Escrow Trustee, including those incurred in giving the notices required to be given by it under Section 8 of this Agreement. The Escrow Trustee acknowledges that this provision for payment is satisfactory to it, and that it does not have and will not have any lien on or other interest in the Escrow Fund or the Escrow Fund Deposits for the payment of any fees, charges or expenses payable by the Issuer under this Agreement.

(b) The Escrow Trustee acknowledges that provision satisfactory to it has been made for paying all amounts payable to it in its capacities as Escrow Trustee for the Refunded Bonds, in connection with the Refunded Bonds, and this Agreement.

(c) If the Escrow Trustee renders any service hereunder not provided for in this Agreement, or the Escrow Trustee is made a party to or intervenes in any litigation pertaining to this Agreement or institutes interpleader proceedings relative hereto, the Escrow Trustee shall be compensated reasonably by the Issuer for such extraordinary services and reimbursed for all fees, costs, liability and expenses (including reasonable attorneys' fees) occasioned thereby.

Section 11. Successor Escrow Trustee.

(a) Neither this Agreement nor the trust created under it may be assigned by the Escrow Trustee without the prior written consent of the Issuer, unless (i) the Escrow Trustee is required

by law to divest itself of its interest in its corporate trust department operations, (ii) the Escrow Trustee merges or is consolidated with another association, bank, trust company or other entity or (iii) the Escrow Trustee sells or otherwise transfers all or substantially all of its corporate trust assets and business to another corporation, association or other entity.

(b) If the Escrow Trustee resigns or is removed from acting under this Agreement, or is dissolved or otherwise becomes incapable of acting under this Agreement (except as provided in paragraph (a) above), or is taken under the control of any public officer or of a receiver appointed by a court, the Issuer shall select a successor Escrow Trustee within 60 days of such resignation or removal. If the Issuer does not appoint a successor within 60 days of such resignation or removal, the resigning Escrow Trustee may petition any court of competent jurisdiction for the appointment of a successor Escrow Trustee, which court may thereupon appoint a successor Escrow Trustee.

(c) Any successor Escrow Trustee shall sign, acknowledge and deliver to its predecessor and to the Issuer an instrument in writing accepting that appointment, and thereupon that successor without any further act shall become fully vested with all the documents, rights, powers, trusts, duties and obligations, and immunities, interests and causes of action, of its predecessor as Escrow Trustee. The predecessor Escrow Trustee shall on the written request of its successor or of the Issuer (i) sign and deliver an instrument transferring to the successor Escrow Trustee all the rights, powers, and trusts of the predecessor Escrow Trustee under this Agreement, and (ii) transfer to the successor Escrow Trustee all Escrow Fund Deposits. The Issuer shall, on request, sign and deliver any instrument in writing from the Issuer required by any successor Escrow Trustee for more fully and certainly vesting in it the rights, powers and duties vested or intended to be vested in the predecessor or unless the Escrow Trustee sells or otherwise assigns all or substantially all of its corporate trust business, in either which event the trust shall be continued by the Escrow Trustee's successor in interest, so long as it is a corporate trustee authorized to exercise trust powers under the laws of the State, without the execution or filing of any instrument or any further act on the part of the parties hereto, notwithstanding anything herein to the contrary.

Section 12. Escrow Trustee. The Escrow Trustee shall perform only such duties and responsibilities as are expressly set forth in this Agreement and no other or further duties or responsibilities shall be implied. The Escrow Trustee shall be protected, in the absence of bad faith on its part in the performance of its services under this Agreement, in acting upon any notice, request, certificate, affidavit, letter, telegram or other paper or document believed reasonably by it to be genuine and correct and to have been signed or sent by the proper party or parties, and shall not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Issuer. The Escrow Trustee may apply at any time to the Fiscal Officer for instructions, and may consult with counsel for the Issuer, or in the discretion of the Escrow Trustee, with its own counsel, as to anything arising in connection with its service as Escrow Trustee under this Agreement, and the Escrow Trustee shall not be liable for any action taken or omitted to be taken in good faith in reliance upon such instructions or upon the opinions of such counsel. The Escrow Trustee may execute any of its trusts or powers and perform any of its duties under this Agreement by or through attorneys, agents or employees. None of the provisions contained in this Agreement shall be construed to relieve the Escrow Trustee from liability for its negligent actions, its negligent failure to act, or its willful misconduct, except that no provision of this Agreement shall require the Escrow Trustee to use or advance its own funds in the performance of any of its

duties or the exercise of any of its rights or powers hereunder. The Escrow Trustee shall not be responsible or liable for the sufficiency, correctness, genuineness or validity of the Escrow Securities deposited with it; or the performance or compliance by any party other than the Escrow Trustee with the terms or conditions of any such instruments.

