

#R-2021-14

**A BOND RESOLUTION TO PROVIDE FOR THE ISSUANCE BY ROCKDALE COUNTY, GEORGIA OF ITS STORMWATER REVENUE BONDS, SERIES 2021; TO PROVIDE FOR THE ISSUANCE UNDER CERTAIN TERMS AND CONDITIONS OF ADDITIONAL PARITY BONDS; TO PROVIDE FOR THE CREATION AND MAINTENANCE OF CERTAIN FUNDS; TO PROVIDE REMEDIES FOR THE OWNERS OF SAID BONDS; AND FOR OTHER PURPOSES**

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**A BOND RESOLUTION TO PROVIDE FOR THE ISSUANCE BY ROCKDALE COUNTY, GEORGIA OF ITS STORMWATER REVENUE BONDS, SERIES 2021; TO PROVIDE FOR THE ISSUANCE UNDER CERTAIN TERMS AND CONDITIONS OF ADDITIONAL PARITY BONDS; TO PROVIDE FOR THE CREATION AND MAINTENANCE OF CERTAIN FUNDS; TO PROVIDE REMEDIES FOR THE OWNERS OF SAID BONDS; AND FOR OTHER PURPOSES**

**WHEREAS**, Rockdale County, Georgia (the “County”) currently owns and operates a stormwater system (the “System”); and

**WHEREAS**, the County proposes issuing its Stormwater Revenue Bonds, Series 2021 (the “Series 2021 Bonds”) for the purpose of (a) making certain improvements to the System and (b) paying the costs of issuing the Series 2021 Bonds; and

**WHEREAS**, the Series 2021 Bonds will be secured by a first lien on the “Net Revenues” (hereinafter defined) of the System; and

**WHEREAS**, the County proposes to provide for the issuance (from time to time, under certain circumstances as described herein) of Additional Bonds (hereinafter defined) ranking as to lien on the Net Revenues on a parity with the lien thereon securing the Series 2021 Bonds; and

**WHEREAS**, the County proposes to authorize the distribution of a Preliminary Official Statement relating to the Series 2021 Bonds (the “Preliminary Official Statement”).

**NOW, THEREFORE, BE IT RESOLVED** by the Rockdale County Board of Commissioners, and it is hereby resolved by authority of the same, as follows:

## ARTICLE I

### DEFINITIONS; ABROGATION OF LIEN

#### Section 1. Definitions.

In addition to the terms hereinabove defined, whenever the following terms are used in this Resolution, the same, unless the context shall clearly indicate another or different meaning or intent, shall be construed or used and are intended to have the following meaning:

**“Additional Bonds”** means any revenue bonds of the County ranking on parity with the Series 2021 Bonds which may hereafter be issued pursuant to Article V, Section 3 of this Resolution.

**“Authorized Denominations”** means (a) with respect to the Series 2021 Bonds, \$5,000 and any integral multiple thereof and (b) with respect to any Additional Bonds, the authorized denominations specified in the supplemental resolution authorizing such Additional Bonds.

**“Balloon Indebtedness”** means (a) Bonds as to which, when issued, 25% or more of the debt service thereon is due (either by maturity or mandatory redemption) during any period of 12 consecutive months, or (b) Bonds as to which, when issued, 25% or more of the original principal amount thereof may, at the option of the holder or registered owner thereof, be redeemed or repurchased at one time, which portion of the principal is not required by the documents pursuant to which such Bonds are issued to be amortized by redemption prior to such date.

**“Beneficial Owner”** means the owner of a beneficial interest in the Bonds registered in Book-Entry Form.

**“Bond Index”** means (a) with respect to any outstanding Bonds, the average interest rate on such Bonds for the twelve (12) month period ending on the last day of the month immediately preceding the last full month prior to such calculation, or if such Bonds shall have had a variable rate for less than a twelve (12) month period, the average interest rate on such Bonds for such lesser period; (b) with respect to any proposed tax-exempt Additional Bonds, at the option of the County, (i) the rate that is equal to the Bond Buyer Revenue Bond Index not more than 30 days prior to the issuance of such Additional Bonds or (ii) the rate that the original purchaser of such Additional Bonds or a municipal financial advisor or firm thereof certifies that such Additional Bonds would have borne as of the date of issuance thereof had such Additional Bonds borne a fixed, constant rate of interest; and (c) with respect to any proposed taxable Additional Bonds, at the option of the County, (i) the rate that is equal to the five year treasury note plus one percent (1%) within 30 days of the issuance of such Additional Bonds or (ii) the rate that the original purchaser of such additional Bonds or a municipal financial advisor or firm thereof certifies as of the date of issuance thereof would have borne as of the date of issuance thereof had such Additional Bonds borne a fixed, constant rate of interest.

**“Bond Registrar”** means the person or commercial bank or banks appointed by the County to maintain the registration books of the County for any series of Bonds secured by this Resolution.

**“Bonds”** means any revenue bonds issued by the County pursuant to this Resolution, including the Series 2021 Bonds and any Additional Bonds.

**“Book-Entry Form”** or **“Book-Entry System”** means, with respect to the Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests in the Bonds and bond service charges may be transferred only through book-entry and (b) physical Bonds in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with physical Bonds in the custody of a Securities Depository.

**“Certifying Officer”** means, at the election of the County, (a) the Finance Director, Deputy Finance Director or his or her designee, (b) the Consulting Engineer, (c) a certified public accountant or firm thereof or (d) a municipal finance advisor or firm thereof.

**“Code”** means the Internal Revenue Code of 1986, as amended and any regulations promulgated thereunder.

**“Construction Fund”** means the Rockdale County, Georgia Stormwater Construction Fund created in Article IV, Section 2 of this Resolution.

**“Construction Fund Custodian”** means the commercial bank appointed by the County to maintain the Construction Fund.

**“Consulting Engineers”** means an engineer or engineering firm having a national reputation for skill relating to public utility systems.

**“County”** means Rockdale County, Georgia, and its successors and assigns.

**“Credit or Liquidity Facility”** means a line of credit, letter of credit, standby bond purchase agreement or similar facility established in connection with the issuance of any Additional Bonds.

**“Debt Service Account”** means the Debt Service Account created within the Sinking Fund.

**“Debt Service Coverage Ratio”** means the ratio determined by dividing the Income Available for Debt Service by the Debt Service Requirement.

**“Debt Service Requirement”** means, with respect to any measurement period, the principal and interest payable on the Bonds in such measurement period; provided however, (a) interest shall be excluded from the determination of the Debt Service Requirement to the extent (i) the same is provided from (A) the original proceeds of Bonds, (B) earnings on the Funds to the extent the same will be applied to pay debt service on the Bonds or (C) a counterparty with a

rating that is the same or higher than the County's or (ii) the County is entitled to receive a payment from the United States of America or any agency or department thereof, (b) with respect to Bonds that are Variable Rate Bonds, the interest payable on such Bonds shall be calculated using the Bond Index, (c) with respect to Balloon Indebtedness that is not due within three years, the principal of the Balloon Indebtedness shall be amortized from its date of issuance (i) over the time and in the amounts specified in the Credit Facility or Liquidity Facility relating to such Bonds (if any) and (ii) in all other cases, with level annual debt service payments over 30 years at an assumed rate equal to the Bond Index, (d) with respect to Balloon Indebtedness that is due within three years, the principal of the Balloon Indebtedness shall be amortized from the date of computation with level annual debt service payments over the remaining term of the debt at an assumed interest rate equal to the Bond Index, and (e) notwithstanding that the definition of Bonds excludes Credit or Liquidity Facilities to the extent they are drawn upon to purchase, but not retire, Bonds, any interest expense included on such Credit or Liquidity Facilities in excess of the interest expense on the related Bonds shall be included in the determination of the Debt Service Requirement and (f) with respect to any compound interest Bonds, the total principal and interest coming due in any specified period shall be determined by a supplemental resolution authorizing such compound interest Bonds.

**“Debt Service Reserve Requirement”** means, as of any date of calculation, (a) with respect to the Series 2021 Bonds, an amount equal to \$0 and (b) with respect to Additional Bonds, the amount, if any, set forth in the resolution authorizing the issuance of such Additional Bonds. Notwithstanding the foregoing, (a) with respect to Additional Bonds that are Variable Rate Bonds, it shall be assumed that such Additional Bonds bear interest through maturity at that rate which the original purchaser of such Additional Bonds or a municipal financial advisor or firm thereof certifies that such Additional Bonds would have borne as of the date of issuance thereof had such Additional Bonds borne a fixed, constant rate of interest and (b) if an issue has more than a de minimis amount of original issue discount or premium, the issue price shall be used, in lieu of the stated principal amount, to measure the 10% limitation set forth in Section 1.148-2(f) of the Code on the use of bond proceeds to finance a reserve fund.

**“Debt Service Reserve Surety Bond”** means a surety bond, insurance policy or irrevocable letter of credit credited to the Reserve Account in lieu of or in partial substitution for moneys and securities on deposit therein.

**“Disclosure Agreements”** means the Series 2021 Disclosure Certificate and any disclosure agreement or certificate executed in connection with the issuance of any Additional Bonds.

**“Engineering Report”** means any engineering report related to projects to be acquired, constructed, installed or equipped with the proceeds of any Additional Bonds.

**“Fiscal Year”** shall mean any period of twelve consecutive months adopted by the County as the fiscal year for financial reporting purposes related to the System and shall initially mean the period beginning on January 1 of each calendar year and ending on December 31 of the same calendar year.

**“Funds”** means the Revenue Fund, the Sinking Fund, the Renewal and Extension Fund and the Construction Fund.

**“Government Obligations”** means direct general obligations of the United States of America or obligations which are unconditionally guaranteed by the United States of America, in either case which are not callable except at the option of the holder thereof.

**“Income Available for Debt Service”** means, for any period of 12 consecutive calendar months for which such determination is made, Net Revenues; provided, however, that no determination thereof shall take into account (a)(i) a gain or loss resulting from either the extinguishment of Bonds or the sale, exchange or other disposition of capital assets not made in the ordinary course of business, (ii) unrealized gains or losses or (iii) any other components of revenues or expenses that do not contribute to or diminish cash flow available to pay debt service or (b) earnings on (i) the Construction Fund or (ii) any of the other Funds to the extent they have been taken into account to reduce the Debt Service Requirements.

**“Interest Payment Date”** means (a) with respect to the Series 2021 Bonds, each January 1 and July 1 and (b) with respect to any Additional Bonds, the interest payment date specified in the supplemental resolution authorizing such Additional Bonds.

**“Net Revenues”** means the gross revenues derived from the ownership or operation of the System, including, without limitation, fees based on a uniform equivalent residential unit, whether or not accounted for as revenue or contributed capital, all earnings on amounts on deposit in the Funds, less the reasonable and necessary costs of operating, maintaining and repairing the System, including without limitation, salaries, wages, the payment of any contractual obligations incurred pertaining to the operation of the System, the cost of materials and supplies, rentals of leased property, if any, insurance premiums, audit fees, and other charges as may properly be made for the purpose of operating, maintaining and repairing the System in accordance with sound business practice, but before making provision for depreciation, interest expense and amortization. Net Revenues shall not include amounts drawn or otherwise available under a Credit or Liquidity Facility.

**“Participants”** means those financial institutions for which the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository in the Book-Entry System, as such listing exists at the time of such reference.

**“Paying Agent”** means the person or commercial bank or banks appointed by the County to serve as paying agent for any series of Bonds secured by this Resolution.

**“Permitted Investments”** means and includes any of the following securities, if and to the extent the same are at the time legal for investment of County funds:

- (a) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated, as amended;



(b) bonds or obligations of the County, or bonds or obligations of the State of Georgia or other states, or of other counties, municipal corporations and political subdivisions of the State of Georgia;

(c) bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;

(d) obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(e) bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan or payment agreement with the United States government;

(f) certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian or trustee for any proceeds of any bonds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia or with a trust office located within the State of Georgia, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or other states or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations referred to in paragraph (c) above, obligations of the agencies and instrumentalities of the United States government referred to in

paragraph (d) above, or bonds, obligations or project notes of public housing agencies, urban renewal agencies, or municipalities referred to in paragraph (e) above;

(g) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(i) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referred to in paragraph (c) and (d) above and repurchase agreements fully collateralized by any such obligations;

(ii) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(iii) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(iv) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia;

(h) interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys; and

(i) any other investments authorized by the laws of the State of Georgia from time to time.

**“Projects”** means the Series 2021 Project and any projects financed with proceeds of any Additional Bonds.

**“Record Date”** means (a) with respect to the Series 2021 Bonds, the fifteenth day of the calendar month preceding each Interest Payment Date and (b) with respect to any Additional

Bonds, the record date specified in the supplemental resolution authorizing such Additional Bonds.

**“Renewal and Extension Fund”** means the Rockdale County, Georgia Stormwater Renewal and Extension Fund created in Article V, Section 1 of this Resolution.

**“Renewal and Extension Fund Depository”** means the commercial bank or similar entity appointed by the County to maintain the Renewal and Extension Fund.

**“Reserve Account”** means the Reserve Account created within the Sinking Fund.

**“Resolution”** means this Resolution, as supplemented from time to time.

**“Revenue Bond Law”** means the Revenue Bond Law, (O.C.G.A. Section 36-82-60 *et seq.*), as amended from time to time.

**“Revenue Fund”** means the Rockdale County, Georgia Stormwater Revenue Fund created in Article V, Section 1 of this Resolution.

**“Revenue Fund Depository”** means the commercial bank or similar entity appointed by the County to maintain the Revenue Fund.

**“Securities Depository”** means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its Participants or otherwise, a Book-Entry System to record ownership of beneficial interest in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

**“Securities Depository Nominee”** means any nominee of a Securities Depository and shall initially mean Cede and Co., New York, New York, as nominee of The Depository Trust Company.

**“Series 2021 Bonds”** means the County’s Stormwater Revenue Bonds, Series 2021, authorized to be issued pursuant to Article II of this Resolution.

**“Series 2021 Project”** means the improvements to the System to be financed with the proceeds of the Series 2021 Bonds.

**“Series 2021 Disclosure Certificate”** means the continuing disclosure certificate executed in connection with the issuance of the Series 2021 Bonds.

**“Sinking Fund”** means the Rockdale County, Georgia Stormwater Sinking Fund created in Article V, Section 1 of this Resolution in which are held the Debt Service Account and the Reserve Account.

**“Sinking Fund Custodian”** means the commercial bank appointed by the County to maintain the Sinking Fund.

**“Sinking Fund Investments”** means (a) Government Obligations and forward purchase agreements and repurchase agreements with respect thereto, (b) demand deposits or certificates of deposit of banks which have deposits insured by (i) the Federal Deposit Insurance Corporation, or any successor thereto or (ii) letters of credit issued by the Federal Home Loan Bank and (c) the local government investment pool created by O.C.G.A. Section 36-83-8.

**“Sinking Fund Year”** means the period commencing on the 2nd day of July in each year and extending through the 1st day of July in the next year.

**“State”** means the State of Georgia.

**“Subordinate Debt”** means any debt which is expressly made subordinate and junior in right of payment of principal of, redemption premium, if any, and interest on all Bonds issued pursuant to this Resolution and all obligations related to a Debt Service Surety Bond or Credit or Liquidity Facility (collectively, **“Senior Debt”**). The terms of all Subordinate Debt shall require that (a) no payment on account of principal of, redemption premium, if any, or interest on such Subordinate Debt shall be made unless full payment of all amounts then due and payable on Senior Debt has been made or duly provided for, (b) no payment on account of principal of, redemption premium, if any, or interest on such Subordinate Debt shall be made if, at the time of such payment or application, or immediately after giving effect thereto, (i) there shall exist a default in the payment of any Senior Debt (whether at maturity or upon mandatory redemption) or (ii) there shall have occurred an event of default with respect to any Senior Debt, and such event of default shall not have been cured or waived or shall not have ceased to exist, and (c) in the event that any Subordinate Debt is declared or otherwise becomes due and payable because of the occurrence of an event of default with respect thereto, (i) the holders of the Senior Debt shall be entitled to receive payment in full thereon before the holders of the Subordinate Debt shall be entitled to receive any payment on account of such Subordinate Debt as a result of such event of default and (ii) no holder of Subordinate Debt, or a trustee acting on such holder’s behalf, shall be entitled to exercise any control over proceedings to enforce the terms and conditions of this Resolution.

**“System”** means the County’s stormwater system, as now existent and as hereafter added to, extended, improved and equipped and any and all other utility systems hereafter combined with the stormwater system pursuant to Article VII, Section 10.

**“Variable Rate”** means as to any Bonds, any portion of such Bonds the interest rate on which is not established at the time of original execution or issuance at a fixed or constant rate.

## **Section 2. Interpretation.**

Whenever used in this Resolution, the singular shall include the plural and the plural shall include the singular, unless the context otherwise indicates.

## ARTICLE II

### AUTHORIZATION, FORM AND REGISTRATION OF SERIES 2021 BONDS

#### **Section 1. Authorization.**

Under the authority of the Revenue Bond Law, there is hereby authorized to be issued up to \$11,250,000 in aggregate principal amount of the County's revenue bonds to be designated as "Rockdale County, Georgia Stormwater Revenue Bonds, Series 2021". The proceeds of the Series 2021 Bonds will be used for the purpose of (a) paying the costs of the Series 2021 Project and (b) paying the costs of issuing the Series 2021 Bonds. The issuance of the Series 2021 Bonds for the foregoing purposes is hereby found and declared to be within the public purposes intended to be served by the County. The Series 2021 Bonds shall be payable from and are secured by a first lien on the Net Revenues of the System. The Series 2021 Bonds shall be payable solely from the Net Revenues.

#### **Section 2. Terms of Series 2021 Bonds.**

The Series 2021 Bonds shall be dated their date of original issuance, shall be in the form of fully registered bonds without coupons, shall be in Authorized Denominations, shall be transferable to subsequent owners as hereinafter provided, shall be numbered R-1 upward, shall bear interest (based on a 360 day year comprised of twelve thirty day months) from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of original issuance) at rates per annum not to exceed 5.00%. The interest shall be payable on each Interest Payment Date, and the principal shall mature on or before July 1, 2041. The maximum debt service on the Series 2021 Bonds in any Sinking Fund Year shall not exceed \$850,000. The principal amount of the Series 2021 Bonds maturing in each year and the interest rate on each such maturity shall be determined by the County in a supplemental resolution adopted by the Board of Commissioners prior to the delivery of the Series 2021 Bonds.

The Series 2021 Bonds shall initially be issued as Book-Entry Form. As long as the Series 2021 Bonds are held in Book-Entry Form, the principal of and interest on the Series 2021 Bonds shall be payable in accordance with the rules of the Securities Depository as provided in Section 10 of this Article II.

If the Series 2021 Bonds are no longer held in Book-Entry Form, the principal amount of the Series 2021 Bonds shall be payable upon presentation and surrender thereof at the designated corporate trust office of the Paying Agent. If the Series 2021 Bonds are no longer held in Book-Entry Form, payments of interest on the Series 2021 Bonds shall be made by check or draft payable to the registered owner as shown on the bond registration book kept by the Bond Registrar at the close of business on the Record Date, and such payments of interest shall be mailed by first class mail to the registered owner at the address shown on the bond registration book. Notwithstanding the foregoing, interest on the Series 2021 Bonds shall be paid to any

registered owner of more than \$1,000,000 in aggregate principal amount of the Series 2021 Bonds by wire transfer to such registered owner if written instructions are given to the Paying Agent prior to the 15<sup>th</sup> day preceding the Interest Payment Date, and interest shall continue to be so paid until such wire instructions are revoked in writing.

Both the principal of and interest on the Series 2021 Bonds shall be payable in lawful money of the United States of America.

**Section 3. Execution; Form of Series 2021 Bonds.**

The Series 2021 Bonds shall be executed on behalf of the County by the manual signature of the Chairman or Vice Chairman and attested by the manual signature of the Clerk or the Assistant Clerk. The official seal of the County shall be impressed thereon. The Series 2021 Bonds shall be authenticated by the manual signature of a duly authorized signatory of the Bond Registrar. The validation certificate to be attached to the Series 2021 Bonds shall be executed by the manual signature of the Clerk of the Superior Court of Rockdale County, and the official seal of such Court shall be impressed thereon. In case any official whose signature shall appear on the Series 2021 Bonds shall cease to be such officer before delivery of the Series 2021 Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Series 2021 Bonds, the certificate of authentication and registration, form of assignment and the certificate of validation to be endorsed upon the Series 2021 Bonds, shall be in substantially the form set forth in Exhibit A hereto, with such variations, omissions and insertions as are required or permitted by this Resolution.

**Section 4. Required Authentication; Proof of Ownership.**

Only those Series 2021 Bonds which shall have endorsed thereon a certificate of authentication and registration, duly executed by the manual signature of an authorized officer of the Bond Registrar shall be entitled to any benefit or security under this Resolution and such certificate upon any of such Series 2021 Bond when duly executed shall be conclusive evidence that such Series 2021 Bond has been duly authenticated, registered and delivered. It shall not be necessary that the same authorized signatory of the Bond Registrar sign the certificate of authentication and registration on all of the Series 2021 Bonds that may be issued hereunder at any one time. The person in whose name any Series 2021 Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and the payment of the principal amount, interest and premium, if any, shall be made only to or upon the order of the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2021 Bond, including redemption premium, if any, and the interest thereon to the extent of the sums so paid.

**Section 5. Bond Registrar; Transfer and Exchange.**

The Bond Registrar shall keep the bond registration book of the County for the registration of the Series 2021 Bonds and for the registration of transfers of the Series 2021 Bonds as herein provided. As long as the Series 2021 Bonds are held in Book-Entry Form,

registrations of transfers and exchanges shall be made in accordance with the rules of the Securities Depository as provided in Section 10 of this Article II.

If the Series 2021 Bonds are no longer held in Book-Entry Form, the transfer of any Series 2021 Bond shall be registered upon the registration book upon the surrender and presentation of the Series 2021 Bond to the Bond Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or attorney duly authorized in writing in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Series 2021 Bond or Series 2021 Bonds so surrendered, a new Series 2021 Bond or Series 2021 Bonds registered in the name of the transferee, of any Authorized Denomination, and in an aggregate principal amount or maturity amount equal to the aggregate principal amount or maturity amounts of the Series 2021 Bonds so surrendered and of the same maturity and series. If the Series 2021 Bonds are no longer held in Book-Entry Form, any Series 2021 Bond, upon presentation and surrender thereof to the Bond Registrar, together with an assignment duly executed by the registered owner or duly authorized attorney, in such form as may be satisfactory to the Bond Registrar, may be exchanged, at the option of the registered owner, for an aggregate principal amount of Series 2021 Bonds of the same type and maturity equal to the principal amount of the Series 2021 Bond so surrendered and of any Authorized Denomination. The Bond Registrar may make a charge for every exchange or registration of transfer of the Series 2021 Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to the owner for the privilege of exchanging or registering the transfer of Series 2021 Bonds under this Resolution.

**Section 6. Lost, Destroyed, Mutilated Series 2021 Bonds.**

If any of the Series 2021 Bonds shall become mutilated, the Bond Registrar in its discretion and at the expense of the owner of such Series 2021 Bond shall authenticate and deliver a new Series 2021 Bond of like tenor registered in the name of the owner in exchange and substitution for such mutilated Series 2021 Bond. If any Series 2021 Bond shall become lost, destroyed or wrongfully taken, evidence of such loss, destruction or wrongful taking within a reasonable time thereafter may be submitted to the County, the Paying Agent and the Bond Registrar, and if such evidence shall be satisfactory and indemnity of a character and in an amount satisfactory to the County, the Paying Agent and the Bond Registrar shall be given, then the County shall at the expense of the owner cause a new Series 2021 Bond of like tenor registered in the name of the owner to be authenticated by the Bond Registrar and delivered to the registered owner. If any such Series 2021 Bond shall have matured, instead of issuing a new Series 2021 Bond, the County may pay the same.

**Section 7. Blank Series 2021 Bonds.**

The County shall make all necessary and proper provisions for the transfer and exchange of the Series 2021 Bonds by the Bond Registrar and the County shall deliver or cause to be delivered to the Bond Registrar a sufficient quantity of blank Series 2021 Bonds duly executed on behalf of the County, together with the certificate of validation pertaining thereto duly executed by the Clerk of the Superior Court of Rockdale County, as herein provided in order that

the Bond Registrar shall at all times be able to register and authenticate the Series 2021 Bonds at the earliest practicable time in accordance with the provisions of this Resolution.

**Section 8. No Preference or Priority.**

All the Series 2021 Bonds herein authorized to be issued are of equal rank and dignity without preference, priority or distinction as to lien or otherwise on the Net Revenues securing the payment thereof and interest thereon.

**Section 9. Cancellation of Series 2021 Bonds.**

If a Series 2021 Bond is paid, purchased in full or redeemed, either at or before maturity, it shall be delivered to the Bond Registrar when such payment, purchase or redemption is made, and the Series 2021 Bond shall thereupon be cancelled and shall not be reissued. All Series 2021 Bonds surrendered in any exchange or registration of transfer shall be canceled by the Bond Registrar and shall not be reissued. If a Series 2021 Bond is so cancelled, it shall be destroyed in accordance with the prevailing practice of the Bond Registrar and a permanent record of such destruction shall be kept by the Bond Registrar.

**Section 10. Global Form; Securities Depository; Ownership of Series 2021 Bonds.**

(a) Upon the initial issuance, the ownership of each Series 2021 Bond shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Participants thereof. Initially, each maturity of the Series 2021 Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Beneficial Owners will not receive Series 2021 Bonds from the Paying Agent evidencing their ownership interests. Except as provided in subsection (c) of this Section 10, the Series 2021 Bonds may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the County or to a nominee of such successor Securities Depository.

(b) With respect to Series 2021 Bonds registered in the name of the Securities Depository or the Securities Depository Nominee, the County, the Paying Agent and the Bond Registrar shall have no responsibility or obligation to any Participant or Beneficial Owner. Without limiting the foregoing, the County, the Paying Agent, the Bond Registrar and their respective affiliates shall not have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository, the Securities Depository Nominee or any Participant with respect to any beneficial ownership interest in the Series 2021 Bonds;

(ii) the delivery to any Participant, any Beneficial Owner or any other person, other than the Securities Depository or the Securities Depository Nominee, of any notice with respect to the Series 2021 Bonds; or



(iii) the payment to any Participant, any Beneficial Owner or any other person, other than the Securities Depository or the Securities Depository Nominee, of any amount with respect to the principal, premium, if any, or interest on the Series 2021 Bonds.

So long as any Series 2021 Bonds are registered in Book-Entry Form, the County and the Paying Agent may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Series 2021 Bonds for all purposes whatsoever, including without limitation:

- (i) the payment of principal, premium, if any, and interest on such series of Series 2021 Bonds;
- (ii) giving notices of redemption and other matters with respect to such Series 2021 Bonds;
- (iii) registering transfers with respect to such Series 2021 Bonds;
- (iv) the selection of Series 2021 Bonds for redemption; and
- (v) voting and obtaining consents under this Resolution.

So long as any Series 2021 Bonds are registered in Book-Entry Form, the Paying Agent shall pay all principal, premium, if any, and interest on the Series 2021 Bonds only to the Securities Depository or the Securities Depository Nominee as shown in the bond register, and all such payments shall be valid and effective to fully discharge the County's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2021 Bonds to the extent so paid.

(c) If at any time (i) the County determines that the Securities Depository is incapable of discharging its responsibilities described herein, (ii) the Securities Depository notifies the County that it is unwilling or unable to continue as Securities Depository with respect to the Series 2021 Bonds, or (iii) the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934 or other applicable statute or regulation and a successor Securities Depository is not appointed by the County within 90 days after the County receives notice or becomes aware of such condition, as the case may be, then this Section 10 shall no longer be applicable and the County shall execute and the Bond Registrar shall authenticate and deliver bonds representing the Series 2021 Bonds to the owners of the Series 2021 Bonds. Series 2021 Bonds issued pursuant to this paragraph (c) shall be registered in such names and Authorized Denominations as the Securities Depository, pursuant to instructions from the Participant or otherwise, shall instruct the Bond Registrar. Upon exchange, the Bond Registrar shall deliver such certificates representing the Series 2021 Bonds to the persons in whose names such Series 2021 Bonds are so registered on the business day immediately preceding the date of such exchange.

## **ARTICLE III**

### **REDEMPTION OF SERIES 2021 BONDS BEFORE MATURITY**

#### **Section 1. Redemption.**

The optional and mandatory redemption provisions applicable to the Series 2021 Bonds shall be determined by the County in a supplemental resolution adopted by the Board of Commissioners prior to the delivery of the Series 2021 Bonds.

#### **Section 2. Purchase in Open Market.**

Nothing herein contained shall be construed to limit the right of the County to purchase with any excess moneys the Series 2021 Bonds in the open market.

## ARTICLE IV

### CUSTODY AND APPLICATION OF PROCEEDS; CONSTRUCTION FUND

#### **Section 1. Application of Series 2021 Bond Proceeds.**

The Underwriter shall retain its discount and shall wire the proceeds of the Series 2021 Bonds to the Construction Fund Custodian for credit to the Construction Fund in order to pay the costs of the Series 2021 Project and the costs of issuing the Series 2021 Bonds.

Notwithstanding the foregoing, if the Chairman or Vice Chairman of the County shall determine that a different application of funds is required to carry out the intent of this Resolution, the different application of funds may be provided for in a supplemental resolution or the Chairman or Vice Chairman may provide for such different application of funds in the authentication order to be delivered at the time of issuance of the Series 2021 Bonds.

#### **Section 2. Construction Fund.**

(a) A special trust fund is hereby created and designated as the “Rockdale County, Georgia Stormwater Construction Fund.” All moneys deposited into the Construction Fund shall be held in trust by the Construction Fund Custodian separate from other deposits of the County.

The Construction Fund Custodian shall create on its books and records a special account for the Construction Fund to be designated the “Series 2021 Capital Improvement Account.” As to any issue of Additional Bonds providing Construction Fund moneys, the Construction Fund Custodian shall establish a separate special account within the Construction Fund, each of which shall be designated as the “Series \_\_\_\_\_ Capital Improvement Account.” Each account created in the Construction Fund is hereinafter referred to as a “Capital Improvement Account.” Subject to paragraph (b) below, the moneys credited to a Capital Improvement Account shall be used and applied for the purpose of paying the cost of the Projects in accordance with the Engineering Report (if any), paying capitalized interest (if any) and paying the costs of issuing such Bonds that funded such Capital Improvement Account.

(b) Upon completion of the Projects and after payment of all expenses with respect thereto, all moneys credited to the related Capital Improvement Account may, at the direction of the County, be (i) credited to any other Capital Improvement Account and used to complete the Project with respect to which such Capital Improvement Account was created or (ii) credited to the Sinking Fund and used to pay debt service on the Bonds. Prior to such application, the County shall receive an opinion of nationally recognized bond counsel to the effect that such application will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any tax-exempt Bond.

(c) All payments from the Construction Fund shall be made by wire transfer or checks signed by the Construction Fund Custodian or an Authorized County Representative. Before any such transfers are made or any checks are signed, there shall be filed with the Construction Fund Custodian:

(i) A requisition for such payment stating each amount to be paid, the purpose of such obligation and the name of the person, firm or corporation to whom payment thereof is due; and

(ii) A certificate signed by such Authorized County Representative, attached to the requisition and certifying:

(A) That an obligation in the stated amount has been incurred by the County, the same is a proper charge against the Construction Fund and has not been paid or the subject of a previous requisition, and the bill or statement of account for such obligation is attached to the requisition or on file with the County;

(B) That the Authorized County Representative has no notice of any vendors, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or any security interest, which should be satisfied or discharged before such payment is made;

(C) That such requisition contains no item representing payment on account or any retained percentages which the County is, at the date of such certificate, entitled to retain;

(D) That insofar as such obligation was incurred for work, materials, supplies or equipment in connection with the undertaking, such work was actually performed, or such materials, supplies or equipment were actually installed in or about the construction or delivered at the site of the work for that purpose;

(E) That insofar as such obligation was incurred in relation to work in connection with the issuance of Bonds, that such work was actually performed; and

(F) That no default exists under the Resolution.

(d) The County will do all things, and take all reasonable and prudent measures, necessary to continue construction with due diligence and to expend the moneys credited to each Capital Improvement Account in the Construction Fund as expeditiously as possible in order to assure the completion of the Projects for which such accounts were created, on the earliest practicable date, and will indemnify itself against the usual hazards incident to the construction of such Projects.

(e) All requisitions and certificates required by this Section shall be retained either by the Construction Fund Custodian or by the County, subject at all times to inspection by any bondowner.

**Section 3. Investment of Construction Fund Moneys.**

Any moneys held in the Construction Fund shall be invested or reinvested at the direction of the County in Permitted Investments.

**ARTICLE V**  
**REVENUES AND FUNDS;**  
**PLEDGE OF SECURITY; ADDITIONAL BONDS; DEFEASANCE**

**Section 1. Funds.**

(a) *Revenue Fund.* All revenues arising from the ownership or operation of the System and properties in connection therewith as then existent and as thereafter added to, extended and improved shall be collected by the County or by its agents or employees and deposited promptly with the Revenue Fund Depository to the credit of a special trust fund which is hereby created and designated as “Rockdale County, Georgia Stormwater Revenue Fund” (the “Revenue Fund”), and the County shall continue to maintain the Revenue Fund as a special trust fund separate and apart from its other funds so long as any Bonds are outstanding and unpaid or until provision shall have been duly made for the payment thereof. Said revenues shall be disbursed from the Revenue Fund to the extent and in the following manner and order:

There shall first be paid from said Revenue Fund the reasonable and necessary costs of operating, maintaining and repairing the System, including salaries, wages, the payment of any contractual obligations incurred pertaining to the operation of the System, the cost of materials and supplies, rentals of leased property, real or personal, insurance premiums, audit fees and such other charges as may properly be made for the purpose of operating, maintaining and repairing the System in accordance with sound business practice, but before making provision for depreciation, interest expense and amortization.

The Net Revenues remaining in the Revenue Fund after the payment of the sums required or permitted to be paid under the provisions of the preceding paragraph are hereby pledged to the payment of the principal of and the interest on the Bonds and amounts owing to a provider of any Debt Service Reserve Surety Bond, Credit or Liquidity Facility or bond insurance policy as set forth herein. Said Net Revenues so pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding against it, and against all parties having claims of any kind against it, whether such claims shall have arisen in contract, tort or otherwise and irrespective of whether or not such parties have notice thereof.

(b) *Sinking Fund.* There is hereby created a special trust fund designated as the “Rockdale County, Georgia Stormwater Sinking Fund” (the “Sinking Fund”). The Sinking Fund shall consist of two accounts which are to be held therein, the first of which is hereby created and designated as the “Debt Service Account,” and the second of which is hereby created and designated as the “Reserve Account.” The Sinking Fund shall be kept as a trust fund with the Sinking Fund Custodian separate from other deposits of the County.

A debt service reserve subaccount will not be established for the Series 2021 Bonds. As to any issue of Additional Bonds for which the County has determined that it is necessary or desirable to establish a debt service reserve for such Additional Bonds, the Sinking Fund Custodian shall establish a separate special subaccount within the Reserve Account, each of

which shall be designated as the "Series \_\_\_\_ Reserve Subaccount." Each subaccount created in connection with the issuance of Additional Bonds is hereinafter referred to as a "Reserve Subaccount." Each Reserve Subaccount shall only secure the Bonds for which it was established. Each Reserve Subaccount shall be funded and replenished pro rata.

After there have been paid from the Revenue Fund the sums required or permitted to be paid pursuant to the provisions of paragraph (a) above, there shall be paid into the Debt Service Account for the purpose of paying the principal of and interest on the Bonds as the same become due and payable in the then current Sinking Fund Year, and taking into consideration moneys deposited in the Debt Service Account to be used to pay debt service, (i) on or before the 20<sup>th</sup> day of the month prior to an Interest Payment Date, the amount needed to pay the interest on the Bonds coming due on the next Interest Payment Date and (ii) on or before the 20<sup>th</sup> day of each June, the amount needed to pay the principal of the Bonds coming due on the next July 1, such payments to continue until sufficient funds are on hand in said Sinking Fund to pay all of the outstanding Bonds and the interest which will become due and payable thereon.

If the County shall determine that it is necessary or desirable to establish a Reserve Subaccount in connection with the issuance of Additional Bonds and such Reserve Subaccount is not funded with the proceeds of such Additional Bonds, there shall be deposited in the Reserve Subaccount as necessary substantially equal monthly payments sufficient to create within the Reserve Subaccount within 60 months from the date of issuance of any Additional Bonds a reserve equal to the Debt Service Reserve Requirement. If moneys are withdrawn from a Reserve Subaccount to pay any of the Bonds secured thereby, if the value of the investments declines to an amount less than the Debt Service Reserve Requirement, or if a Debt Service Reserve Surety Bond or a Credit or Liquidity Facility is drawn upon to pay any of the Bonds secured thereby, then such monthly deposits shall also include substantially equal monthly payments sufficient to (i) restore the amount withdrawn from the Reserve Subaccount, (ii) restore the value of investments to an amount equal to the Debt Service Reserve Requirement or (iii) reimburse the issuer of the Debt Service Reserve Surety Bond, in each case within 12 months. If a Credit or Liquidity Facility is drawn upon to pay any of the Bonds secured thereby, then such monthly deposits shall also include substantially equal monthly payments sufficient to reimburse the issuer of the Credit or Liquidity Facility in accordance with its terms. In the event of a drawdown on any Debt Service Reserve Surety Bond or any Credit or Liquidity Facility, such payments shall be made first, on a pro rata basis, to the issuers of the Debt Service Reserve Surety Bonds, then, on a pro rata basis, to the issuers of such Credit or Liquidity Facilities and then, to replenish any cash. Each Reserve Subaccount shall be funded and replenished pro rata.

The Debt Service Account shall be maintained for the purpose of paying (i) the interest on the Bonds as such interest becomes due and payable, (ii) the principal of the Bonds as same becomes due and payable, either at maturity or by proceedings for redemption or acceleration; (iii) the optional redemption price of Bonds before maturity at the price and under the conditions provided therefor in Article III hereof, (iv) the purchase price of Bonds in the open market, (v) the charges for paying the Bonds and interest thereon and the charges for the registration of the Bonds secured hereby and their transfer or exchange in accordance with the terms thereof, and (vi) any charges for investment services.

Each Reserve Subaccount shall be maintained for the purpose of paying the principal of and interest on the Bonds secured thereby falling due in any year as to which there are insufficient moneys in the Debt Service Account and as to which there would otherwise be a default or for the purpose of reimbursing an issuer of a Debt Service Reserve Surety Bond or a Credit or Liquidity Facility for a drawing thereon. Prior to drawing on any Debt Service Reserve Surety Bond, all other amounts on deposit in the Reserve Subaccount, if any, shall have been expended. The Paying Agent shall deliver the demand for payment (if any) required by the issuer of any Debt Service Reserve Surety Bond or Credit or Liquidity Facility at the time and in the manner required. In determining the amount on deposit in a Reserve Subaccount, there shall be taken into account the amount available under any Debt Service Reserve Surety Bond. In the event there is more than one Debt Service Reserve Surety Bond credited to a Reserve Subaccount and there is a drawdown, such Debt Service Reserve Surety Bonds shall be drawn upon on a pro rata basis.

It is expressly provided that if on the 2nd day of July in any year there are on deposit in a Reserve Subaccount moneys or securities (such securities to be valued at their market value plus accrued interest thereon to July 2) the aggregate amount of which, together with the amounts available under the Debt Service Reserve Surety Bond, are in excess of the Debt Service Reserve Requirement, such excess moneys and securities shall be withdrawn therefrom by the Sinking Fund Custodian and immediately deposited into the Revenue Fund provided that no default has occurred and is continuing hereunder. Such moneys shall be used by the County in accordance with this Resolution for any purpose that does not adversely affect the exclusion from gross income for federal income tax purposes of interest on any outstanding tax-exempt Bond.

A Reserve Subaccount may be funded by depositing a Debt Service Reserve Surety Bond (i) from a provider that has a rating at the time of issuance of such Debt Service Reserve Surety Bond equal to or higher than the rating on the Bonds secured thereby, (ii) that has a term not less than the final maturity date of the Bonds secured thereby (or may be drawn upon in full upon its expiration date if a substitute letter of credit or surety bond is not in place prior to its expiration date) and (iii) that is payable on any Interest Payment Date in an amount equal to any portion of the balance then required to be maintained within the Reserve Subaccount. Before any such Debt Service Reserve Surety Bond is substituted for cash or deposited in lieu of cash in the Reserve Subaccount, there shall be filed with the Sinking Fund Custodian (A) an opinion of nationally recognized bond counsel to the effect that such substitution or deposit will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any outstanding Bond, (B) a certificate evidencing that at least 30 days prior notice of the proposed substitution or deposit of such Debt Service Reserve Surety Bond was given to all rating agencies then rating any Bonds, including a description of such Debt Service Reserve Surety Bond and the proposed date of substitution or deposit, and (C) the Debt Service Reserve Surety Bond issued to fulfill the obligation to fund the Reserve Subaccount, together with an opinion of counsel to the issuer of the Debt Service Reserve Surety Bond to the effect that the Debt Service Reserve Surety Bond is valid and enforceable in accordance with its terms. Notwithstanding anything to the contrary contained in this Resolution, this Resolution may be amended without notice to or the consent of the owners of the Bonds to provide for any additional provisions required by the issuer(s) of such Debt Service Reserve Surety Bond; provided, however, that there shall be first delivered an opinion of nationally recognized bond



counsel to the effect that such additional provisions are not materially adverse to the rights or security of the owners of the Bonds. Nothing in this Resolution shall be construed as requiring the County to create or fund a Reserve Subaccount in connection with the issuance of Additional Bonds.

If, in any month, the amounts required to be paid in order to comply with the provisions of this paragraph (b) shall not be paid in full, any deficiency will be added to and shall be a part of the amount required to be paid in the next succeeding month.

(c) **Policy Costs.** After there have been paid from the Revenue Fund the sums described above and so long as the applicable bond insurance policy is in effect, the issuer of such bond insurance policy is honoring its obligations thereunder and an insurer default has not occurred and is not continuing, there will be paid from the Revenue Fund such payments to the bond insurers as may be required to repay any amounts owed to the bond insurers that have not been paid to the bond insurers as a subrogee to the owners of the insured Bonds.

(d) **Subordinate Debt.** After there have been paid from the Revenue Fund the sums required or permitted to be paid pursuant to the provisions of paragraphs (a), (b) and (c) above, there shall next be paid from the Revenue Fund such payments as may be required to repay Subordinate Debt.

(e) **Renewal and Extension Fund.** A special trust fund is hereby created and designated as the "Rockdale County, Georgia Stormwater Renewal and Extension Fund." All moneys deposited into the Renewal and Extension Fund shall be held in trust by the Renewal and Extension Fund Depository separate and apart from other funds of the County.

After there have been paid from the Revenue Fund the sums required or permitted to be paid pursuant to the provisions of paragraphs (a), (b), (c) and (d) above and after building up a working capital reserve in such amount as deemed appropriate by the County in the Revenue Fund, there shall next be paid from the Revenue Fund into the Renewal and Extension Fund all the moneys remaining in the Revenue Fund.

Expenditures shall be made from the Renewal and Extension Fund for the purpose of:

- (i) Paying operating expenses relating to the System;
- (ii) Making debt service payments on the Bonds;
- (iii) In case of an emergency having a major effect upon the System caused by some extraordinary occurrence which makes it necessary to use the funds of the System for the alleviation or removal of such effects and an insufficiency of money exists in the Revenue Fund to meet such emergency;
- (iv) Making replacements, additions, extensions and improvements to the System and paying the cost of any engineering studies, surveys or plans and specifications pertaining to future development or expansion of the System;

(v) Transfers to the Sinking Fund or an escrow agent for the purpose of redeeming Bonds, defeasing Bonds or acquiring Bonds by purchase in the open market; or

(vi) Paying any issuer of any Debt Service Reserve Surety Bond interest on amounts drawn under such surety bond and payment to the issuer of any Credit or Liquidity Facility the costs for any such facility.

## **Section 2. Rate Covenant.**

The County has placed into effect a schedule of rates, fees and charges for the services, facilities and commodities furnished by the System and as often as it shall appear necessary the County shall revise and adjust such schedule of rates, fees and charges for the services, facilities and commodities of the System to the extent necessary to produce funds sufficient to:

- (a) operate, maintain and repair the System on a sound businesslike basis;
- (b) maintain the Debt Service Account in the amount required to discharge the payments of the principal of and the interest on the Bonds as the same become due and payable;
- (c) maintain the Debt Service Reserve Requirement in the Reserve Account;
- (d) pay amounts owing to an issuer of a Debt Service Reserve Surety Bond or a Credit or Liquidity Facility; and
- (e) pay all other amounts owing under this Resolution.

Without limiting the foregoing, the County shall set the schedule of rates, fees and charges for the services and facilities of the System so as to produce a Debt Service Coverage Ratio of least 1.25x in the current Fiscal Year.

The rates, fees and charges shall be classified in a reasonable manner to cover users of the services and facilities furnished by the System so that as near as practicable such rates, fees and charges shall be uniform in application to all users falling within any reasonable class. Subject to existing agreements and subject to State law, the County will undertake within its health powers or such other applicable powers now or hereafter provided by law, to require the owners of all improved property within the System service area to be charged based on the measure of impervious surfaces or hard surfaces on their properties, provided that there is sufficient capacity in the System to provide adequate service.

In the event the County shall fail to adopt a schedule or schedules of rates, fees and charges, or to revise its schedule or schedules of rates, fees and charges, in accordance with the provisions of this Section, any bondholder without regard to whether any "event of default," as defined in Article VIII of this Resolution, shall have occurred, may institute and prosecute in any court of competent jurisdiction in the State, an appropriate action to compel the County to adopt

a schedule or schedules of rates, fees and charges or to revise its schedule or schedules of rates, fees and charges in accordance with the requirements of this Section.

**Section 3. Additional Bonds.**

No other obligations of any kind or nature shall hereafter be issued which are payable from or enjoy a lien on the Net Revenues prior to the lien thereon securing the payment of the Bonds. It is expressly provided, however, that Additional Bonds may be issued by the County from time to time for any lawful purpose, and if such Additional Bonds are issued, such Additional Bonds shall rank as to lien on the Net Revenues on a parity with the lien thereon securing the payment of the Series 2021 Bonds, provided all of the following conditions are met:

(a) None of the Series 2021 Bonds or any Additional Bonds then outstanding are in default as to principal and interest and the County is in material compliance with this Resolution.

(b) The payments covenanted to be made into the Debt Service Account and the Reserve Account must be currently being made in the full amount as required and such accounts must be at their proper respective balances.

(c) The County shall satisfy one of the following:

(i) The Certifying Officer shall have certified that (A) for a period of 12 full consecutive calendar months out of the 18 consecutive calendar months preceding the month of the adoption of proceedings for the issuance of such Additional Bonds or (B) for the most recent audited Fiscal Year, the Debt Service Coverage Ratio for each of the five full Fiscal Years next following the earlier of (1) the end of the period during which interest on the Additional Bonds is to be capitalized, or if no interest on the Additional Bonds is to be capitalized, the Fiscal Year in which the Additional Bonds are issued or (2) the date on which substantially all the Projects financed with such Additional Bonds are expected to be placed into service, shall not be less than 1.25x. If a new schedule of rates and charges has been adopted for the services, facilities and commodities furnished by the System, the Certifying Officer may take such additional revenues into account in the foregoing certification.

(ii) The Certifying Officer shall have certified that the projected Debt Service Coverage Ratio for each of the five full Fiscal Years next following the earlier of (A) the end of the period during which interest on the Additional Bonds is to be capitalized, or if no interest on the Additional Bonds is to be capitalized, the Fiscal Year in which the Additional Bonds are issued or (B) the date on which substantially all the Projects financed with such Additional Bonds are expected to be placed into service, shall not be less than 1.30x.

(iii) (A) the Additional Bonds are being issued to refund other Bonds, (B) the final maturity of the Additional Bonds is not extended past the maturity of the Bonds being refunded and (C) the average annual debt service of the Additional Bonds does not exceed the average annual debt service on the Bonds being refunded.

(d) The County shall pass proper proceedings reciting that all of the above requirements have been met, shall authorize the issuance of the Additional Bonds and shall provide in such proceedings that such Additional Bonds shall be secured under and pursuant to this Resolution. Any such Additional Bonds may be issued under or pursuant to a trust indenture and, in such event, the proceedings authorizing the issuance of such Additional Bonds shall make appropriate provisions for the transfer of moneys on deposit in the Sinking Fund to the trustee in sufficient time for the payment of debt service on such Additional Bonds; but nothing contained herein shall require the Sinking Fund to be held by such trustee. In the event Additional Bonds are secured hereunder and issued pursuant to a trust indenture, the trustee thereunder shall for purposes of this Resolution, in accordance with the provisions of such trust indenture, exercise the rights and remedies of the owners of such Additional Bonds. It shall not be necessary that the interest and principal and payment dates or redemption provisions for such Additional Bonds correspond with the provisions of any other Bonds. Any Credit or Liquidity Facility related to any Additional Bonds may secure only such Additional Bonds and not any other Bonds issued hereunder. Any such proceeding or proceedings shall ratify and reaffirm, by reference, all of the applicable terms, conditions and provisions of this Resolution.

(e) Any proposed Variable Rate Additional Bonds shall specify a maximum interest rate. If any such Variable Rate Additional Bonds so issued provide for the mandatory redemption or purchase of such Additional Bonds at the option of owner, a Credit or Liquidity Facility may be provided at or prior to the issuance of such Variable Rate Additional Bonds to support the County's obligations for any such mandatory redemption or purchase. The failure of any such Credit or Liquidity Facility to purchase any such Variable Rate Additional Bonds shall not be a default under this Resolution, and shall not cause an acceleration of such Variable Rate Additional Bonds or Bonds issued pursuant to this Resolution.

(f) Such Additional Bonds and all proceedings relative thereto, and the security therefor, shall be validated as prescribed by law.

(g) The County shall determine if it is necessary or desirable to establish a Reserve Subaccount for such Additional Bonds.

#### **Section 4. Defeasance.**

When the Sinking Fund Custodian, the Paying Agent or an escrow agent has sufficient moneys or Government Obligations, which, without any reinvestment thereof, will (based upon a verification report of an independent certified public accountant or firm thereof) provide for the payment of Bonds of any series and the interest due or to become due thereon, and any premium required to be paid should such Bonds be called for redemption, the Bonds shall be deemed to be paid. Upon such deposit of moneys or Government Obligations, the owners of such Bonds shall no longer be entitled to the benefits of the security afforded by this Resolution and such Bonds shall, except for the purposes of registration, exchange and transfer, no longer be deemed

outstanding hereunder. This Resolution shall not terminate until all amounts owed to the issuer of any Debt Service Reserve Surety Bond or Credit or Liquidity Facility have been paid.

**Section 5. Lien on Funds.**

The moneys and securities held in the Funds are hereby pledged to the payment of the principal of and the interest on the Bonds and amounts owing to a provider of any Debt Service Reserve Surety Bond, Credit or Liquidity Facility or bond insurance policy as set forth herein; provided, however, that amounts in each Reserve Subaccount shall only be pledged to secure the series of Bonds for which it was established. Said moneys and securities shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding against the County, and against all parties having claims of any kind against the County, whether such claims shall have arisen in contract, tort or otherwise and irrespective of whether or not such parties have notice thereof.

**Section 6. Sinking Fund Investments.**

Moneys on deposit in the Sinking Fund shall be invested in Sinking Fund Investments; provided, however, moneys on deposit in the Reserve Account derived from Bond proceeds shall be invested only in Sinking Fund Investments that are also Permitted Investments. All investments in the Sinking Fund shall mature or be redeemable at the option of the holder within five years.

**Section 7. Revenue Fund and Renewal and Extension Fund Investments.**

Moneys in the Revenue Fund and the Renewal and Extension Fund shall be invested in any investment authorized by the laws of the State.

## ARTICLE VI

### DEPOSITORIES OF MONEYS AND SECURITIES FOR DEPOSITS; DEPOSITORIES AND CUSTODIANS; PAYING AGENT AND BOND REGISTRAR

#### Section 1. Depositories of Money and Security for Deposits.

(a) All moneys received by the County under the terms hereof shall, subject to the giving of security as hereinafter provided, be deposited with the proper depository or custodian in the name of the County. All moneys deposited with the depositories and custodians shall be applied in accordance with the terms and for the purposes set forth in this Resolution and shall not be subject to lien or attachment or any type of security interest by any creditor of the County.

(b) All moneys on deposit in the Funds shall be secured by (a) the State of Georgia Secure Deposits Program, or any successor thereto or (b)(i) the Federal Deposit Insurance Corporation, or any successor thereto or (ii) a pledge of obligations (A) authorized by O.C.G.A Section 50-17-59 or (B) issued or guaranteed by the United States of America in an amount of such deposit not insured by the Federal Deposit Insurance Corporation, or any successor thereto.

#### Section 2. Appointment of Paying Agent and Bond Registrar; Removal.

U.S. Bank National Association is hereby designated as the Paying Agent and Bond Registrar for the Series 2021 Bonds. The County may, from time to time, designate a successor Paying Agent and Bond Registrar. The Paying Agent and the Bond Registrar may resign or be removed by the County. Before any such resignation or removal shall become effective, a successor Paying Agent or Bond Registrar, as the case may be, shall be appointed by the County and shall have accepted its duties in writing.

#### Section 3. Duties of Paying Agent and Bond Registrar.

(a) The Paying Agent shall perform the duties imposed upon the paying agent under this Resolution, including the following:

(i) hold all moneys delivered to it in trust for the benefit of the owners of the Bonds;

(ii) pay the principal of and interest on the Bonds as the same become due with the moneys provided therefor;

(iii) draw on any Credit or Liquidity Facility or any Debt Service Reserve Surety Bond in a timely fashion;

(iv) effect any optional or mandatory redemptions of the Bonds;

(v) keep such books and records as shall be consistent with customary industry practice that shall accurately reflect the transaction hereunder and to make such books and records available for inspection by the County at all reasonable times;

(vi) deliver any notices required by the Resolution to be delivered by the Paying Agent as paying agent; and

(vii) perform all other duties of the Paying Agent as paying agent, under the Resolution.

The County and the Paying Agent may execute a paying agent agreement in order to further define the Paying Agent's obligations hereunder.

(b) The Bond Registrar shall perform the duties imposed upon the bond registrar and authenticating agent under this Resolution, including the following:

(i) authenticate the Bonds and safekeep the Bonds authenticated until the time specified for delivery;

(ii) deliver authenticated Bonds in accordance with an authentication order;

(iii) keep such books and records as shall be consistent with customary industry practice that shall accurately reflect the transaction hereunder and to make such books and records available for inspection by the County at all reasonable times;

(iv) deliver any notices required by the Resolution to be delivered by the Bond Registrar as bond registrar or authenticating agent;

(v) transfer and exchange Bonds as provided by the Resolution; and

(vi) perform all other duties of the Bond Registrar as bond registrar and authenticating agent under the Resolution.

The County and the Bond Registrar may execute a registrar agreement in order to further define the Bond Registrar's obligations hereunder.

#### **Section 4. Appointment of Custodians and Depositories; Removal and Resignation.**

United Community Bank is hereby designated as the Revenue Fund Depository. The Local Government Investment Pool is hereby designated as the Renewal and Extension Fund Depository. U.S. Bank National Association is hereby designated as the Construction Fund Custodian and the Sinking Fund Custodian. The County may, from time to time, designate a successor custodian or depository. A custodian or depository may resign or be removed by the County. Before any such resignation or removal shall become effective, a successor custodian or depository, as the case may be, shall be appointed by the County and shall have accepted its duties in writing.

The County and a depository or custodian may execute a custodial agreement in order to further define the depository's or custodian's obligations hereunder.

**Section 5. Administrative Fees and Expenses.**

The County shall pay to the custodians and depositories and the Paying Agent and Bond Registrar appointed in accordance with the terms of this Resolution, and to their successors and assigns, their reasonable fees and reasonable expenses for serving under this Resolution.



## ARTICLE VII

### PARTICULAR COVENANTS

#### **Section 1. Payment; Limited Obligations.**

The County shall promptly pay the principal of and interest on the Bonds issued hereunder and secured hereby at the place, on the dates and in the manner herein, and in the Bonds specified, and any premium required for the redemption of the Bonds, according to the true intent and meaning thereof.

The Bonds are special limited obligations of the County and are secured by and payable solely from a first lien on and pledge of the Net Revenues and the moneys and securities held in the Funds as herein provided. The Bonds do not constitute a charge, lien or encumbrance, legal or equitable, on any other property of the County. **THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE COUNTY.**

#### **Section 2. Rules and Regulations.**

The County has and will continue to enforce reasonable rules and regulations governing the System and the operation thereof. The County covenants that all compensation, salaries, fees and wages paid by it in connection with the operation, repair and maintenance of the System will be reasonable, that no more persons will be employed by it than are necessary, that it will operate same in an efficient and economical manner, that it will at all times maintain the System in good repair and in sound operating condition, that it will make all necessary repairs, renewals and replacements, and that it will comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to such undertaking and enterprise.

#### **Section 3. Liens; Easements.**

The County has not created any other lien on the Net Revenues. The County shall not create nor suffer to be created any lien, security interest or charge upon the Net Revenues, ranking equally with or prior to the lien and charge herein created upon the Net Revenues. The County shall not create nor suffer to be created any lien, security interest or charge upon the System. The County shall pay, or cause to be discharged, or will make adequate provisions to satisfy and discharge within 60 days after the same shall accrue, all lawful claims and demands which, if unpaid, might by law become a lien upon the System; provided, however, that nothing contained in this Section shall require the County to pay, or cause to be discharged, or make provisions for, any such lien, security interest or charge, so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

If no event of default hereunder shall have happened and be continuing and provided there shall be no material adverse effect on the Net Revenues, the County may at any time or times cause to be granted easements, licenses, rights-of-way (temporary or perpetual and including the dedication of public highways) and other rights or privileges in the nature of

easements with respect to any property included in the System and such grant will be free from the lien or security interest of this Resolution or the County may cause to be released existing easements, licenses, rights-of-way and other rights or privileges in the nature of easements, held with respect to any property included in the System with or without consideration.

**Section 4. Sale of Assets.**

Except as otherwise permitted in this Resolution, the County will not sell or otherwise dispose of the System or any integral part thereof, except that it may sell the System as a whole, or substantially as a whole if the proceeds of such sale are at least sufficient to provide for the payment of all Bonds secured by this Resolution, and any interest accrued or to accrue thereon, and that the proceeds of any such sale are deposited in trust and applied by the County to the extent necessary to purchase or redeem the Bonds. Nothing contained herein, however, shall preclude (a) sales in the ordinary course of business or (b) a sale of a part of the System where the sale would not, in any way, materially adversely affect the Net Revenues as certified by the Consulting Engineers. Prior to such a sale, the County shall receive an opinion of nationally recognized bond counsel to the effect that such application will not adversely affect the exclusion from gross income for federal income tax purposes on any tax-exempt Bond.

**Section 5. Insurance.**

The County will cause to be bonded its employees or agents handling funds of the System in amounts considered necessary and adequate for its protection and it shall procure and maintain insurance on the System of the kinds and in the amounts normally carried by private companies or other governmental entities or agencies engaged in the operation of similar properties. Such insurance may provide reasonable and customary deductibles. Such insurance shall be purchased from a responsible insurance company or companies authorized and qualified to do business in the State. If the County is unable to obtain such insurance legally or on reasonable and customary terms, the County will maintain self-insurance to the extent required above. The proceeds of such fire and property damage policies are hereby pledged as security for the Bonds, but shall be available for and shall, to the extent necessary and desirable, be applied to the repair and replacement of the damaged or destroyed property and may be pledged on a parity basis as security for any revenue bonds issued by the County. In the event the proceeds of such policies are not used for that purpose, then same shall be deposited in the Renewal and Extension Fund; provided, however, that all such repairs or replacements shall be made in all instances whereby failure to do so would materially adversely affect the revenues of the System. Proceeds from the fidelity bonds on employees and agents shall be paid into the appropriate fund. All insurance policies and fidelity bonds shall be open to the inspection of the bondholders or their duly authorized representatives at all reasonable times.

**Section 6. Separate Accounts.**

The County shall keep the Funds and accounts of the System separate from all other funds and accounts of the County, or any of its departments, and no payment will be made from the revenues derived from the System which is not properly payable from such revenues. The County shall keep accurate records and accounts of all items of cost and all expenditures relating to the System, and of the revenues collected and the application thereof, and shall keep said

records and accounts with respect to the physical properties in such manner that it will be possible at all times to identify both the amounts and the items of all additions and retirements. Such records and accounts shall be open to the inspection of all interested persons.

**Section 7. Financial Statements.**

The County shall cause to be included in its financial statements a statement of the income and expenditures of the System for such Fiscal Year and a balance sheet of the System as of the end of such Fiscal Year. The County shall prepare its financial statements in accordance with generally accepted accounting principles to the extent possible and shall cause an annual audit to be made of its financial statements by an independent certified public accountant or firm thereof selected by the County.

**Section 8. Tax Covenants.**

The County agrees to do all things necessary to maintain the tax-exempt status of any tax-exempt Bonds and not to do anything that would adversely affect such tax-exempt status.

**Section 9. Continuing Disclosure.**

The County hereby covenants for the benefit of the owners of the Bonds and the underwriter of the Bonds to comply with its obligations under any Disclosure Agreement executed in connection with Rule 15c2-12 of the Securities and Exchange Commission. A breach of this covenant shall not be deemed to be an event of default hereunder, and the sole remedy under this Resolution shall be an action to compel performance.

**Section 10. Combining Other Utilities with System.**

The County hereby reserves the right to combine other utilities with the System provided that the County can satisfy the test for the issuance of Additional Bonds set forth in Article V, Sections 3(c)(i) or (ii).

## ARTICLE VIII

### EVENTS OF DEFAULT; REMEDIES

#### **Section 1. Events of Default.**

Each of the following events is hereby declared an “event of default”, that is to say, if: (a) payment of the principal of and any redemption premium on any of the Bonds shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption, or (b) payment of any installment of interest shall not be made when the same becomes due and payable, or (c) the County shall, for any reason, be rendered incapable of fulfilling its obligations hereunder, or (d) the County shall default in the due and punctual performance of any other of the covenants, conditions, agreements or provisions contained in the Bonds or in this Resolution, on the part of the County to be performed, and such default shall continue for 30 days after written notice, specifying such default and requiring same to be remedied, shall have been given to the County by any bondholder; provided, however, if the default stated in the notice cannot be corrected within such 30-day period, it shall not be a default hereunder if the County shall institute corrective action and diligently pursue it until the default is cured.

#### **Section 2. Acceleration.**

Upon the happening and continuance of any event of default specified in Section 1 of this Article, then and in every such case the owners of not less than a majority of the principal amount of outstanding Bonds may, by a notice in writing to the County, declare the principal of all of the Bonds then outstanding (if not then due and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything in the Bonds or herein contained to the contrary notwithstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, all arrears of interest, if any, upon the Bonds then outstanding, and all other indebtedness secured hereby, except the principal of and interest on any Bonds not then due by their terms, and the interest accrued on such Bonds since the last interest payment date, shall have been paid, or shall have been provided for by deposit with the Paying Agent for such Bonds of a sum sufficient to pay the same, and every other default in the observance or performance of any covenant, condition or agreement in the Bonds, or herein contained, shall be made good, or provisions therefor satisfactory to such bondholders shall have been made, then and in every such case the owners of not less than a majority of the principal amount of outstanding Bonds may, by written notice to the County, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to, or affect, any subsequent default or impair any right consequent thereto.

#### **Section 3. Remedies.**

Upon the happening and continuance of any event of default, as provided in Section 1 of this Article, then and in every such case any bondholder may proceed, subject to the provisions of Section 5 of this Article, to protect and enforce the rights of the bondholders hereunder by a suit, action or special proceedings in equity, or at law, for the specific performance of any

covenant or agreement contained herein or in aid or execution of any power herein granted, or for the enforcement of any proper legal or equitable remedy as such bondholder shall deem most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law.

**Section 4. Restoration.**

In case any proceeding taken by any bondholder on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such bondholder, then and in every such case the County and the bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the bondholders shall continue as though no such proceedings had been taken.

**Section 5. Equal Benefit.**

No one, or more, owners of the Bonds secured hereby shall have any right in any manner whatever by his or their action to affect, disturb, or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of such outstanding Bonds.

**Section 6. Non Exclusivity of Remedies.**

No remedy herein conferred upon the bondholders is intended to be exclusive of any other remedy, or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, or by statute.

**Section 7. No Waiver.**

No delay or omission of any bondholder to exercise any right or power accruing upon any default occurring and continuing as aforesaid, shall impair any such default or be construed as an acquiescence therein and every power and remedy given by this Article to be owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

**Section 8. Surety Defaults.**

No failure to reimburse a provision of a Debt Service Reserve Surety Bond for any draw thereunder shall permit the issuer of such Debt Service Reserve Surety Bond to (a) accelerate any Bonds issued pursuant to this Resolution or (b) pursue any remedy which would adversely affect the owners of the Bonds.

## ARTICLE IX

### SUPPLEMENTAL PROCEEDINGS

#### **Section 1. Adoption of Supplemental Proceedings.**

The County may, from time to time and at any time, with the consent of the bondholders of a majority in aggregate principal amount of Bonds outstanding, adopt such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Resolution or in any supplemental resolution or in the Bonds; provided, however, that nothing herein contained shall permit, or be construed as permitting: (a) the extension of the maturity of any Bond issued hereunder, (b) the reduction in the principal amount of any Bond or the alteration of the rate or rates of interest thereon or any other modification of the terms of payment of such principal or interest, (c) the reduction of the percentage of the principal amount of Bonds required for consent to such supplemental resolution or (d) the creation of any lien on the Net Revenues of the System prior to or superior to the lien created as the security for the payment of the Bonds without the consent of all the Bonds outstanding. A modification or amendment of the provisions with respect to the Sinking Fund is not to be deemed a change in the terms of payment.

Nothing herein contained, however, shall be construed as making necessary the approval by the bondholders of any supplemental resolution (a) to cure any ambiguity or formal defect or omission in this Resolution or in any supplemental proceedings, (b) to provide for the issuance of Additional Bonds in accordance with the terms of this Resolution (including, without limitation the addition of events of default and remedies relating to any Additional Bonds hereafter incurred by the County), (c) to grant any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the bondholders by the County, (d) to further expand or clarify the amounts required to be paid into the Sinking Fund and the timing thereof, (e) to provide for the deposit into the Reserve Account of a Debt Service Reserve Surety Bond as more fully provided in Article V, (f) to modify, amend or supplement this Resolution or any proceedings supplemental hereto in such manner as to permit the qualification of this Resolution under the Trust Indenture Act of 1939 or any federal statute hereinafter in effect, (g) to make any modification or amendment of this Resolution required in order to make the Bonds eligible for acceptance by the Securities Depository or to permit the issuance of the Bonds or interests therein in book-entry form, (h) to modify any of the provisions of this Resolution in any respect provided that such modification shall not be effective until after the Bonds outstanding immediately prior to the effective date of such supplemental resolution shall cease to be outstanding and further provided that any Bonds issued contemporaneously with or after the effective date of such supplemental proceedings shall contain a specific reference to the modifications contained in such subsequent proceedings or (i) to make any other changes that in the opinion of counsel are not materially adverse to the interests of the bondholders.

#### **Section 2. Notice.**

After any supplemental resolution requiring the consent of the bondholders shall have been adopted, the County shall cause a notice of the adoption of such supplemental resolution to

be mailed, postage prepaid, to all registered owners of Bonds appearing on the bond registration book kept by the Bond Registrar.

**Section 3. Required Approval.**

No supplemental resolution requiring the consent of the bondholders shall become effective unless the requisite number of owners shall have filed with the County within three months after the date of adoption of such supplemental resolution properly executed instruments approving the adoption of such supplemental resolution, each such instrument to be accompanied by proof of ownership of the Bonds to which such instrument refers, which proof shall be such as is permitted by the provisions of Section 6 of this Article.

**Section 4. Legal Action.**

(a) Any action or proceeding in any court objecting to such supplemental resolution or to any of the terms and provisions therein contained or the operation thereof, or in any manner questioning the propriety of the adoption thereof or the execution by any bondholder of any instrument purporting to approve the adoption of such supplemental resolution, or to enjoin or restrain the County from taking any action pursuant to the provisions thereof, must be commenced within 30 days after the County shall have determined that the adoption of such supplemental resolution has been duly approved.

(b) Upon the expiration of such 30-day period, or, if any such action or proceedings shall be commenced, upon any judgment or decree sustaining such supplemental resolution becoming final, this Resolution and any supplemental resolutions shall be, and be deemed to be, modified and amended in accordance with such supplemental resolution, and the respective rights, duties and obligations under this Resolution and any supplemental resolution and all owners of outstanding Bonds shall thereafter be determined, exercised and enforced hereunder, subject, in all respects, to such modifications and amendments.

**Section 5. Incorporation.**

Any supplemental resolution adopted and becoming effective in accordance with the provisions of this Article shall thereafter form a part of this Resolution and all conditions of this Resolution for any and all purposes, and shall be effective as to all owners of Bonds then outstanding and no notation or legend of such modifications and amendments shall be required to be made thereon.

**Section 6. Proof of Ownership.**

Any request, waiver, direction, consent or other instrument required by this Resolution to be signed or executed by bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such bondholders in person or by agent appointed in writing. Proof of the execution of any such instrument, or of the written appointment of such agent, and of the ownership of Bonds, if made in the following manner, shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the County with regard to any action taken under such instrument:

(a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction, who by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(b) The fact of the ownership of the Bonds shall be determined and proved by reference to the bond registration book kept by the Bond Registrar for such issue of Bonds and the County may conclusively assume that such ownership continues until written notice to the contrary is served upon the County.

Any request or consent of the owner of any Bond shall bind every future owner of the same Bond in respect of anything done by the County in pursuance of such request or consent.



## ARTICLE X

### MISCELLANEOUS PROVISIONS

#### **Section 1. Severability.**

In case any one or more of the provisions of this Resolution, or the Bonds issued hereunder, shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or the Bonds, but this Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

#### **Section 2. Resolution Constitutes a Contract.**

The provisions of this Resolution shall constitute a contract by and between the County, any issuer of a Debt Service Reserve Surety Bond or bond insurance policy, any issuer of a Credit or Liquidity Facility and the owners of the Bonds authorized to be issued hereunder, and after the issuance of the Series 2021 Bonds this Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interest of the owners of the Bonds, nor shall the County pass any proceedings in any way adversely affecting the rights of such owners or issuers, so long as any of the Bonds authorized by this Resolution, or the interest thereon, shall remain unpaid or any amounts are owed to such issuers; provided, however, that this covenant shall not be construed as prohibiting modifications hereof or amendments hereto to the extent and in the manner as provided in Article IX hereof.

#### **Section 3. Validation.**

The Series 2021 Bonds herein authorized shall be validated in the manner provided by law, and to that end notice of the adoption of this Resolution and a copy thereof shall be served upon the District Attorney in order that proceedings for the above purpose be instituted in the Superior Court of Rockdale County.

#### **Section 4. Authorization of Preliminary Official Statement.**

The distribution of the Preliminary Official Statement is hereby authorized. The execution of a certificate deeming the Preliminary Official Statement final for purposes of Rule 15c2-12 is hereby authorized. The Certificate shall be executed by the Chairman or Vice-Chairman of the County.

#### **Section 5. General Authority; Ratification.**

The Chairman and Vice Chairman of the County are hereby authorized to execute and deliver all other documents and certificates necessary to effect the transactions contemplated by this Resolution and to make covenants on behalf of the County. All actions heretofore taken and all documents heretofore executed in connection with the transactions contemplated by this Resolution are hereby ratified and approved. If the Chairman or the Clerk is unable or unwilling to carry out the transactions contemplated by the terms of this Resolution or to execute any



EXHIBIT A

[FORM OF SERIES 2021 BOND]

No. R-\_\_\_\_\_ \$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF GEORGIA  
ROCKDALE COUNTY, GEORGIA  
STORMWATER REVENUE BOND,  
SERIES 2021

BOND DATE:	MATURITY DATE:	INTEREST RATE:	CUSIP:
[Closing Date]	July 1, 20__	_____%	_____

FOR VALUE RECEIVED, the Rockdale County, Georgia (the "County"), a political subdivision of the State of Georgia, hereby promises to pay solely from the special fund provided therefor, as hereinafter set forth, to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, the principal sum set forth above on the date set forth above, and interest on the principal amount at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding this bond's date of authentication to which interest has been paid (unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (defined below) but before an Interest Payment date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the date of original issuance), until the payment of the principal amount hereof. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date") to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, the principal of and interest on this bond shall be paid in accordance with the rules of DTC or a successor securities depository (the "Securities Depository"). In the event that this bond is no longer held in Book-Entry Form, the principal of and interest on this bond shall be paid in the manner described in the Resolution (hereinafter defined).

This bond is one of a duly authorized issue of Rockdale County, Georgia Stormwater Revenue Bonds, Series 2021 (the "Series 2021 Bonds"). The Series 2021 Bonds are being issued for the purpose of (a) making certain improvements to the System and (b) paying the costs of issuing the Series 2021 Bonds. The Series 2021 Bonds are issued under the authority of the Constitution and laws of the State of Georgia, including the Revenue Bond Law (O.C.G.A. Section 36-82-60 *et seq.*, as amended) and were duly authorized by a resolution of the Rockdale County Board of Commissioners adopted on July 27, 2021, as supplemented on August 10, 2021

(the "Resolution"). Capitalized terms used, but not defined herein, shall have the meanings assigned to them in the Resolution. The Series 2021 Bonds are secured by a first lien on the Net Revenues of the System. The County may issue, under certain terms and conditions as provided in the Resolution, additional revenue bonds, and if issued such additional revenue bonds will rank on parity as to lien on the Net Revenues with the lien securing the payment of the Series 2021 Bonds. Reference to the Resolution is hereby made for a complete description of the fund charged with, and pledged to, the payment of the principal of and the interest on the Series 2021 Bonds, the nature and extent of the security therefor, a statement of rights, duties and obligations of the County, the rights of the owners of the Series 2021 Bonds, and the terms and provisions under which additional revenue bonds may be issued, to all the provisions of which the owner hereof, by the acceptance of this bond, assents.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until this bond shall have been authenticated and registered upon the bond registration book of the County kept for that purpose by the Bond Registrar, which authentication and registration shall be evidenced by the execution by the manual signature of a duly authorized officer of the Bond Registrar of the certificate hereon.

The Series 2021 Bonds are being issued in Book-Entry Form. Actual Series 2021 Bonds are not available for distribution to the owners thereof (the "Beneficial Owners"), except under the limited circumstances set forth in the Resolution. The principal of and interest on the Series 2021 Bonds are payable by the Paying Agent to the Securities Depository or its nominee by wire transfer. Transfer of principal and interest payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfers of principal and interest to Beneficial Owners by participants of the Securities Depository will be the responsibility of such participants. The County and the Paying Agent will recognize the Securities Depository as the owner of the Series 2021 Bonds for all purposes, including without limitation: (a) the payment of principal of, redemption premium (if any) and interest on such Series 2021 Bonds; (b) giving notices of redemption and other matters with respect to such Series 2021 Bonds; (c) registering transfers with respect to such Series 2021 Bonds; (d) the selection of Series 2021 Bonds for redemption; and (e) voting and obtaining consents under the Resolution. The County and the Paying Agent are not responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants.

The Bond Registrar shall keep the bond registration book for the registration of the Series 2021 Bonds and for the registration of transfers of the Series 2021 Bonds. As long as the Series 2021 Bonds are held in Book-Entry Form, registrations of transfers and exchanges shall be made in accordance with the rules of the Securities Depository. If the Series 2021 Bonds are no longer held in Book-Entry Form, registrations of transfers and exchanges shall be made in accordance with the terms of the Resolution.

This bond is special limited obligation of the County and is secured by and payable solely from the Net Revenues and the moneys and securities held in the Funds. This bond shall not constitute a charge, lien or encumbrance, legal or equitable, on any other property of the County. No holder of this bond shall ever have the right to compel any exercise of the taxing power of the

County to pay such bond or the interest hereon or to enforce payment hereof against any other property of the County.

The Series 2021 Bonds maturing on or after July 1, 20\_\_ are subject to optional redemption, in whole or in part, in any order of maturities, on any date on or after July 1, 20\_\_, at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

The Series 2021 Bonds maturing on July 1, 20\_\_ are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount thereof being redeemed, plus accrued interest to the redemption date, on July 1 of the following years and in the following amounts (the July 1, 20\_\_ amount to be paid rather than redeemed):

<u>Year</u>	<u>Amount</u>
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At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date, the County may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2021 Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2021 Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Series 2021 Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the County on such scheduled mandatory redemption date and the principal amount of the Series 2021 Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

If the Series 2021 Bonds are called for optional redemption in part, then the particular maturity or maturities to be redeemed shall be selected by the County. If less than all of the Series 2021 Bonds of a maturity are to be called for redemption, then Series 2021 Bonds within each maturity so called for redemption shall be selected (a) in the manner designated by the Securities Depository when the Series 2021 Bonds are held in Book-Entry Form and (b) by lot when the Series 2021 Bonds are not held in Book-Entry Form.

Notice of redemption shall be given by the Paying Agent not less than 20 or more than 60 days prior to the redemption date (a) in accordance with the rules of the Securities Depository as long as the Series 2021 Bonds are held in Book-Entry Form and (b) by first class mail, postage to all registered owners of the Series 2021 Bonds to be redeemed at addresses which appear upon the bond registration book as of the date of giving such notice. Any defect in such notice shall not affect the validity of the proceedings for such redemption or cause the interest to accrue on the principal amount of the Series Bonds so designated for redemption after the redemption date.

Notice given in the manner set forth above shall be conclusively presumed to have been given, whether or not the registered owner receives the notice.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent moneys sufficient to redeem all Series 2021 Bonds called for redemption, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited.

To the extent and in the manner permitted by the Resolution, modifications, alterations, amendments, additions and revisions of the provisions of the Resolution and the Series 2021 Bonds may be made by the County without the consent of the owners of the Series 2021 Bonds in certain circumstances and with the consent of the owners of a majority of the principal amount of the Series 2021 Bonds outstanding in other circumstances.

This bond is issued with the intent that the laws of the State of Georgia shall govern its construction. In case of default, the owner of this bond shall be entitled to the remedies provided by the Resolution and the Revenue Bond Law and any amendments thereto.

It is hereby recited and certified that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been done, have happened and have been performed in due and legal form as required by law, and that provision has been made for the allocation from the anticipated revenues of the System, of amounts sufficient to pay the principal of and the interest on all of the Series 2021 Bonds as same mature, or are acquired by mandatory redemption, such revenues are irrevocably allocated and pledged to the payment thereof and the interest thereon.

IN WITNESS WHEREOF, the County has caused this bond to be executed by the manual signature of its Chairman and its official seal to be impressed hereon and attested by the manual signature of its Clerk, as of August \_\_, 2021.

**ROCKDALE COUNTY, GEORGIA**

(SEAL)

By: \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This bond is one of the Stormwater Revenue Bonds, Series 2021 described in the within-mentioned Resolution of the Rockdale County Board of Commissioners.

Date of authentication and registration: August \_\_, 2021.

U.S. BANK NATIONAL ASSOCIATION, as Bond Registrar

By: \_\_\_\_\_  
Authorized Representative



VALIDATION CERTIFICATE

STATE OF GEORGIA            )  
  )  
COUNTY OF ROCKDALE        )

The undersigned Clerk of the Superior Court of Rockdale County, State of Georgia, HEREBY CERTIFIES that this bond was validated and confirmed by judgment of the Superior Court of Rockdale County, Georgia, on the \_\_\_\_<sup>th</sup> day of August, 2021, and that no intervention or objection was filed in the proceedings validating same and that no appeal from said judgment of validation has been taken.

WITNESS my signature and seal of the Superior Court of Rockdale County, Georgia.

\_\_\_\_\_  
Clerk, Superior Court  
Rockdale County, Georgia

(SEAL)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (please print or typewrite name and address including postal zip code of assignee) the within bond and all rights thereunder, hereby constituting and appointing \_\_\_\_\_ attorney to transfer this bond on the bond registration books kept for such purpose by the Bond Registrar, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Notice: the signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed

\_\_\_\_\_  
Signature must be guaranteed by an institution which is a Participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.