

EXTRACTS FROM MINUTES
OF PIEDMONT TRIAD REGIONAL WATER AUTHORITY

A regular meeting of the Piedmont Triad Regional Water Authority was held in the Authority's offices, the regular place of meeting, at noon on January __, 2025.

Present: _____

_____.

Absent: _____

* * * * *

_____ introduced the following resolution, a copy of which had been made available and which was read by its title:

**SERIES RESOLUTION PROVIDING FOR THE ISSUANCE OF
UP TO \$130,000,000 WATER SYSTEM REVENUE BOND
ANTICIPATION NOTE, SERIES 2025**

BE IT RESOLVED by the Piedmont Triad Regional Water Authority (the "Authority"):

Section 1. The Authority has determined and does hereby find, declare and represent:

(a) That, pursuant to Article 5 of Chapter 159 of the North Carolina General Statutes, as amended (the "Act"), a Bond Order Authorizing the Issuance of Water System Revenue Bonds adopted on June 10, 2008 (as amended and supplemented from time to time, the "Bond Order") and a series resolution adopted June 10, 2008 (the "2008 Series Resolution"), the Authority previously issued its \$22,178,485 Piedmont Triad Regional Water Authority Water System Revenue Bond dated June 12, 2008 (the "2008 Bond") for the purpose of providing funds, together with other available funds, to construct a 12 MGD water treatment plant and facilities related thereto (the "2008 Project").

(b) That, pursuant to the Act, the Bond Order and a series resolution adopted June 8, 2012 (the "2012 Series Resolution"), the Authority previously issued its \$22,178,485 Piedmont Triad Regional Water Authority System Revenue Refunding Bond dated June 14, 2012 (the "2012 Bond") for the purpose of providing funds, together with other available funds, to prepay and refund the entire outstanding principal amount of the 2008 Bond and pay certain expenses of issuing the 2012 Bond.

(c) That, pursuant to the 2012 Series Resolution, Article III of the Bond Order was amended to provide for the issuance, from time to time, of Additional Bonds (as defined in the Bond Order) payable from the same funds as previously-issued Bonds (as defined in the Bond Order) for the purpose of providing funds, with any other available funds, for paying the cost of System Improvements (as defined in the Bond Order).

(d) That the Authority has determined to finance the costs of the acquisition, construction, reconstruction, improvement, enlargement and betterment of a 26.7 MGD water treatment plant and facilities related thereto (the “2025 Project”) and such 2025 Project will constitute System Improvements under the Bond Order.

(e) That the Authority has determined to authorize the issuance of its Piedmont Triad Regional Water Authority Water System Revenue Bond Anticipation Note, Series 2025 (the “2025 Note”), to be issued in anticipation of water system revenue bonds, in an amount up to \$130,000,000, pursuant to Article 9 of Chapter 159 of the North Carolina General Statutes, as amended, the Act and the Bond Order, for the purpose of (a) financing a portion of the cost of the 2025 Project and (b) paying certain costs and expenses incurred in connection with the issuance of the 2025 Note.

(f) That Truist Commercial Equity, Inc. (the “Purchaser”) has agreed to purchase the 2025 Note in the principal amount of up to \$130,000,000.

(g) That the Local Government Commission of North Carolina (the “Local Government Commission”) has approved the application of the Authority for approval of the 2025 Note as required by § 159-85 of the Act and the issuance and private sale of the 2025 Note.

Section 2. The issuance and sale, pursuant to the Act, of the 2025 Note is hereby authorized, which shall be designated “Water System Revenue Bond Anticipation Note, Series 2025”, shall be numbered R-1, shall be dated the date of its delivery and shall bear interest at a rate per annum (on the basis of the actual days elapsed over a 360-day year) as described more fully in the form of 2025 Note set forth herein. Interest shall be payable (i) prior to the Mandatory Purchase Date (as defined herein), on each March 1 and September 1, commencing March 1, 2025 and (ii) following the Mandatory Purchase Date, each April 1 and October 1 thereafter. Except as otherwise provided herein, the outstanding principal amount of the 2025 Note, together with interest accrued thereon, shall be due and payable on April 1, 2032 (the “Maturity Date”). The 2025 Note may be prepaid in whole or in part on any Business Day upon ten days’ notice to the Purchaser at a prepayment price of 100% of principal amount prepaid plus accrued interest to the prepayment date. No interest coupons shall be attached to the 2025 Note. The 2025 Note shall be payable as to both principal and interest by wire transfer on the payment date to such account as the Purchaser shall designate. Both the principal of and the interest on the 2025 Note shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

As used herein, “Business Day” means any day (other than a Saturday or Sunday) on which commercial banks located in Charlotte, North Carolina are required or permitted by law to be open for the purposes of conducting commercial banking business.

The 2025 Note shall be a special obligation of the Authority payable solely from the Net Revenues (as defined in the Bond Order), which Net Revenues are pledged to secure such payment pursuant to the Bond Order. Neither the credit nor the taxing power of the Authority is pledged for the payment of the 2025 Note and no owner of the 2025 Note has the right to compel the exercise of the taxing power by the Authority or the forfeiture of any of the Authority’s property in connection with any default thereon.

The 2025 Note shall be sold to the Purchaser, pursuant to a Contract of Purchase to be dated on or about January __, 2025 (the “Contract of Purchase”) between the Purchaser and the Local Government Commission and approved by the Authority, at a purchase price of up to \$130,000,000, such purchase price to be paid in Advances, as described in Section 3 hereof. The Contract of Purchase is hereby approved in substantially the form presented at this meeting and the Executive Director of the Authority is authorized to execute the same.

Section 3. The aggregate amount of advances (each, an “Advance”), subject to prepayment, shall constitute from time to time the outstanding principal amount of the 2025 Note upon which interest shall accrue.

On the date of issuance of the 2025 Note, the Purchaser shall make an initial advance of **[\$20,000,000.00]** (the “Initial Advance”) to the Authority and the Authority shall use such proceeds to pay, or reimburse the Authority for paying, (i) costs of the 2025 Project and (ii) costs related to the issuance of the 2025 Note.

The Authority may request additional Advances to pay costs of the 2025 Project as or after they are incurred. To request additional Advances, the Authority shall submit to the Purchaser, via electronic mail at least one Business Day prior to the requested date of disbursement, a request in the form attached to the 2025 Note signed by an authorized officer of the Authority, and the Purchaser will pay the indicated amounts to an account of the Authority with Truist Bank, as requested by the Authority. The Purchaser shall record each additional Advance on the Table of Advances attached to the 2025 Note; provided that the failure to record any such Advance on the Table of Advances shall not affect the principal amount due. In no event shall the total amount of Advances exceed \$130,000,000. Without the prior written consent of the Purchaser, no more than four Advances shall be made in any given month and no Advance shall be for less than \$500,000.

Section 4. The 2025 Note shall be subject to mandatory tender for purchase in whole (but not in part) on April 1, 2027 (the “Mandatory Purchase Date”). In such event, the 2025 Note shall be deemed to be called for prepayment on the Mandatory Purchase Date at a purchase price equal to the principal amount thereof, plus accrued interest thereon to but not including the date of such prepayment. Notwithstanding the foregoing, in the event the Purchaser delivers written notice to the Authority that the Purchaser has elected not to tender the 2025 Note on such Mandatory Purchase Date, the 2025 Note shall not be subject to mandatory tender on such date and the Mandatory Purchase Date, if any, shall be the date set forth in the written notice from the Purchaser.

If, on the Mandatory Purchase Date, the Authority does not pay the outstanding principal amount of the 2025 Note and there has been no default or Event of Default (as defined in the Bond Order), then on and from such date, the outstanding principal amount of the 2025 Note shall (i) bear interest at the Bank Rate (as described in the 2025 Note) and (ii) be payable, together with interest accrued thereon, in equal principal installments on each April 1 and October 1 to and including the Maturity Date.

Section 5. The 2025 Note shall be signed by the Chairman and the Secretary of the Authority, the official seal of the Authority shall be impressed on the 2025 Note and the certificate of authentication of the 2025 Note shall be executed by the Executive Director of the Authority as

the Bond Registrar. The form of the 2025 Note and the endorsements to be placed upon the reverse thereof shall be substantially as follows:

No. R-1

up to \$130,000,000

United States of America

State of North Carolina

PIEDMONT TRIAD REGIONAL WATER AUTHORITY
WATER SYSTEM REVENUE BOND ANTICIPATION NOTE, SERIES 2025
(the “2025 Note”)

The Piedmont Triad Regional Water Authority (the “Authority”) is justly indebted and for value received hereby promises to pay, solely from the sources hereinafter described, to Truist Commercial Equity, Inc. and its successors and assigns (the “Purchaser”), the principal sum of up to \$130,000,000 and to pay, solely from such sources, interest thereon from the date hereof, (on the basis of the actual days elapsed over a 360-day year) as more fully described in Exhibit A hereto. Interest shall be payable (i) prior to the Mandatory Purchase Date (as defined herein), on each March 1 and September 1, commencing March 1, 2025 and (ii) following the Mandatory Purchase Date, each April 1 and October 1 thereafter. Except as otherwise provided herein, the outstanding principal amount of this 2025 Note, together with interest accrued thereon, shall be due and payable on April 1, 2032 (the “Maturity Date”). This 2025 Note may be prepaid in whole or in part on any Business Day upon ten days’ notice to the Purchaser at a prepayment price of 100% of principal amount prepaid plus accrued interest to the prepayment date. No interest coupons shall be attached to this 2025 Note. This 2025 Note shall be payable as to both principal and interest by wire transfer on the payment date to such account as the Purchaser shall designate. Both the principal of and the interest on this 2025 Note shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Pursuant to the Series Resolution passed by the Authority on January __, 2025 (the “2025 Series Resolution”), the amount Advanced, not to exceed \$130,000,000, and subject to prepayment pursuant to the 2025 Series Resolution, shall constitute the outstanding principal amount of this 2025 Note. The Purchaser shall endorse on Exhibit B attached hereto, the dates and amounts of additional Advances by the Purchaser to the Authority and prepayment by the Authority. Each request for an additional Advance shall be in the form of Exhibit C attached hereto. Each capitalized term used but not otherwise defined herein has the meaning given to such term in the 2025 Series Resolution.

This 2025 Note is issued pursuant to and in accordance with Article 5 of Chapter 159 of the General Statutes of North Carolina, as amended, Article 9 of Chapter 159 of the General Statutes of North Carolina, as amended, a bond order adopted by the Authority on June 10, 2008

(as amended and supplemented from time to time, the “Bond Order”), and the 2025 Series Resolution. The proceeds hereof shall be used to finance the costs of (a) the acquisition, construction, reconstruction, improvement, enlargement and betterment of a 26.7 MGD water treatment plant and facilities related thereto (the “2025 Project”) and (b) certain costs and expenses incurred in connection with the issuance of the 2025 Note.

This 2025 Note is subject to mandatory tender for purchase in whole (but not in part) on April 1, 2027 (the “Mandatory Purchase Date”). This 2025 Note shall be deemed to be called for prepayment on the Mandatory Purchase Date at a purchase price equal to the principal amount thereof, plus accrued interest thereon to but not including the date of such prepayment. Notwithstanding the foregoing, in the event the Purchaser delivers written notice to the Authority that the Purchaser has elected not to tender this 2025 Note on such Mandatory Purchase Date, this 2025 Note shall not be subject to mandatory tender on such date and the Mandatory Purchase Date, if any, shall be the date set forth in the written notice from the Purchaser.

If, on the Mandatory Purchase Date, the Authority does not pay the outstanding principal amount of the 2025 Note and there has been no default or Event of Default (as defined in the Bond Order), then on and from such date, the outstanding principal amount of this 2025 Note (i) shall bear interest at the Bank Rate (as defined in Exhibit A hereto) and (ii) shall be payable, tother with interest accrued thereon, in equal principal installments on each April 1 and October 1 to and including the Maturity Date.

This 2025 Note is a special obligation of the Authority payable solely from the proceeds of this 2025 Note made available for the payment of interest on this 2025 Note and from the Net Revenues (as defined in the Bond Order), which Net Revenues are pledged to secure such payment. Neither the credit nor the taxing power of the Authority is pledged for the payment of this 2025 Note and no owner of this 2025 Note has the right to compel the exercise of the taxing power by the Authority or the forfeiture of any of the Authority’s property in connection with any default hereon. Reference is hereby made to the Bond Order and the 2025 Series Resolution and to all amendments and supplements thereto for a description of the provisions, among others, respecting the nature and extent of the security, the rights, duties and obligations of the Authority, the rights of the owner of this 2025 Note and the terms upon which this 2025 Note is issued and secured.

THIS 2025 NOTE WILL BE NON-TRANSFERABLE, EXCEPT TO A BANK, INSURANCE COMPANY OR SIMILAR FINANCIAL INSTITUTION OR ANY OTHER ENTITY APPROVED BY THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this 2025 Note have happened, exist and have been performed in regular and due form and time as so required.

IN WITNESS WHEREOF, the Authority, pursuant to a resolution of the Board, has caused this 2025 Note to be signed by the Chairman and the Secretary of the Authority and the official seal of the Authority to be impressed hereon, all as of the __ day of January, 2025.

[Manual signature]

Chairman

[Manual signature]

Secretary

[SEAL]

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of this bond has been approved under the provisions of The State and Local Government Bond Revenue Act of North Carolina, as amended.

JENNIFER WIMMER
Deputy Secretary, Local Government Commission

[Manual signature]
Designated Assistant

CERTIFICATE OF AUTHENTICATION

This bond is issued under the provisions of the within-mentioned 2025 Series Resolution.

Executive Director
as Bond Registrar

By _____ [Manual signature]

Date of authentication: _____

Interest Rate Provisions

Definitions

“Bank Rate” means a per annum rate of interest equal to (a) during the first 180 days following the Mandatory Purchase Date, the Prime Rate and (b) thereafter, the Prime Rate plus 1.00%.

“Business Day” means any day (other than a Saturday or Sunday) on which commercial banks located in Charlotte, North Carolina are required or permitted by law to be open for the purposes of conducting commercial banking business.

“Date of Taxability” means the earliest date as of which interest on the 2025 Note shall have been determined to be includable in the gross income of the Purchaser as a result of a Determination of Taxability.

“Default Rate” means a rate per annum equal to the sum of the Prime Rate plus 2.00%.

“Determination Day” means that date which is (a) two U.S. Government Securities Business Days prior to the first day of the Interest Period if such day is a U.S. Government Securities Business Day or (b) if the first day of the Interest Period is not a U.S. Government Securities Business Day, then two U.S. Government Securities Business Days prior to the U.S. Government Securities Business Day immediately preceding the commencement of the Interest Period.

“Determination of Taxability” means and shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the Authority files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Purchaser notifies the Authority that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance not otherwise representing the Purchaser in connection with the 2025 Note to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by the Authority of such notification from the Purchaser, the Authority shall deliver to the Purchaser a ruling or determination letter issued to or on behalf of the Authority by the U.S. Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the Authority shall be advised in writing by the U.S. Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Authority, or upon any review

or audit of the Authority or upon any other ground whatsoever, an Event of Taxability shall have occurred;

(iv) on that date when the Authority shall receive notice from the Purchaser that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Purchaser the interest on the 2025 Note due to the occurrence of an Event of Taxability;

provided, however, that no Determination of Taxability shall occur under clauses (iii) or (iv) above unless the Authority has been afforded the opportunity, at the Authority's expense, to contest any such assessment; and provided further that no Determination of Taxability shall occur until such contest, if made, has been finally determined; and provided further that upon demand from the Purchaser, the Authority shall immediately reimburse the Purchaser for any payments the Purchaser shall be obligated to make as a result of the Determination of Taxability during any such contest.

“Event of Default” means any “event of default” as defined in Section 8.01 of the Bond Order.

“Event of Taxability” means the taking of any action by the Authority, or the failure to take any action by the Authority, or the making by the Authority of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the 2025 Note which has the effect of causing interest paid or payable on the 2025 Note to become includable, in whole or in part, in the gross income of the Purchaser for federal income tax purposes.

“Interest Period” means the one month period commencing on the first day of each month and each subsequent period shall commence on the first day of each month; provided that the first Interest Period shall commence on the date the 2025 Note is first issued and end on the last day of the month in which the 2025 Note is issued.

“One Month Term SOFR” means the Term SOFR reference rate for a one month tenor as administered by the Term SOFR Administrator and quoted by Bloomberg Finance L.P., or any quoting service or commonly available source utilized by the Purchaser on the Determination Day; provided that if as of 5:00 p.m. (New York time) on the Determination Day, Term SOFR for such tenor has not been published by the Term SOFR Administrator, then the rate used will be Term SOFR for such tenor as published by the Term SOFR Administrator for the immediately preceding U.S. Government Securities Business Day on which such rate was published on the Term SOFR Administrator's website so long as such immediately preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day.

“Prime Rate” means, for any day, a rate per annum equal to Truist Bank's announced Prime Rate, and shall change effective on the date any change in Truist Bank's Prime Rate is publicly announced as being effective.

“Taxable Rate” means the interest rate per annum that shall provide the Purchaser with the same after tax yield that the Purchaser would have otherwise received had the Event of Taxability not occurred, taking into account the increased taxable income of the Purchaser as a result of such

Event of Taxability. The Purchaser shall provide the Authority with a written statement explaining the calculation of the Taxable Rate, which statement shall, in the absence of manifest error, be conclusive and binding on the Authority.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited or a successor administrator of the Term SOFR Reference Rate selected by the Purchaser in its sole discretion.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday, or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“Variable Rate” means a per annum rate of interest established for each Interest Period equal to the sum of (a) 29 basis points (0.29%) plus (b) the product of (i) 79% and (ii) One Month Term SOFR.

Interest Rate

(a) Except as otherwise provided herein, this 2025 Note shall bear interest at the Variable Rate.

(b) Upon the occurrence of a Determination of Taxability, then, from and after the Date of Taxability, the 2025 Note shall bear interest at the Taxable Rate. After a Determination of Taxability and upon demand of the Purchaser, the Authority shall pay to the Purchaser, such additional amount as shall be necessary to provide that interest on the 2025 Note shall have been payable at the Taxable Rate from the Date of Taxability.

(c) The Purchaser shall, if requested by the Authority, have an attorney in fact, qualified to practice before the Internal Revenue Service, designated by the Authority for the purpose of appealing or challenging any Event of Taxability; provided, however, the Authority provides indemnity reasonably satisfactory to the Purchaser to indemnify it against any additional tax liability, penalties or interest that may result from any such appeal. All reasonable legal fees, costs and expenses of such appeal shall be paid by the Authority. In the event a final judgment or order shall have been entered within 180 days of the Event of Taxability finding, as a final determination, that no Event of Taxability has indeed occurred, the Purchaser shall reimburse to the Authority all supplemental interest that has been paid on the 2025 Note, and no additional supplemental interest shall be payable unless and until an Event of Taxability shall subsequently occur. Notwithstanding anything in this subsection to the contrary, the right of the Authority to challenge any Event of Taxability shall terminate if no such final judgment or order shall have been entered within 180 days after the occurrence of the Event of Taxability, unless the Purchaser shall otherwise agree, and after the expiration of such 180-day period without the entry of a final judgment or order, the 2025 Note shall immediately bear interest at the Taxable Rate. In addition, unless the Authority shall otherwise provide reasonable indemnification to the Purchaser, the right of the Authority to challenge any Event of Taxability shall terminate if the exercise of such right would cause any tax return of the Purchaser to be inaccurate or would delay the timely filing thereof or would in the Purchaser’s opinion result in an adverse impact on its tax returns.

(d) Upon a Determination of Taxability, the Authority shall also pay to the Purchaser upon demand of the Purchaser any taxes, interest, penalties or other charges assessed against or payable by the Purchaser and attributable to such Determination of Taxability and all reasonable administrative, out of pocket and other expenses incurred by the Purchaser which are attributable to such event, including, without limitation, the costs incurred by the Purchaser to amend any of its tax returns, notwithstanding the repayment of the entire principal amount of the 2025 Note or any transfer or assignment of the 2025 Note.

(e) If, after the date of issuance of this 2025 Note, any legislation passed by the Congress of the United States is enacted which has the effect, directly or indirectly, of causing the interest on the 2025 Note to be included in gross income of the Purchaser for purposes of federal income taxation, then any Advances made from and after the effective date of such legislation shall bear interest at the Taxable Rate.

(f) If, on the Mandatory Purchase Date, the Authority does not pay the outstanding principal amount of this 2025 Note and there has been no default or Event of Default, then on and from such date, the outstanding principal amount of the 2025 Note shall bear interest at the Bank Rate.

(g) Notwithstanding anything herein to the contrary, from and after the occurrence of an Event of Default, until such time as such Event of Default has been remedied or otherwise waived by the Purchaser, the 2025 Note shall bear interest at the Default Rate.

Table of Advances and Partial Prepayments

Upon each additional Advance and partial prepayments, the Purchaser shall make the appropriate notation on the table below:

Advances

<u>Date</u>	<u>Additional Advances</u>	<u>Signature of Purchaser</u>

Partial Prepayments

<u>Date</u>	<u>Amount Prepaid</u>	<u>Outstanding Principal Amount</u>	<u>Signature of Purchaser</u>

Form of Advance Request

Date: _____

Truist Commercial Equity, Inc.
Charlotte, North Carolina

RE: Request for additional Advance pursuant to Section 3 of the resolution adopted by the Piedmont Triad Regional Water Authority (the "Authority") on January __, 2025 (the "Resolution") and Section 1 of the Contract of Purchase dated January __, 2025 between the Local Government Commission of North Carolina and Truist Commercial Equity, Inc. (the "Purchaser") and approved by the Authority (the "Contract of Purchase")

I hereby certify that I am the _____ of the Authority and am an appropriate Authority representative for the purpose of this request for an additional Advance (as defined in the Resolution).

On behalf of the Authority, I hereby submit this request for an additional Advance pursuant to the Section 3 of the Resolution and Section 1 of the Contract of Purchase, in the amount of \$_____. Such sum shall be paid to the account designated by the Authority pursuant to Section 3 of the Resolution for, or in reimbursement to the Authority for, the following purposes:

[insert descriptions of purposes]

Each item is a proper charge against the costs of the 2025 Project (as defined in the Resolution), such obligation has not been the basis for a prior requisition, and all conditions specified in the Resolution have been satisfied. No Event of Default (as defined in the Bond Order) has occurred and is continuing under the Bond Order Authorizing the Issuance of Water System Revenue Bonds adopted on June 10, 2008.

**PIEDMONT TRIAD REGIONAL WATER
AUTHORITY**

By: _____
Name: _____
Title: _____

Section 6. On the date the 2025 Note is issued and delivered to the Purchaser, the Purchaser shall pay the initial purchase price of the 2025 Note in the amount of **[\$[20,000,000.00]** by delivering to the Authority the Initial Advance to be used by the Authority to pay costs of the 2025 Project and issuance costs relating to the 2025 Note. The purchase price for additional Advances shall be paid by the Purchaser pursuant to Section 3 hereof and the Contract of Purchase.

Section 7. The actions of the Executive Director of the Authority in applying to the Local Government Commission to approve the 2025 Note and sell the 2025 Note at private sale are hereby approved, ratified and confirmed, and the award of the 2025 Note by the Local Government Commission at private sale to the Purchaser upon the terms set forth in this resolution is hereby approved.

Section 8. The Authority covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and any Treasury Regulations promulgated thereunder, to the extent necessary so that interest on the 2025 Note will not be included in the gross income of the owner of the 2025 Note for purposes of federal income tax.

Section 9. The Chairman and the Secretary of the Authority are hereby authorized and directed to cause the 2025 Note to be prepared and, when it shall have been duly sold by the Local Government Commission, to execute the 2025 Note and have the 2025 Note endorsed and authenticated as provided herein and to deliver the 2025 Note to the Purchaser.

Section 10. The Executive Director of the Authority, as the Bond Registrar, is hereby authorized and directed to authenticate the 2025 Note and, when it shall have been duly sold by the Local Government Commission, to deliver the 2025 Note to the Purchaser.

Section 11. The Chairman, the Secretary and the Executive Director of the Authority are each hereby authorized and directed to execute and deliver such other documents, including without limitation a tax certificate, form 8038G, and wire terms and conditions, as may be necessary or advisable to carry out the intent of this resolution and to effect the issuance and sale of the 2025 Note.

Section 12. The officers, agents and employees of the Authority are hereby authorized and directed to do all acts and things required of them by the provisions of the 2025 Note and this resolution for the full, punctual and complete performance of the terms, covenants, provisions and agreements therein and herein.

Section 13. Article I, Section 2 of the Authority's Bylaws to the contrary notwithstanding, the Authority's official seal for purposes of the subject transaction and otherwise shall be as follows: [impress seal here].

Section 14. The Authority shall deliver to the Purchaser (i) a copy of its Annual Budget (as defined in the Bond Order) within 30 days of its adoption, (ii) its annual financial report prepared pursuant to Section 7.08 of the Bond Order not later than 270 days after the end of each Fiscal Year (as defined in the Bond Order), and (iii) such other information as the Purchaser may reasonably request from time to time.

Section 15. The 2025 Note will be non-transferable, except to a bank, insurance company or similar financial institution or any other entity approved by the Local Government Commission.

Section 16. This resolution shall take effect upon its passage.

Upon motion of Member _____, seconded by Member _____, the foregoing resolution was passed by unanimous vote.

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