

Draft No. 2
September 8, 2026

MASTER TRUST AGREEMENT

Dated as of November 1, 2026

Between

TOWN OF APEX, NORTH CAROLINA

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Town of Apex, North Carolina
Limited Obligation Bonds

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 101	Meaning of Words and Terms
Section 102	Rules of Construction.

ARTICLE II

THE BONDS

Section 201	Limitation on Issuance of Bonds
Section 202	Details of Bonds.....
Section 203	Execution and Form of Bonds
Section 204	Exchange of Bonds
Section 205	Transfer and Registration of Transfer of Bonds
Section 206	Ownership of Bonds
Section 207	Authentication of Bonds
Section 208	Terms and Conditions for Issuance of Bonds
Section 209	Temporary Bonds.....
Section 210	Mutilated, Destroyed, Lost or Stolen Bonds.....
Section 211	Bonds Constitute Installment Contracts Under Act.....

ARTICLE III

REDEMPTION

Section 301	Redemption Generally
Section 302	Selection of Bonds or Portions Thereof to be Redeemed
Section 303	Redemption Notice
Section 304	Effect of Calling for Redemption
Section 305	Redemption of a Portion of Bonds.....
Section 306	Cancellation

ARTICLE IV

PROJECT FUND

Section 401	Project Fund
Section 402	Deposits to Project Fund; Payments from Project Fund
Section 403	Requisitions from Project Fund
Section 404	Reliance upon Requisitions.....
Section 405	Completion of Project
Section 406	Transfers of Unexpended Proceeds

ARTICLE V

OTHER FUNDS AND ACCOUNTS; PAYMENT OF DEBT SERVICE

Section 501	Establishment of Bond Fund.....
Section 502	Payment of Debt Service
Section 503	Application of Money in Interest Account
Section 504	Application of Money in Principal Account.....
Section 505	Application of Money in Sinking Fund Account.....
Section 506	Application of Money in the Redemption Account.....
Section 507	Net Proceeds Fund
Section 508	Escheat
Section 509	Cancellation of Bonds.....
Section 510	Disposition of Fund Balances

ARTICLE VI

INSURANCE

Section 601	Comprehensive General Liability
Section 602	Workers' Compensation
Section 603	Casualty and Theft Insurance.....
Section 604	Title Insurance
Section 605	General Insurance Provisions

ARTICLE VII

DEPOSITARIES OF MONEY; SECURITY FOR DEPOSITS; INVESTMENT OF FUNDS AND COVENANTS OF THE TOWN

Section 701	Security for Deposits.....
Section 702	Investment of Money
Section 703	Valuation.....
Section 704	Covenant as to Arbitrage
Section 705	Construction.....
Section 706	Installation of Additional Improvements; Modification of Mortgaged Property
Section 707	Access to Mortgaged Property.....
Section 708	Maintenance, Utilities, Taxes and Assessments
Section 709	Encumbrances
Section 710	Indemnification
Section 711	Release of Mortgaged Property
Section 712	Assignment and Lease by the Town

ARTICLE VIII

PAYMENT OF BONDS; LIMITED OBLIGATION; BUDGETING

Section 801	Payment of Bonds; Limited Obligation; Budgeting
Section 802	No Set-Off or Recoupment

ARTICLE IX

REMEDIES

Section 901	Extension of Interest Payment
Section 902	Events of Default
Section 903	Acceleration of Maturities
Section 904	Remedies
Section 905	Application of Funds.....
Section 906	Effect of Discontinuance of Proceedings.....
Section 907	Control of Proceedings
Section 908	Restrictions Upon Action.....
Section 909	Enforcement of Rights of Action.....
Section 910	No Remedy Exclusive.....
Section 911	Delay Not a Waiver
Section 912	Notice of Default.....
Section 913	Right to Enforce Payment of Bonds Unimpaired
Section 914	Trustee Notice of Default.....

ARTICLE X

TRUSTEE

Section 1001	Acceptance of Trusts.....
Section 1002	Indemnification of Trustee as Condition for Remedial Action
Section 1003	Limitations on Obligations and Responsibilities of Trustee.....
Section 1004	Trustee Not Liable for Failure of Town to Act.....
Section 1005	Compensation and Indemnification of Trustee.....
Section 1006	Monthly Statements from Trustee
Section 1007	Trustee May Rely on Certificates
Section 1008	Trustee Not Responsible for Recitals
Section 1009	Trustee Protected in Relying on Certain Documents.....
Section 1010	Trustee May Pay Taxes and Assessments
Section 1011	Resignation and Removal of Trustee Subject to Appointment of Successor
Section 1012	Resignation of Trustee
Section 1013	Removal of Trustee.....
Section 1014	Appointment of Successor Trustee
Section 1015	Vesting of Duties in Successor Trustee
Section 1016	E-Verify

ARTICLE XI

EXECUTION OF INSTRUMENTS BY OWNERS, PROOF OF OWNERSHIP OF BONDS, AND DETERMINATION OF CONCURRENCE OF OWNERS

Section 1101	Execution of Instruments
Section 1102	Preservation of Information; Communications.....

ARTICLE XII

AMENDMENTS AND SUPPLEMENTS; ASSIGNMENTS AND LEASING

Section 1201	Supplements and Amendments Without Consent.....
Section 1202	Supplements and Amendments With Consent.....
Section 1203	Bonds Affected
Section 1204	Supplements and Amendments Part of Master Trust Agreement and Deed of Trust.....
Section 1205	Supplemental Trust Agreements.....
Section 1206	Exclusion of Bonds

ARTICLE XIII

DEFEASANCE

Section 1301	Release of Trust Agreement.....
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ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401	Successorship of Town
Section 1402	Payment Due on Holidays
Section 1403	Manner of Giving Notice
Section 1404	Substitute Mailing.....
Section 1405	Parties, Owners and Local Government Commission Alone Have Rights Under this Master Trust Agreement.....
Section 1406	Effect of Partial Invalidity
Section 1407	Effect of Covenants; Governing Law; Venue.....
Section 1408	No Recourse Against Members, Officers or Employees of Town or the Local Government Commission
Section 1409	Dealing in Bonds.....
Section 1410	Headings
Section 1411	Further Authority
Section 1412	Multiple Counterparts
Section 1413	USA Patriot Act Compliance.....

Exhibit A	Form of Requisition and Certificate
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MASTER TRUST AGREEMENT

This MASTER TRUST AGREEMENT, dated as of November 1, 2026 (this “Master Trust Agreement”), between the TOWN OF APEX, NORTH CAROLINA, a municipal corporation duly organized and validly existing under the laws of the State of North Carolina (the “Town”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, which is authorized under such laws to exercise trust powers (the “Trustee”);

WITNESSETH:

WHEREAS, the Town is a municipal corporation duly organized and validly existing under the Constitution and laws of the State of North Carolina;

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended (the “Act”), the Town may finance or refinance (a) the purchase of real or personal property or (b) the construction of fixtures or improvements on real property by contracts that create in the property so acquired or in the fixtures or improvements, or in all or some portion of the property upon which the fixtures or improvements are located, or in both, a security interest to secure repayment of the moneys advanced or made available for such purchase or construction;

WHEREAS, the Town desires to finance the costs of (i) acquiring, constructing, renovating and equipping improvements to Town Hall and the Tunstall House, (ii) various streets and sidewalk improvements, including, but not limited to, Salem Street streetscaping, and (iii) acquiring property for a future Public Safety Station (collectively, the “2026 Project”) and to finance the same;

WHEREAS, the Town has developed a plan of finance under which the Town will enter into this Master Trust Agreement with the Trustee providing for the issuance by the Town from time to time of limited obligation bonds, each such limited obligation bond constituting a contract between the Town and the owners of such limited obligation bonds to provide funds to the Town for the purpose of financing or refinancing all or a portion of the costs of various capital projects, the payments thereunder to be secured on a parity with all other bonds issued pursuant to the provisions hereof by the security created hereunder, and for the Town to repay such financings as herein provided;

WHEREAS, the Town currently desires to provide for the issuance of the Series 2026 Bonds (hereinafter defined) as provided in this Master Trust Agreement and the First Supplemental Trust Agreement to provide funds, together with any other available funds, to (a) pay or reimburse the costs of the 2026 Project and (b) pay the fees and expenses incurred in connection with the sale and issuance of the Series 2026 Bonds;

WHEREAS, the Town may hereafter desire to (a) finance various other capital projects pursuant to the provisions of this Master Trust Agreement or (b) refund or refinance certain outstanding Bonds (hereinafter defined) issued hereunder or other indebtedness by issuing additional Bonds (hereinafter defined) as provided hereunder;

WHEREAS, in order to secure such repayment and the performance by the Town of its other obligations hereunder, the Town will execute and deliver the Deed of Trust (hereinafter defined) granting a lien on the site of the Town's Town Hall constituting a portion of the 2026 Project, together with all improvements and fixtures located and to be located thereon, all as more particularly described in the Deed of Trust (the "Mortgaged Property");

WHEREAS, under the Constitution and laws of the State of North Carolina, including the Act, the Town is authorized to enter into this Master Trust Agreement, to issue the Bonds as hereinafter provided and to do or cause to be done all the acts and things herein provided or required to be done as hereinafter covenanted;

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of North Carolina to happen, exist and be performed precedent to and in the execution and delivery of this Master Trust Agreement have happened, exist and have been performed as so required to make this Master Trust Agreement a valid and binding agreement of the Town; and

WHEREAS, the Trustee has accepted the trusts created by this Master Trust Agreement and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 101 Meaning of Words and Terms. In addition to words and terms defined elsewhere in this Master Trust Agreement, the following words and terms as used in this Master Trust Agreement shall have the following meanings, unless some other meaning is plainly intended:

“Additional Payments” means the additional payments required to be made by the Town pursuant to Section 801.

“Additional Project” means any building, facility, fixture or other improvement financed with the proceeds of Bonds, other than the 2026 Project.

“Authorized Officer” means the Town Manager, the Finance Director or any other person designated by the Town from time to time to perform the duties imposed on an Authorized Officer by this Master Trust Agreement pursuant to an Officer’s Certificate filed with the Trustee for such purpose and containing the specimen signatures of such persons.

“Bond” or “Bonds” means the Series 2026 Bonds and any other bonds or notes issued under the provisions of Section 208 and secured on a parity with each other by this Master Trust Agreement.

“Bond Counsel” means an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and the tax-exempt status of interest on, obligations issued by states and their political subdivisions and acceptable to the Town.

“Bond Fund” means the fund created and designated the “Town of Apex, North Carolina Limited Obligation Bonds Bond Fund” by Section 501.

“Business Day” means a day on which the Trustee and the New York Stock Exchange are open for the purpose of conducting their businesses.

“Certificate of Completion” means the certificate of an Authorized Officer stating that the 2026 Project or any Additional Project (or any component thereof financed with a particular Series of Bonds) has been completed as required by Section 405.

“Deed of Trust” means the Deed of Trust, of even date herewith, from the Town to the Deed of Trust Trustee for the benefit of the Trustee, granting a lien on the Mortgaged Property, including any amendment or supplement thereto as permitted thereby and by this Master Trust Agreement.

“Deed of Trust Trustee” means the trustee serving from time to time under the Deed of Trust.

“Defaulted Interest” means Defaulted Interest as defined in Section 202.

“Defeasance Obligations” means non-callable Government Obligations.

“Event of Default” means each of those events of default set forth in Section 902.

“Event of Nonappropriation” means (a) the failure by the Town Council to budget and appropriate in its budget for any Fiscal Year moneys sufficient to pay all payments of principal and interest on the Bonds (reasonably estimated in the case of any Bonds issued bearing a variable interest rate) and the reasonably estimated Additional Payments coming due in such Fiscal Year or (b) the deletion by the Town Council from its duly adopted budget of any appropriation made for the purposes specified in clause (a) above. In the event that during any Fiscal Year, Additional Payments shall become due and payable that were not included in the Town’s current budget, and if there are no moneys available to pay such Additional Payments within sixty (60) days subsequent to the date upon which such Additional Payments are due and payable, an Event of Nonappropriation shall be deemed to have occurred upon notice being given by the Trustee to the Town to such effect.

“First Supplemental Trust Agreement” means the First Supplemental Trust Agreement, dated as of November 1, 2026, between the Town and the Trustee, setting forth the terms and provisions with respect to the Series 2026 Bonds, including any amendments or supplements thereto.

“Fiscal Year” means the period commencing on the first day of July of any year and ending on the last day of June of the following year.

“Fitch” means Fitch Inc. d/b/a Fitch Ratings, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Town by notice to the Trustee.

“Government Obligations” means direct obligations of, or obligations the principal of and the interest on which are fully and unconditionally guaranteed by, the United States of America in either certificated or book-entry form, including (a) to the extent permitted by law, evidences of ownership of, or fractional undivided interests in, future interest and principal payments on such obligations and (b) to the extent permitted by law, obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended by Section 511(a) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, and commonly known as “interest strips” of the Resolution Funding Corporation.

“Interest Account” means the account in the Bond Fund created and so designated by Section 501.

“Interest Payment Date” means, with respect to any Series of Bonds, each of the interest payment dates provided for in the Supplemental Trust Agreement relating to such Series.

“Investment Obligations” means any investments which at the time of investment are authorized by Section 159-30 of the General Statutes of North Carolina, as it may be amended

from time to time, or any successor statute, except as may otherwise be modified in a Supplemental Trust Agreement.

“Issuance Costs” means and further includes all items of expense directly or indirectly payable by or reimbursable to the Town relating to the sale and issuance of the Bonds, including, but not limited to, filing and recording costs, settlement costs, printing costs, word processing costs, reproduction and binding costs, initial fees and expenses of the Trustee, bond insurance premiums, initial credit facility or liquidity facility fees, Trustee, remarketing and tender agent fees, legal fees and expenses, financing and other professional consultant fees, costs of rating agencies and costs of providing information to such rating agencies, fees for execution, transportation and safekeeping of the Bonds and charges, fees and expenses in connection with the foregoing.

“Local Government Commission” means the Local Government Commission, a division of the Department of the State Treasurer of the State.

“Moody’s” means Moody’s Investors Service, Inc. and its successors and assigns, and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Town by notice to the Trustee.

“Mortgaged Property” means the property subject to the lien created by the Deed of Trust, initially consisting of the site of the Town’s Town Hall constituting a portion of the 2026 Project, together with all buildings, improvements and fixtures located or to be located thereon.

“Net Proceeds” means any proceeds of insurance or taking by eminent domain or condemnation paid with respect to the Mortgaged Property remaining after payment therefrom of any expenses (including attorneys’ fees) incurred in the collection thereof.

“Net Proceeds Fund” means the fund by that name established and held by the Trustee pursuant to Section 507.

“Officer’s Certificate” means a certificate signed by an Authorized Officer.

“Outstanding” when used with reference to Bonds means, as of a particular date, all Bonds theretofore authenticated and delivered under this Master Trust Agreement, except:

- (a) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;
- (b) Bonds deemed to be no longer Outstanding pursuant to Section 304;
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Master Trust Agreement;
- (d) Bonds deemed to have been paid in accordance with Article XIII; and

(e) Bonds deemed to have been purchased in accordance with the provisions of the applicable Supplemental Trust Agreement in lieu of which other Bonds have been delivered under such Supplemental Trust Agreement.

“Owner” means a person or entity in whose name a Bond is registered in the registration books provided for in Section 205.

“Permitted Encumbrances” means and includes (a) liens for taxes, assessments and other governmental charges due but not yet payable; (b) landlord’s, warehouseman’s, carrier’s, worker’s, vendor’s, mechanic’s and materialmen’s liens and similar liens incurred in the ordinary course of business remaining undischarged for not longer than sixty (60) days from the filing thereof; (c) attachments remaining undischarged for not longer than sixty (60) days from the making thereof; (d) liens in respect of pledges or deposits under workers’ compensation laws, unemployment insurance or similar legislation and in respect of pledges or deposits to secure bids, tenders, contracts (other than contracts for the payment of money), leases or statutory obligations, or in connection with surety, appeal and similar bonds incidental to the conduct of litigation; (e) the lien created by the Deed of Trust or any lease of all or any portion of the Mortgaged Property permitted by Section 712; (f) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date the property subject to such encumbrance becomes Mortgaged Property and that the Town certifies to the Trustee in writing will not materially impair the use of such Mortgaged Property for its intended purpose; (g) easements, licenses, rights of way, air rights and other rights or privileges of a similar nature with respect to any part of the Mortgaged Property that are either subordinate to the lien of the Deed of Trust or otherwise permitted by Section 4 of the Deed of Trust; (h) this Master Trust Agreement or any Supplemental Trust Agreement; and (i) any other encumbrances described in a policy of title insurance required by Section 604.

“Prior Bonds” of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond, and for purposes of this definition, any Bond authenticated and delivered under Section 210 in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

“Principal Account” means the account in the Bond Fund created and so designated by Section 501.

“Project Costs” means, with respect to any item or portion of the 2026 Project or any Additional Project, the contract price paid or to be paid therefor upon construction, acquisition, remodeling, improvement or equipping thereof, in accordance with a purchase order or contract therefor. Project Costs include payment or the reimbursement of the Town for the payment of the administrative, engineering, legal, financial and other costs incurred by the Town in connection with the acquisition, construction or equipping of the 2026 Project or any Additional Project, all costs incurred for the payment of interest on a Series of Bonds during the period of acquisition, construction or equipping of the 2026 Project or any Additional Project, and include all applicable sales taxes and other charges resulting from such acquisition, construction and equipping of the 2026 Project or any Additional Project.

“Project Fund” means the fund created and designated the “Town of Apex, North Carolina Limited Obligation Bonds Project Fund” by Section 401.

“Rating Agency” means Fitch, Moody’s and S&P, but only to the extent that such entity is then maintaining a rating on any of the Bonds.

“Redemption Account” means the account in the Bond Fund created and so designated by Section 501.

“Redemption Price” means, with respect to Bonds, the principal amount of such Bonds called for redemption plus the applicable premium, if any, payable upon redemption thereof.

“Regular Record Date” means, with respect to any Series of Bonds, the regular record date, if any, provided for in the Supplemental Trust Agreement relating to such Series.

“S&P” means S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and its successors and assigns, and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Town by notice to the Trustee.

“Securities Depository” means the Depository Trust Company, or any other recognized securities depository selected by the Town, which maintains a book-entry system in respect of a Series of Bonds, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

“Securities Depository Nominee” means, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books maintained by the Trustee the Bond certificates to be delivered to and immobilized at such Securities Depository during the continuation with such Securities Depository of participation in its book-entry system.

“Serial Bonds” means the Bonds of any Series that are stated to mature in consecutive annual installments.

“Series,” whenever used herein with respect to Bonds, means all of the Bonds designated as being of the same series.

“Series 2026 Bonds” means the Town of Apex, North Carolina Limited Obligation Bonds, Series 2026.

“Sinking Fund Account” means the account in the Bond Fund created and so designated by the provisions of Section 501.

“Sinking Fund Requirement” means, with respect to any Series of Bonds, the Sinking Fund Requirement provided in the Supplemental Trust Agreement relating to such Series.

“Special Record Date” means a date fixed by the Trustee for determining the Owner of Bonds for the payment of Defaulted Interest pursuant to Section 202.

“State” means the State of North Carolina.

“Supplemental Trust Agreement” means any supplemental trust agreement executed and delivered by the Town authorizing the issuance of any particular Series of Bonds that is required to be executed and delivered by this Master Trust Agreement prior to the issuance of any such Series, including the First Supplemental Trust Agreement.

“Term Bonds” means the Bonds of any Series, other than Serial Bonds, which are designated as such in the Supplemental Trust Agreement for such Series.

“Town” means the Town of Apex, North Carolina, a municipal corporation duly organized and validly existing under the laws of the State, and any successor thereto.

“Town Council” means the Town Council of the Town.

“Trust Agreement” means collectively, this Master Trust Agreement, each Supplemental Trust Agreement and any supplements and amendments hereto and thereto permitted hereby or thereby.

“Trustee” means the Trustee serving as such under the Trust Agreement, whether original or successor.

“2026 Project” has the meaning set forth in the recitals to this Master Trust Agreement.

Section 102 Rules of Construction. (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words used herein shall include the plural as well as the singular number.

(b) References herein to particular articles or sections are references to articles or sections of this Master Trust Agreement unless some other reference is indicated.

(c) References herein to specific sections or chapters of the General Statutes of North Carolina or to specific legislative acts are intended to be references to these sections, chapters or acts as amended and as they may be amended from time to time by the General Assembly of North Carolina, or any successor statute.

(d) Provisions calling for the redemption of Bonds or the calling of Bonds for redemption do not mean or include the payment of Bonds at a stated maturity or maturities.

ARTICLE II

THE BONDS

Section 201 Limitation on Issuance of Bonds. No Bonds may be issued under this Master Trust Agreement except in accordance with the provisions of this Article. The principal of, premium, if any, and interest on all Bonds issued under the provisions of this Master Trust Agreement shall be payable solely as described by this Master Trust Agreement and the respective Supplemental Trust Agreements for their payment. All covenants, agreements and provisions of this Master Trust Agreement shall be for the benefit and security of all present and future Owners of Bonds without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter or in any Supplemental Trust Agreement provided, of any one Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof, or otherwise.

Section 202 Details of Bonds. Bonds authorized hereunder may be issued in one or more Series that may be delivered from time to time. The Town shall by Supplemental Trust Agreement authorize such Series and shall specify, to the extent appropriate, (a) the authorized principal amount of such Series, (b) the date and terms of maturity or maturities of the Bonds of such Series, or the dates of payment of the Bonds on the demand of the Owner; (c) the interest rate or rates of the Bonds of such Series, which may include variable, adjustable, convertible or other rates, original issue discount, capital appreciation bonds, municipal multipliers or other deferred interest arrangements and zero interest rate bonds, provided that the interest cost of such Series shall never exceed for such Series the maximum interest rate, if any, permitted by law in effect at the time such Series is issued; (d) the Interest Payment Dates for such Series of Bonds; (e) the denominations, numbering, lettering and series designation of such Series of Bonds; (f) the place or places of payment of such Bonds; (g) the redemption dates and Redemption Prices for such Series of Bonds and any terms of redemption not inconsistent with the provisions of this Master Trust Agreement, which may include mandatory redemption at the election of the Owner thereof to the extent permitted by law; (h) the terms of any optional or mandatory tender requirement, if any, for such Series of Bonds; (i) the use to be made of proceeds of such Series of Bonds, including, without limitation, the deposits required to be made into the Project Fund or appropriate subaccount of the Interest Account or any debt service reserve fund; (j) provisions relating to any collateral security, bond insurance or a credit facility or liquidity facility for such Series and (k) any other terms or provisions applicable to the Series of Bonds not inconsistent with the provisions of this Master Trust Agreement or the Act. All of the foregoing may be added by Supplemental Trust Agreements executed at any time or from time to time prior to the issuance of such Series of Bonds.

Each Bond shall bear interest from the Interest Payment Date next preceding the date on which it is authenticated unless it is (a) authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) authenticated prior to the first Interest Payment Date, in which event it shall bear interest from its date or such later date as is specified in the Supplemental Trust Agreement providing for its issuance; provided, however, that if at the time of authentication of any Bond interest is in default, such Bond shall bear interest from the date to which interest has been paid.

Unless otherwise provided in a Supplemental Trust Agreement, the principal of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. The payment of interest on each Bond shall be made (a) by the Trustee on each Interest Payment Date to the person or entity appearing on the registration books of the Trustee as the registered owner thereof as of the Regular Record Date by check mailed to the registered owner at his address as it appears on such registration books, or (b) by such additional or alternative means as is provided in any Supplemental Trust Agreement providing for the issuance of such Bond. Unless otherwise provided in a Supplemental Trust Agreement, payment of the principal of all Bonds (other than pursuant to mandatory sinking fund redemption) shall be made upon the presentation and surrender of such Bonds at the designated corporate trust office of the Trustee as the same become due and payable (whether at maturity or by redemption, acceleration or otherwise).

Any interest on any Bond of any Series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Regular Record Date solely by virtue of such Owner having been such Owner; and such Defaulted Interest may be paid by the Town, at its election in each case, as provided in subsection A or B below:

A. The Town may elect to make payment of any Defaulted Interest on the Bonds of any Series to the persons or entities in whose names such Bonds (or their respective Prior Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Town shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time, the Town shall deposit with the Trustee 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 Trustee 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 or entities entitled to such Defaulted Interest as in this Subsection provided. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment and not less than ten (10) days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Town of such Special Record Date and, in the name and at the expense of the Town, 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 Owner at his address as it appears in the registration books maintained under Section 205 not less than ten (10) days prior to such Special Record Date. The Trustee shall, if directed by an Authorized Officer, in the name and at the expense of the Town, cause a similar notice to be published at least once in (i) a financial journal distributed in the Borough of Manhattan, City and State of New York, and (ii) a newspaper of general circulation in the Town of Apex, North Carolina, but such publication shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons or entities in

whose names the Bonds (or their respective Prior Bonds) are registered on such Special Record Date and shall no longer be payable pursuant to the following subsection B below.

B. The Town may make payment of any Defaulted Interest on the Bonds of any Series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Bonds may be listed and upon such notice as may be required by such exchange, if, after notice given by the Town to the Trustee of the proposed payment pursuant to this Subsection, such payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Bond delivered under this Master Trust Agreement upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date, that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

Section 203 Execution and Form of Bonds. The Bonds shall be signed by, or bear the facsimile signatures of, the Mayor or Mayor Pro Tempore of the Town or the Town Manager of the Town and the official seal of the Town shall be impressed, or a facsimile thereof imprinted, on the Bonds and attested by the manual or facsimile signature of the Town Clerk or any Deputy or Assistant Town Clerk of the Town. In case any officer whose signature or a facsimile of whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature or such facsimile nevertheless shall be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond are the proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers.

The definitive Bonds are issuable as permitted or required by the respective Supplemental Trust Agreement providing for the issuance of Bonds of any Series. Bonds may be issued under a book-entry system and held by a Securities Depository. All Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the applicable rules and regulations of any governmental authority or any securities exchange on which the Bonds may be listed or to any requirement of law with respect thereto.

Section 204 Exchange of Bonds. Bonds, upon surrender thereof at the designated corporate trust office of the Trustee, together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same Series and maturity, of any denomination or denominations authorized by the Supplemental Trust Agreement pursuant to which such Bonds were issued, bearing interest at the same rate and in the same form as the Bonds surrendered for exchange.

The Town shall make provision for the exchange of Bonds at the designated corporate trust office of the Trustee.

Section 205 Transfer and Registration of Transfer of Bonds. Unless provided to the contrary in a Supplemental Trust Agreement, and as permitted by law, the Trustee shall keep books for the registration and the registration of transfer of the Bonds. The registration books shall be available at all reasonable times for inspection by the Town and any Owner of such Bonds and may be copied by either of the foregoing and their agents or representatives.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon presentation thereof to the Trustee together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, in such form as shall be satisfactory to the Trustee. No transfer of any Bond shall alter the ownership of such Bond for purposes of this Master Trust Agreement unless such transfer is registered with the Trustee. Upon any such registration of transfer, the Town shall, if necessary, execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by the Supplemental Trust Agreement pursuant to which such Bond was issued, in the aggregate principal amount equal to the principal amount of such Bond surrendered or exchanged, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Town shall, if necessary, execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Master Trust Agreement. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Trustee. No service charge shall be made for any registration, transfer or exchange of Bonds, but the Town and the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds. Unless otherwise required by the applicable Supplemental Trust Agreement, neither the Town nor the Trustee shall be required (a) to issue, transfer or exchange Bonds during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing or (b) to transfer or exchange any Bond so selected for redemption in whole or in part.

Section 206 Ownership of Bonds. The Town, the Trustee and any agent of the Town or the Trustee, may treat the person or entity in whose name any Bond is registered, including, without limitation, any Securities Depository Nominee, as the Owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest on such Bond, and for all other purposes whatsoever, whether or not such Bond be overdue, and, to the extent permitted by law, neither the Town, the Trustee, nor any such agent shall be affected by notice to the contrary.

Section 207 Authentication of Bonds. Only such Bonds as have endorsed thereon a certificate of authentication substantially in the form set forth in the Supplemental Trust Agreement pursuant to which such Bonds are issued, duly executed as provided in the Supplemental Trust Agreement, shall be entitled to any benefit or security under this Master Trust Agreement. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication on the Bond has been duly executed and dated as provided in the Supplemental Trust Agreement, and such certificate upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Master Trust Agreement. The certificate of authentication on any Bond shall be deemed to have been duly executed and dated if

signed by an authorized officer of the party authorized under the Supplemental Trust Agreement but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds or any Series thereof that may be issued hereunder at any one time.

Section 208 Terms and Conditions for Issuance of Bonds. Before any Bonds shall be issued, the Town shall execute and deliver a Supplemental Trust Agreement authorizing the issuance of such Bonds, fixing the amount and the details thereof as provided in Section 202 and describing in brief and general terms the purpose for issuing such Bonds. The Series 2026 Bonds shall be issued for the purposes set forth in the First Supplemental Trust Agreement. Additional Bonds may be issued for the purpose of providing funds, with any other available funds, for paying:

- (a) the Project Costs for completion of the 2026 Project,
- (b) the Project Costs for any Additional Project, and
- (c) the costs (including financing costs) of refunding any Bonds or, to the extent permitted by law, indebtedness other than Bonds.

Unless otherwise provided in the Supplemental Trust Agreement, the Bonds of each Series shall be designated “Town of Apex, North Carolina Limited Obligation Bonds, Series ____” (inserting the year such Bonds are issued and any other distinctive letter, number or other identifier as the Town may determine), shall be stated to mature, subject to the right of prior redemption as therein set forth, on the date or dates specified therein, in such year or years not later than forty (40) years from their date, shall bear interest at a rate or rates not exceeding the maximum rate then permitted by law, shall be numbered and shall have such redemption provisions (subject to the provisions of Article III), all as provided in the Supplemental Trust Agreement. Except to the extent described in Section 202, all such Bonds shall be on a parity with each other and shall be entitled to the same benefit and security of this Master Trust Agreement.

The Bonds shall be executed substantially in the form and in the manner hereinabove set forth and shall be deposited with the Trustee for authentication, but before the Bonds shall be authenticated and delivered to the Town for redelivery to the purchasers thereof, there shall be filed with the Trustee the following:

- (i) an executed copy of this Master Trust Agreement;
- (ii) an executed copy of the Supplemental Trust Agreement for the particular Series of Bonds;
- (iii) an executed copy of the Deed of Trust and any modifications thereto that may be entered into in connection with the issuance of such Series of Bonds, and evidence satisfactory to the Trustee that the Deed of Trust and any such modifications have been or will be recorded in the office of the Register of Deeds of Wake County, North Carolina;
- (iv) a copy, certified by the Town Clerk of the Town, of the resolution of the Town Council authorizing the particular Series of Bonds;

(v) a copy, certified by the Secretary or Deputy Secretary of the Local Government Commission, of the resolution(s) or order(s) of the Local Government Commission approving this Master Trust Agreement and the Supplemental Trust Agreement relating to a particular Series of Bonds, if so required by the Act;

(vi) an opinion of Bond Counsel to the effect that such Bonds have been duly authorized, executed and delivered and constitute valid and binding obligations of the Town, enforceable in accordance with their terms, subject to customary exceptions for bankruptcy, insolvency, reorganization and similar laws affecting creditor's rights; and

(vii) such other documents or other items as are required to be delivered to the Trustee pursuant to the Supplemental Trust Agreement.

When the documents mentioned in subsections (i) to (vii), inclusive, of this Section shall have been filed with the Trustee and when the Bonds shall have been executed and authenticated as required by this Master Trust Agreement, the Trustee shall deliver the Bonds at one time to or upon the order of the Town for redelivery to or upon the order of the purchasers thereof, but only upon payment to the Trustee or other persons or entities as provided in the Supplemental Trust Agreement of the purchase price of the Bonds and the accrued interest, if any, thereon to the date of issuance. The Trustee shall be entitled to rely upon the resolutions and documents mentioned in subsections (i) to (vii) of this Section as to all matters stated therein.

The proceeds (including accrued interest, if any) of the Bonds shall be applied simultaneously with the delivery of the Bonds as provided in the Supplemental Trust Agreement.

Section 209 Temporary Bonds. Until the definitive Bonds of any Series are ready for delivery, there may be executed, and upon direction of the Town, the Trustee shall deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, except as to identifying numbers, printed, engraved, lithographed or typewritten temporary Bonds in denominations permitted by the applicable Supplemental Trust Agreement for the definitive Bonds, substantially of the tenor hereinabove set forth, with such appropriate omissions, insertions and variations as may be required. The Town shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it of any temporary Bond, shall cancel the same or cause the same to be canceled and shall authenticate and deliver, in exchange therefor, at the place designated by the Owner, without expense to the Owner, a definitive Bond or Bonds of the same Series and in the same aggregate principal amount, maturing on the same date and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged, the temporary Bonds shall be entitled to the same benefit of the Trust Agreement as the definitive Bonds to be issued and authenticated hereunder, including the privilege of registration if so provided. Until definitive Bonds are ready for exchange, interest on temporary Bonds shall be paid when due and notation of such payment shall be endorsed thereon.

Section 210 Mutilated, Destroyed, Lost or Stolen Bonds. The Town shall cause to be executed, and the Trustee shall authenticate and deliver a new Bond of like date, number and tenor in exchange and substitution for and upon the cancellation of any mutilated Bond, or in lieu of and in substitution for any destroyed, lost or stolen Bond, and the Owner shall pay the reasonable expenses and charges of the Town in connection therewith. Prior to the delivery of a substitute

Bond, the Owner of any Bond which was destroyed, lost or stolen shall file with the Trustee evidence satisfactory to it of the destruction, loss or theft of such Bond and of the Owner's ownership thereof and shall furnish to the Town and to the Trustee such security or indemnity as may be required by them to save each of them harmless from all risks, however remote.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond which is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the Town, whether or not the destroyed, lost or stolen Bonds are found at any time or are enforceable by anyone, and shall be entitled to all the benefits and security hereof equally and proportionately with any and all other Bonds of the same Series duly issued under this Master Trust Agreement.

Section 211 Bonds Constitute Installment Contracts Under Act. Bonds issued under and pursuant to the terms hereof, together with corresponding obligations under the Trust Agreement and the Deed of Trust relating thereto, shall constitute installment contracts or contracts within the meaning of the Act entered into by the Town for the purpose of financing or refinancing the acquisition of real or personal property or the construction or repair of improvements thereon. The payment by the Town of the Bonds constituting such contracts shall be secured on a parity by the lien on the Mortgaged Property created under the Deed of Trust and by the other security provided for hereunder or in any Supplemental Trust Agreement to the extent provided herein or therein.

ARTICLE III

REDEMPTION

Section 301 Redemption Generally. The Bonds of any Series issued under this Master Trust Agreement may be made subject to redemption, at such times and prices, as may be provided by the Supplemental Trust Agreement authorizing the issuance of such Bonds.

Section 302 Selection of Bonds or Portions Thereof to be Redeemed. The Trustee shall select the Bonds or portions thereof to be redeemed in accordance with the terms and provisions of this Master Trust Agreement and the Supplemental Trust Agreement relating to such Bonds.

Section 303 Redemption Notice. The requirements for notice of redemption shall be set forth in the Supplemental Trust Agreement for each Series of Bonds.

Section 304 Effect of Calling for Redemption. On or before the date upon which Bonds are to be redeemed, the Town shall deposit with the Trustee money or Defeasance Obligations, or a combination of both, that will be sufficient to pay on the redemption date the Redemption Price of and interest accruing on the Bonds to be redeemed on such redemption date.

On the date fixed for redemption, notice having been given in the manner and under the conditions provided in the applicable Supplement Trust Agreement, the Bonds or portions thereof called for redemption shall be due and payable at the Redemption Price provided therefor, plus accrued interest to such date, and if moneys sufficient to pay the Redemption Price of the Bonds or portions thereof to be redeemed plus accrued interest thereon to the date of redemption are held by the Trustee in trust for the Owners of Bonds to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue; such Bonds or portions thereof shall cease to be entitled to any benefits or security under this Master Trust Agreement or to be deemed Outstanding; and the Owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the Redemption Price thereof, plus accrued interest to the date of redemption.

Bonds and portions of Bonds for which irrevocable instructions to pay on one or more specified dates or to call for redemption on any one or more dates as determined by the Town have been given to the Trustee in form satisfactory to it shall not thereafter be deemed to be Outstanding under this Master Trust Agreement and shall cease to be entitled to the security of or any rights under this Master Trust Agreement, and the Owners shall have no rights in respect of the same other than to receive payment of the principal or Redemption Price thereof and accrued interest thereon, to be given notice of redemption in the manner provided in Section 303, and to the extent hereinafter provided, to receive Bonds for any unredeemed portions of Bonds if money or Defeasance Obligations (that have maturity dates or redemption dates which, at the option of the holder of such Defeasance Obligations, shall not be later than the date or dates on which moneys will be required to effect such payment or redemption), or a combination of both, sufficient to pay the principal or Redemption Price of such Bonds or portions thereof, together with accrued interest thereon to the date upon which such Bonds are to be paid or redeemed, are held in separate accounts by the Trustee in trust for the Owners of such Bonds.

Any Supplemental Trust Agreement may provide that any notice of redemption, except a notice of redemption in respect of a Sinking Fund Requirement, may state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the Redemption Price of and interest on the Bonds to be redeemed, and that if such moneys are not so received, such notice shall be of no force or effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys or Defeasance Obligations sufficient to pay the Redemption Price of and interest on such Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received. The Supplemental Trust Agreement may also provide for the giving of notice of insufficient money prior to the redemption date and such other provisions as the Town may determine.

Section 305 Redemption of a Portion of Bonds. If less than all of an Outstanding Bond is selected for redemption, the Owner thereof or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the redemption premium, if any, on such principal amount, and the Town shall, if necessary, execute and the Trustee shall authenticate and deliver to or upon the order of such Owner or his attorney or legal representative, without charge, for the unredeemed portion of the principal amount of the Bond so surrendered, a new Bond of the same Series and maturity, bearing interest at the same rate and of any denomination or denominations authorized by Supplemental Trust Agreement for such Bond.

Section 306 Cancellation. