

**A RESOLUTION AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION CAPITAL OUTLAY NOTE OF JEFFERSON COUNTY, TENNESSEE, IN A PRINCIPAL AMOUNT OF NOT TO EXCEED TWO MILLION TWO HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,200,000); MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID NOTE, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAX, IF NECESSARY, FOR THE PAYMENT OF PRINCIPAL THEREOF AND INTEREST THEREON.**

WHEREAS, pursuant to authority granted by Sections 9-21-601, et seq., Tennessee Code Annotated, subject to the approval of the State Director of the Division of Local Government Finance (the "State Director"), municipalities in Tennessee are authorized to issue interest bearing capital outlay notes to finance public works projects; and

WHEREAS, the Board of County Commissioners of Jefferson County, Tennessee (the "County") has determined that it is necessary and desirable to issue a capital outlay note in a principal amount not to exceed \$2,200,000 for the purpose of financing, in whole or in part, (i) the reconstruction, improvement, repair, embellishment and equipping of a garbage collection and disposal facility, including closure of a landfill cell; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing (the "Projects"); (iii) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (iv) payment of costs incident to the issuance of the note authorized herein; and

WHEREAS, it appears to the Board of County Commissioners of the County that it will be advantageous to the County to issue a capital outlay note in a principal amount not to exceed \$2,200,000 for said purposes; and

WHEREAS, it is the intention of the Board of County Commissioners of the County to adopt this resolution for the purpose of authorizing such note, establishing the terms thereof, providing for the issuance, sale and payment of the note and disposition of proceeds therefrom, and providing for the levy of a tax for the payment of principal thereof and interest thereon.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Jefferson County, Tennessee, as follows:

Section 1. Authority. The note authorized by this resolution will be issued pursuant to Sections 9-21-101 et seq., and 9-21-601 et seq., Tennessee Code Annotated (the "Act"), and other applicable provisions of law.

Section 2. Definitions. The following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Bank" shall mean the bank or other financial institution selected as the purchaser of the Note pursuant to Section 8 hereof;

(b) "Code" shall mean the Internal Revenue Code of 1986, as amended, and all regulations promulgated or proposed thereunder;

(c) "Debt Management Policy" shall mean the Debt Management Policy approved by the Governing Body;

(d) "Governing Body" shall mean the Board of County Commissioners of the County;

(e) "County" shall mean the Jefferson County, Tennessee;

(f) "Note" shall mean the not to exceed \$2,200,000 General Obligation Capital Outlay Note of the County, to be dated its date of issuance, and have such series designation or such other dated date as shall be determined by the County Mayor, pursuant to Section 8 hereof;

(g) "Projects" shall mean (i) the reconstruction, improvement, repair, embellishment and equipping of a garbage collection and disposal facility, including closure of a landfill cell;; and (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing; and

(h) "Registration Agent" shall mean the County Clerk who shall serve as registration and paying agent or any successor registration and paying agent appointed by the Governing Body.

Section 3. Findings of the Governing Body; Compliance with Debt Management Policy. The Governing Body hereby finds that the issuance and sale of the Note, as proposed herein, is consistent with the County's Debt Management Policy. The weighted average maturity of the Note is less than the weighted average expected life of the Projects. The approximate debt service and estimated interest expense and costs of issuance of the Note have been presented to the Governing Body.

Section 4. Authorization and Terms of the Note.

(a) For the purpose of funding the Projects, reimbursing the County for funds previously expended for costs of the Projects, if any and paying the costs incident to the issuance and sale of the Note, there is hereby authorized to be issued an interest bearing capital outlay note of the County, in certificated form, in an aggregate principal amount of not to exceed \$2,200,000. Subject to the adjustments permitted in Section 8 hereof, the Note shall be issued in fully registered form, without coupons, shall be known as "General Obligation Capital Outlay Note" and shall be dated its date of issuance, or such other date and have such series designation as shall be determined by the County Mayor. The Note shall bear interest at a rate not to exceed the maximum interest rate permitted by law as is approved by the County Mayor and the Bank, payable, subject to the adjustments permitted pursuant to Section 8 hereof, semi-annually or on such other dates as are approved by the County Mayor and the Bank until the Note matures or is redeemed, commencing no later than the next fiscal year following the date of issuance of the Note. The Note shall be issued in a single denomination equal to the initial principal amount thereof. Subject to the adjustments permitted by Section 8 hereof, the principal of the Note shall be subject to mandatory redemption as is approved by the State Director or as is otherwise permitted by law, and the Note shall mature not later than the end of the twelfth fiscal year following the fiscal year in which the Note is issued.

(b) Subject to the adjustments permitted by Section 8 hereof, the Note shall be subject to redemption prior to maturity at the option of the County, as a whole or in part, at any time at the redemption price of par plus accrued interest to the redemption date. The County Mayor may designate each mandatory redemption payment, if any, as to which all or a portion of the redemption amount due to optional redemption is credited unless otherwise agreed upon with the Bank.

(c) As is provided above and in Section 8 hereof, the County Mayor shall sell the Note to the Bank as a term note (a "Term Note") with mandatory redemption requirements as determined by the County Mayor and approved by the Bank and, if required, the State Director. The County shall redeem the Term

Note on redemption dates in aggregate principal amounts determined by the County Mayor at a price of par plus accrued interest thereon to the date of redemption.

(d) Notice of call for optional redemption (no notice shall be required for mandatory redemption) shall be given by the Registration Agent on behalf of the County not less than five (5) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owner of the Note to be redeemed by first-class mail, postage prepaid, at the address shown on the Note registration records of the Registration Agent as of the date of the notice. This notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the affected noteholder that the redemption did not occur and that the Note called for redemption and not so paid remain outstanding.

(e) The County hereby authorizes and directs the Registration Agent to maintain Note registration records with respect to the Note, to authenticate and deliver the Note as provided herein, either at original issuance or upon transfer, to effect transfers of the Note, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Note as provided herein, and to cancel and destroy any Note which has been paid at maturity or upon earlier redemption or any Note submitted for transfer.

(f) The Note shall be payable, both principal and interest, in lawful money of the United States of America at the office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Note by check or draft on each interest payment date directly to the registered owner as shown on the Note registration records maintained by the Registration Agent as of the close of business on the day preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owner at its address shown on said Note registration records, without the presentation or surrender of such registered Note, and all such payments shall discharge the obligations of the County in respect of such Note to the extent of the payments so made. Payment of principal of and premium, if any, on the Note shall be made to the Registration Agent as the same shall become due and payable. Unless otherwise agreed with the Bank by the County Mayor, all rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. If requested by the holder of the Note, payment of interest on such Note shall be paid by wire transfer to a bank within the continental United States.

(g) Any interest on the Note that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the person in whose name the Note is registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on the Note and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which Date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owner. The Registration Agent shall promptly notify the County of

such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Note registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Note shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Note when due.

(h) The Note is transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Note to be transferred with the form of assignment included therein completed in full and signed with the name of the registered owner as it appears upon the face of the Note accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Note in such form and with such documentation, if any, the Registration Agent shall issue a new Note to the assignee in the same denomination. The Registration Agent shall not be required to transfer any Note during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Note, nor to transfer any Note after the notice calling such Note for redemption has been made, nor to transfer any Note during the period following the receipt of instructions from the County to call such Note for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Note, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Note shall be overdue.

(i) The Note shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the County with the manual or facsimile signature of the County Mayor and attested by the manual or facsimile signature of the County Clerk.

(j) The Registration Agent is hereby authorized to authenticate and deliver the Note to the Bank, upon receipt by the County of the proceeds of the sale thereof. The Note shall not be valid for any purpose unless authenticated by the Registration Agent on the certificate set forth herein on the Note form.

(k) In case the Note shall become mutilated, or be lost, stolen, or destroyed, the County, in its discretion, shall issue, and the Registration Agent, upon written direction from the County, shall authenticate and deliver, a new Note of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Note, or in lieu of and in substitution for such lost, stolen or destroyed Note, or if any such Note shall have matured or shall be about to mature, instead of issuing a substituted Note the County may pay or authorize payment of such Note without surrender thereof. In every case the applicant shall furnish evidence satisfactory to the County and the Registration Agent of the destruction, theft or loss of such Note, and indemnity satisfactory to the County and the Registration Agent; and the County may charge the applicant for the issue of such new Note an amount sufficient to reimburse the County for the expense incurred by it in the issue thereof.