Section 13. Amendments.

(a) The duties and obligations of the Escrow Trustee shall be determined solely by the express provisions of this Agreement as this Agreement may from time to time be amended in accordance with its terms by the Escrow Trustee and the Issuer.

(b) This Agreement may be amended or modified, by written agreement of the Issuer and Escrow Trustee, only (i) to cure any ambiguity, inconsistency or formal defect in it or in its application, or (ii) to delete any provision of this Agreement deemed by both to be illegal, or (iii) to confer upon the Escrow Trustee for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority, or (iv) in any respect that in the Escrow Trustee's judgment is not materially adverse to the interests of the owners of the Refunded Bonds or of the Escrow Trustee and is not prejudicial to the purposes of this Agreement, or (v) to evidence any successor to the Escrow Trustee. In the case of an amendment or modification contemplated by clauses (i) through (iv) of the preceding sentence, the Escrow Trustee shall first have received an opinion of nationally recognized bond counsel that the amendment or modification will not cause the interest on the Refunded Bonds or on the Refunding Bonds to become included in the gross income of holders for federal income tax purposes.

(c) The Issuer shall deliver a copy of any amendment or modification to each rating service that has at the Issuer's request rated the Refunded Bonds.

Section 14. Notices. Notice from one of the parties to the other under this Agreement will be sufficient for the purpose if it is contained in a writing mailed by first-class mail postage prepaid to the Issuer at 233 West Center Street, Marion, Ohio 44302, Attention: Auditor, and to the Escrow Trustee at 10 West Broad Street, 12th Floor, Mail Station: CN-OH-BD12, Columbus, Ohio 43215, Attention: Corporate Trust Department, or to any other address which may be designated from time to time by either party in writing delivered to the other party.

Section 15. Partial Invalidity. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, that holding shall not invalidate or render unenforceable any other provision of this Agreement.

Section 16. Benefit of Agreement. This Agreement shall inure to the benefit of and shall be binding upon the Issuer and the Escrow Trustee, and their respective successors, and the holders of the Refunded Bonds and their respective assigns, all subject to the provisions of this Agreement.

Section 17. Termination. This Agreement shall terminate at such time as all money in the Escrow Fund has been paid out as provided in this Agreement.

Section 18. Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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IN WITNESS WHEREOF, the Issuer has caused this Escrow Agreement to be signed in its name and on its behalf by its indicated officers, and U.S. Bank National Association, as Escrow Trustee, in token of its acceptance of the trusts created under this Agreement, has caused this Agreement to be signed in its name by its authorized officer, all as of September ___, 2020.

CITY OF MARION, OHIO

By: _____

Title: _____ Mayor

By: _____

Title: _____ Auditor

Approved as to form and correctness:

By: _____

Title: _____ Law Director

U.S. BANK NATIONAL ASSOCIATION,
Escrow Trustee

By: _____

Title: _____

FISCAL OFFICER'S CERTIFICATE

As the fiscal officer of the City of Marion, Ohio, I certify that the money required to meet the obligations of the Issuer during Fiscal Year 2020 under the foregoing Escrow Agreement has been lawfully appropriated by the City Council of the Issuer for those purposes and is in the treasury of the Issuer or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Revised Code.

Dated: September ___, 2020

Auditor
City of Marion, Ohio

EXHIBIT A

ACCRUING DEBT CHARGES ON THE REFUNDED BONDS

Payments Required on the Refunded 2010A Bonds:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Redeemed Bonds</u>	<u>Redemption Premium</u>	<u>Total</u>
12-01-2020	\$0	\$____	\$2,685,000.00	-0-	\$____
Total	\$0	\$____	\$2,685,000.00	-0-	\$____

Payments Required on the Refunded 2010B Bonds:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Redeemed Bonds</u>	<u>Redemption Premium</u>	<u>Total</u>
12-01-2020	\$0	\$____	\$5,405,000.00	-0-	\$____
Total	\$0	\$____	\$5,405,000.00	-0-	\$____

EXHIBIT B

ESCROW FUND UNITED STATES TREASURY SECURITIES

Escrow Securities for the Refunded 2010A Bonds:

<u>Purchase Date</u>	<u>Type of Security</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Accrued Interest</u>	<u>Purchase Price</u>
09-__-2020	SLGS Certificate	12-01-2020	\$	%	-0-	\$
	<i>TOTAL</i>		\$		-0-	\$

Escrow Securities for the Refunded 2010B Bonds:

<u>Purchase Date</u>	<u>Type of Security</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Accrued Interest</u>	<u>Purchase Price</u>
09-__-2020	SLGS Certificate	12-01-2020	\$	%	-0-	\$
	<i>TOTAL</i>		\$		-0-	\$

EXHIBIT C-1

NOTICE OF REFUNDING, DEFEASANCE AND CALL FOR REDEMPTION

**CITY OF MARION, OHIO
VARIOUS PURPOSE REFUNDING BONDS, SERIES 2010A
DATED JUNE 22, 2010
AND MATURING ON DECEMBER 1
IN EACH OF THE YEARS 2022,
2024, 2026, 2028 AND 2030**

Notice is hereby given that the outstanding City of Marion, Ohio, Various Purpose Refunding Bonds, Series 2010A, dated June 22, 2010, that are stated to mature on December 1 in each of the years and amounts as set forth below (collectively, the "*Refunded Bonds*"), have been refunded in advance of their stated maturity dates:

Principal Maturity Date (December 1)	Original CUSIP 569832	Principal Outstanding	Principal Maturity Date (December 1)	Original CUSIP 569832	Principal Outstanding
2022	KB3	\$460,000	2028	KE7	\$580,000
2024	KC1	490,000	2030	KA5	625,000
2026	KD9	530,000			

On September __, 2020, there were deposited in an irrevocable trust fund with U.S. Bank National Association], as Escrow Trustee, cash and direct obligations of the United States of America which, together with the interest to be received therefrom, have been calculated, and verified by an independent firm of certified public accountants, to be adequate to pay, discharge and defease the Refunded Bonds.

This deposit has been made pursuant to the provisions of and according to the terms and conditions of an Escrow Agreement, dated September __, 2020, by and between the City and the Escrow Trustee.

The Refunded Bonds are deemed to be paid, discharged and defeased and moneys will be available, in an amount sufficient, without further investment or reinvestment, for the payment when due of the (a) interest on the Refunded Bonds accruing from __, 2020 through the redemption date (December 1, 2020), (b) principal amount of those Refunded Bonds to be redeemed on December 1, 2020, at a redemption price equal to 100% of the principal amount redeemed.

Irrevocable instructions have been given by the City to the U.S. Bank National Association, as bond registrar, authenticating agent, transfer agent and paying agent for the Refunded Bonds, to call for optional redemption on December 1, 2020, the Refunded Bonds maturing or subject to mandatory sinking fund redemption on or after December 1, 2021 at a redemption price equal to 100% of the principal amount optionally redeemed, plus interest accrued to the redemption date.

Dated: September ___, 2020

CITY OF MARION, OHIO

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Trustee

EXHIBIT C-2

NOTICE OF REFUNDING, DEFEASANCE AND CALL FOR REDEMPTION

**CITY OF MARION, OHIO
VARIOUS PURPOSE IMPROVEMENT BONDS, SERIES 2010B
DATED OCTOBER 12, 2010
AND MATURING ON DECEMBER 1
IN EACH OF THE YEARS 2021 THROUGH 2030**

Notice is hereby given that the outstanding City of Marion, Ohio, Various Purpose Improvement Bonds, Series 2010B, dated October 12, 2010, that are stated to mature on December 1 in each of the years and amounts as set forth below (collectively, the "*Refunded Bonds*"), have been refunded in advance of their stated maturity dates:

Principal Maturity Date (December 1)	Original CUSIP 569832	Principal Outstanding	Principal Maturity Date (December 1)	Original CUSIP 569832	Principal Outstanding
2021	KT4	\$410,000	2026	KY3	\$500,000
2022	KU1	435,000	2027	KZ0	515,000
2023	KV9	440,000	2028	LA4	545,000
2024	KW7	455,000	2029	LB2	570,000
2025	KX5	480,000	2030	LC0	580,000

On September __, 2020, there were deposited in an irrevocable trust fund with U.S. Bank National Association], as Escrow Trustee, cash and direct obligations of the United States of America which, together with the interest to be received therefrom, have been calculated, and verified by an independent firm of certified public accountants, to be adequate to pay, discharge and defease the Refunded Bonds.

This deposit has been made pursuant to the provisions of and according to the terms and conditions of an Escrow Agreement, dated September __, 2020, by and between the City and the Escrow Trustee.

The Refunded Bonds are deemed to be paid, discharged and defeased and moneys will be available, in an amount sufficient, without further investment or reinvestment, for the payment when due of the (a) interest on the Refunded Bonds accruing from __, 2020 through the redemption date (December 1, 2020), (b) principal amount of those Refunded Bonds to be redeemed on December 1, 2020, at a redemption price equal to 100% of the principal amount redeemed.

Irrevocable instructions have been given by the City to the U.S. Bank National Association, as bond registrar, authenticating agent, transfer agent and paying agent for the Refunded Bonds, to call for optional redemption on December 1, 2020, the Refunded Bonds maturing on or after

December 1, 2021 at a redemption price equal to 100% of the principal amount optionally redeemed, plus interest accrued to the redemption date.

Dated: September __, 2020

CITY OF MARION, OHIO

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Trustee

EXHIBIT D-1

NOTICE OF REDEMPTION

**CITY OF MARION, OHIO
VARIOUS PURPOSE REFUNDING BONDS, SERIES 2010A
DATED JUNE 22, 2010
AND MATURING ON DECEMBER 1
IN EACH OF THE YEARS 2022,
2024, 2026, 2028 AND 2030**

Notice is hereby given that the City of Marion, Ohio, has exercised its option to call for optional redemption on December 1, 2020 (the "Redemption Date"), the outstanding City of Marion, Ohio, Various Purpose Refunding Bonds, Series 2010A, dated June 22, 2010, that are stated to mature on December 1 in each of the years [2020,] 2022, 2024, 2026, 2028 and 2030 (collectively, the "Refunded Bonds"), pursuant to the ordinances authorizing their issuance and related final terms certificate (the "Refunded Bonds Legislation"). The redemption price for the Refunded Bonds is equal to 100% of the principal amount of the Refunded Bonds redeemed, plus interest accrued to the Redemption Date.

The Refunded Bonds to be optionally redeemed are identified as follows:

Maturity Date (December 1)	Interest Rate	Aggregate Principal Amount	CUSIP Numbers 569832
2022	4.000%	\$460,000	KB3
2024	4.000	490,000	KC1
2026	4.000	530,000	KD9
2028	4.150	580,000	KE7
2030	4.300	625,000	KA5

In accordance with the Refunded Bonds Legislation, on or after the Redemption Date, the Refunded Bonds shall cease to bear interest.

The Refunded Bonds will be payable upon presentation and surrender of those Refunded Bonds at the designated corporate trust office of U.S. Bank National Association, and interest will be payable by check or draft mailed to the person in whose name a Refunded Bond is registered on the fifteenth day of the calendar month preceding each interest payment date, and to that person's address appearing, on the Bond Register for the Refunded Bonds at the close of business on that date.

Dated: _____, 2020

CITY OF MARION, OHIO

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Trustee

EXHIBIT D-2

NOTICE OF REDEMPTION

**CITY OF MARION, OHIO
VARIOUS PURPOSE IMPROVEMENT BONDS, SERIES 2010B
DATED OCTOBER 12, 2010
AND MATURING ON DECEMBER 1
IN EACH OF THE YEARS 2021 THROUGH 2030**

Notice is hereby given that the City of Marion, Ohio, has exercised its option to call for optional redemption on December 1, 2020 (the "Redemption Date"), the outstanding City of Marion, Ohio, Various Purpose Improvement Bonds, Series 2010B, dated October 12, 2010, that are stated to mature on December 1 in each of the years 2021 through 2030 (collectively, the "Refunded Bonds"), pursuant to the ordinance authorizing their issuance and related final terms certificate (the "Refunded Bonds Legislation"). The redemption price for the Refunded Bonds is equal to 100% of the principal amount of the Refunded Bonds redeemed, plus interest accrued to the Redemption Date.

The Refunded Bonds to be optionally redeemed are identified as follows:

Maturity Date (December 1)	Interest Rate	Aggregate Principal Amount	CUSIP Numbers 569832
2021	4.000%	\$410,000	KT4
2022	4.000	435,000	KU1
2023	4.000	440,000	KV9
2024	4.000	455,000	KW7
2025	4.000	480,000	KX5
2026	4.000	500,000	KY3
2027	4.000	515,000	KZ0
2028	4.000	545,000	LA4
2029	4.000	570,000	LB2
2030	4.000	580,000	LC0

In accordance with the Refunded Bonds Legislation, on or after the Redemption Date, the Refunded Bonds shall cease to bear interest.

The Refunded Bonds will be payable upon presentation and surrender of those Refunded Bonds at the designated corporate trust office of U.S. Bank National Association, and interest will be payable by check or draft mailed to the person in whose name a Refunded Bond is registered on the fifteenth day of the calendar month preceding each interest payment date, and to that person's address appearing, on the Bond Register for the Refunded Bonds at the close of business on that date.

Dated: _____, 2020

CITY OF MARION, OHIO

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Trustee

EXHIBIT E

\$ _____
City of Marion, Ohio
Various Purpose Refunding Bonds, Series 2020

CERTIFICATE OF ESCROW TRUSTEE

I certify, as a duly authorized officer of U.S. Bank National Association, as Escrow Trustee (the "Escrow Trustee") under the Escrow Agreement between the City of Marion, Ohio (the "City"), and the Escrow Trustee, dated as of September ___, 2020 (the "Escrow Agreement"), and with all capitalized terms being used as defined in the Escrow Agreement, that:

1. The Escrow Trustee has received from Fifth Third Securities, Inc., on behalf of the City, the amount of \$ _____ from proceeds of the Refunding Bonds, and that entire amount has been deposited in the Escrow Fund and used to purchase Escrow Securities described in **EXHIBIT B** to the Escrow Agreement and to provide an initial cash deposit of \$ ____ in the Escrow Fund.

2. The Escrow Trustee has received the Verification Report of _____ dated September ___, 2020, as to the sufficiency of that cash and those Escrow Securities and the interest income on those Escrow Securities, without further investment or reinvestment of either principal or investment earnings therein, for the payment when due of Accruing Debt Charges.

3. The Escrow Trustee presently holds the Escrow Securities in the Escrow Fund.

4. The Escrow Agreement has been duly authorized, executed and delivered by and in the name and on behalf of the Escrow Trustee.

5. On the date of this Certificate, the Escrow Trustee will give the notices required by Sections 8(b)(i) and (ii) of the Escrow Agreement.

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Trustee

Dated: September ___, 2020

By: _____[Exhibit – Not for Signature]_____

Title: _____

EXHIBIT F

\$ _____

City of Marion, Ohio
Various Purpose Refunding Bonds, Series 2020

CERTIFICATE OF CITY

To: County Auditor
County of Marion, Ohio

As Auditor of the City of Marion, Ohio (the "City"), I hereby certify, with each capitalized term used but not defined having the meaning assigned to it in the Escrow Agreement dated as of September ___, 2020 (the "Escrow Agreement"), between the City and U.S. Bank National Association, as escrow trustee (the "Escrow Trustee"), that:

1. I have received a certificate of the Escrow Trustee substantially in the form attached as **EXHIBIT E** to the Escrow Agreement concerning the deposit in the Escrow Fund of the moneys described in Section 3 of the Escrow Agreement.

2. In accordance with the provisions of Section 133.34 of the Revised Code, the following principal amounts of the City's Various Purpose Refunding Bonds, Series 2010A, dated June 22, 2010, have been paid and are no longer considered to be outstanding:

<u>Date</u>	<u>Payment Type</u>	<u>Principal Amount</u>
December 1, 2021	Mandatory Redemption	225,000
December 1, 2022	Maturity	235,000
December 1, 2023	Mandatory Redemption	240,000
December 1, 2024	Maturity	250,000
December 1, 2025	Mandatory Redemption	260,000
December 1, 2026	Maturity	270,000
December 1, 2027	Mandatory Redemption	285,000
December 1, 2028	Maturity	295,000
December 1, 2029	Mandatory Redemption	305,000
December 1, 2030	Maturity	320,000

3. In accordance with the provisions of Section 133.34 of the Revised Code, the following principal amounts of the City's Various Purpose Improvement Bonds, Series 2010B, dated October 12, 2010, have been paid and are no longer considered to be outstanding:

<u>Date</u>	<u>Payment Type</u>	<u>Principal Amount</u>
December 1, 2021	Maturity	410,000
December 1, 2022	Maturity	435,000
December 1, 2023	Maturity	440,000
December 1, 2024	Maturity	455,000
December 1, 2025	Maturity	480,000
December 1, 2026	Maturity	500,000
December 1, 2027	Maturity	515,000
December 1, 2028	Maturity	545,000
December 1, 2029	Maturity	570,000
December 1, 2030	Maturity	580,000

Dated: September __, 2020

[Exhibit – Not for Signature]
Auditor
City of Marion, Ohio