Section 5. Source of Payment. The Note shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Note, the full faith and credit of the County are hereby irrevocably pledged. The Bonds shall be additionally payable from but not secured by the revenues to be derived from the operation of the County's landfill system.

Section 6. Form of Note. The Note shall be in substantially the following form, the omissions to be appropriately completed when the Note is prepared and delivered:

(Form of Note)

REGISTERED  
Number \_\_\_\_\_

REGISTERED

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TENNESSEE  
COUNTY OF JEFFERSON  
GENERAL OBLIGATION CAPITAL OUTLAY NOTE, SERIES 2023

Interest Rate:

Maturity Date:

Date of Note:

Registered Owner:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS: That Jefferson County, Tennessee (the "County"), for value received hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth (or such amount as has been advanced hereunder) on the maturity date hereinabove set forth, and to pay interest (computed on the basis of a 360 day year of twelve 30 day months) on said principal amount at the rate of interest hereinabove set forth from the date hereof until this Note matures or is redeemed, said interest being payable on \_\_\_\_\_, 2023, and semi-annually thereafter on \_\_\_\_\_. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the office of the County Clerk, Jefferson County, Tennessee as registration and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Note on each interest payment date directly to the registered owner hereof shown on the Note registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said note registration records, without the necessity of the presentation or surrender of this Note, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Note is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owner of this Note not less than ten (10) days prior to such Special Record Date. Payment of principal hereof shall be made to the Registration Agent when due.

The Note shall be subject to redemption prior to maturity at the option of the County, as a whole or in part, at any time at a redemption price of par plus accrued interest to the redemption date.

[This Note shall be subject to mandatory redemption on the dates and in the amounts set forth on Schedule A hereto]

Notice of call for optional redemption (no notice shall be required for mandatory redemption) shall be given by the Registration Agent on behalf of the County not less than five (5) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owner of the Note by first-class mail, postage prepaid, at the address shown on the Note registration records of the

Registration Agent as of the date of the notice. This notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the affected noteholder that the redemption did not occur and that the Note called for redemption and not so paid remain outstanding.

This Note is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Note. Upon such transfer a new Note of the same maturity, principal amount and interest rate will be issued to the transferee. The person in whose name this Note is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Note shall be overdue. The Registration Agent shall not be required to transfer the Note during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Note, nor to transfer the Note after the notice calling such Note for redemption has been made, nor during a period following the receipt of instructions from the County to call such Note for redemption.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Note does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

This Note is issued by the County for the purpose of providing funds to finance, in whole or in part, (i) the reconstruction, improvement, repair, embellishment and equipping of a garbage collection and disposal facility, including closure of a landfill cell; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing; (iii) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (iv) payment of costs incident to the issuance of the Note under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq. and 9-21-601 et seq., Tennessee Code Annotated, and pursuant to a resolution (the "Resolution") duly adopted by the Board of County Commissioners of the County on the 17<sup>th</sup> day of July, 2023.

This Note is payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on this Note, the full faith and credit of the County are irrevocably pledged. The Bonds shall be additionally payable from but not secured by the revenues to be derived from the operation of the County's landfill system. For a more complete statement of the general covenants and provisions pursuant to which this Note is issued, reference is hereby made to said Resolution.

This Note and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Note during the period the Note is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Note in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

IN WITNESS WHEREOF, the County has caused this Note to be signed by its County Mayor and attested by its County Clerk as of the day and date hereinabove set forth.

JEFFERSON COUNTY, TENNESSEE

By: DO NOT SIGN – FORM OF NOTE  
County Mayor

ATTESTED:

DO NOT SIGN – FORM OF NOTE  
County Clerk

Transferable and payable at the  
office of:

County Clerk  
Jefferson County, Tennessee

Date of Registration: \_\_\_\_\_

This Note is issued pursuant to the Resolution hereinabove described.

\_\_\_\_\_  
Registration Agent

By: DO NOT SIGN – FORM OF NOTE  
Authorized Trust Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto \_\_\_\_\_, whose address is \_\_\_\_\_ (Please insert Social Security or Federal Tax Identification Number \_\_\_\_\_), the within Note of Jefferson County, Tennessee and does hereby irrevocably constitute and appoint \_\_\_\_\_, attorney, to transfer the said Note on the records kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

[Schedule A to Note

Mandatory Redemption Schedule]

(End Form of Note)

Section 7. Levy of Tax. The County, through its Governing Body, shall, to the extent required, annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay principal of and interest on the Note when due, and for that purpose there is hereby levied a direct tax in such amount as may be found necessary each year to pay principal and interest coming due on the Note. Principal and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent of direct appropriations from the general funds or other legally available funds of the County to the payment of debt service on the Note.

Section 8. Sale of Note.

(a) The County Mayor shall sell the Note by the informal bid process authorized by Section 9-21-607 and Section 9-21-609 of the Act. In order to select the Bank to which to sell the Note by the informal bid process, the County Mayor shall contact at least three (3) financial institutions to provide a rate or rates of interest for the term of the Note, and the County Mayor shall sell the Note to the financial institution, which is herein referred to as the Bank, that provides the proposal that the County Mayor determines is in the best interests of the County. The County Mayor is authorized to execute and the County Clerk to attest any document reasonably required by the Bank, providing the details of the terms of the sale and providing for such covenants as may be reasonably required by the Bank as determined by the County Mayor.

(b) The County Mayor is further authorized to establish a series designation for the Note; to include such adjustments in the interest rate on the Note as may be required by the Bank due to changes in tax status or regulatory changes; to cause to be sold an aggregate principal amount less than that authorized in Section 4 hereof; to establish the maturity date and mandatory redemption schedule for the Note subject to limits in Section 4; to change the interest payment dates on the Note; to modify the redemption provisions to provide that all or a portion of the Note is not subject to optional redemption; and if subject to optional redemption, to provide for a redemption premium to be paid on the Note of not greater than 101% of par if the Note is originally sold at par.

(c) The Note shall not be sold at an interest rate exceeding the maximum interest rate permitted by law. The sale of the Note to the Bank shall be binding on the County, and no further action of the Governing Body with respect thereto shall be required. The form of the Note set forth in Section 6 hereof, shall be conformed to reflect any changes made pursuant to this Section 8 hereof. The County Mayor and County Clerk, or either of them, are authorized to cause the Note to be authenticated and delivered by the Registration Agent to the Bank and to execute, publish, and deliver all certificates and documents as they shall deem necessary in connection with the sale and delivery of the Note. The County Mayor is hereby authorized to enter into a contract with the Cumberland Securities Company, Inc. for financial advisory services in connection with the sale of the Note and to enter into an engagement letter with Bass, Berry & Sims PLC to serve as x counsel in connection with the Note, and all actions heretofore taken by the officers of the County in that regard are hereby ratified and approved.

(d) The Note shall not be issued until after the approval of the State shall have been obtained as required by Sections 9-21-101 et seq., Tennessee Code Annotated.



Section 9. Disposition of Note Proceeds.

(a) The proceeds of the sale of the Note shall be paid to the County to be deposited with a financial institution regulated by the Federal Deposit Insurance Corporation or similar or successor federal agency in a special fund known as the 2023 General Obligation Note Fund (the "Note Fund") to be kept separate and apart from all other funds of the County. By agreement with the Bank, the Bank may advance the proceeds of the Note as requested by the County to pay the costs of the Projects, and upon each such advance, the County will deposit such proceeds in the Note Fund. The County shall disburse funds in the Note Fund to pay costs of issuance of the Note, including necessary legal, accounting and fiscal expenses, advertising and similar expenses, administrative and clerical costs, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Note. The remaining monies in the Note Fund shall be solely used by the County to pay costs of the Projects and, if applicable, to reimburse the County for any funds previously expended for costs of the Projects. Moneys in the Note Fund shall be invested at the direction of the County in such investments as shall be permitted by applicable law. Earnings from such investments shall be deposited by the County in the Note Fund to pay costs of the Projects or to the County's debt service fund to pay principal and interest on the Note at the direction of the County Mayor. Funds remaining in the Note Fund after payment of costs of issuance, completion of the Projects and reimbursement to the County for funds previously expended for costs of the Projects, if any, shall be transferred to the County's debt service to be used to pay principal and interest on the Note.

(b) In accordance with state law, the various department heads responsible for the fund or funds receiving and disbursing funds are hereby authorized to amend the budget of the proper fund or funds for the receipt of proceeds from the issuance of the Note. The department heads responsible for the fund or funds are further authorized to amend the proper budgets to reflect the appropriations and expenditures of the receipts authorized by this resolution.

Section 10. Federal Tax Matters Related to the Note. The County expects that the Note will be issued so that the interest thereon is excluded from gross income for purposes of federal income taxation under laws in force on the date of delivery of the Note. If the Note is so issued, the County agrees that it shall take no action that may render the interest on any of said Note subject to federal income taxation. It is the reasonable expectation of the Governing Body that the proceeds of the Note will not be used in a manner which will cause the Note to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, including any lawful regulations promulgated or proposed thereunder, and to this end the said proceeds of the Note and other related funds established for the purposes herein set out, shall be used and spent expeditiously for the purposes described herein. The Governing Body further covenants and represents that in the event it shall be required by Section 148(f) of the Code to pay any investment proceeds of the Note to the United States government, it will make such payments as and when required by said Section and will take such other actions as shall be necessary or permitted to prevent the interest on the Note from becoming subject to inclusion in the gross income for purposes of federal income taxation. The County Mayor and the County Clerk are authorized and directed to make such certifications in this regard in connection with the sale of the Note as any or all shall deem appropriate, and such certifications shall constitute a representation and certification of the County. The County's Federal Tax Compliance Policies and Procedures previously adopted by the County Mayor as an administrative policy are hereby ratified or approved.

Section 11. Discharge and Satisfaction of Note. If the County shall pay and discharge the indebtedness evidenced by the Note in any one or more of the following ways:

(a) By paying or causing to be paid the principal of and interest on such Note as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or bank whose deposits are insured by the Federal Deposit Insurance Corporation and which has trust powers (“a Trustee”), in trust, on or before the date of maturity, sufficient money or Defeasance Obligations, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay such Note and to pay interest thereon when due until the maturity date; or

(c) By delivering such Note to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable hereunder by the County with respect to such Note, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Trustee to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Note when due, then and in that case the indebtedness evidenced by such Note shall be discharged and satisfied and all covenants, agreements and obligations of the County to the owner of such Note shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the County shall pay and discharge the indebtedness evidenced by the Note in the manner provided in either clause (a) or clause (b) above, then the registered owner thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and premium, if any, and interest on said Note; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the County as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Note and interest earned from such reinvestments shall be paid over to the County, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or obligations of any agency or instrumentality of the United States, which obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 12. Reimbursement. It is reasonably expected that the County will reimburse itself for certain expenditures made by it in connection with the Projects by issuing the Note. This resolution shall be placed in the minutes of the Governing Body and shall be made available for inspection by the general public at the office of the Governing Body. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

Section 13. Qualified Tax-Exempt Obligations. The Governing Body hereby authorizes the County Mayor to designate the Note as “qualified tax-exempt obligations,” to the extent the Note, or any emission thereof, may be designated, within the meaning of and pursuant to Section 265 of the Code.

Section 14. Reasonably Expected Economic Life. The “reasonably expected economic life” of the Projects within the meaning of Section 9-21-101 et seq., Tennessee Code Annotated, is greater than the authorized maturity of the Note.

Section 15. Resolution a Contract. The provisions of this resolution shall constitute a contract between the County and the registered owner of the Note, and after the issuance of the Note, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Note and interest due thereon shall have been paid in full.

Section 16. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 17. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof, in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.


Section 18. Financial Statements. Until the Note mature or are redeemed, the County agrees, if required by the Bank, to use its best efforts to cause copies of its audited financials to be furnished to the Bank within 270 days after the close of each fiscal year but no later than one year after the close of the fiscal year.

Duly adopted and approved on July 17, 2023.



\_\_\_\_\_  
County Mayor

Attested:



\_\_\_\_\_  
County Clerk



STATE OF TENNESSEE        )

COUNTY OF JEFFERSON     )

I, Frank Herndon, certify that I am the duly qualified and acting County Clerk of Jefferson County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a meeting of the governing body of the County held on July 17, 2023; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to General Obligation Capital Outlay Note of said County.

WITNESS my official signature of said County this 17<sup>th</sup> day of July, 2023.

*Frank Herndon*  
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County Clerk



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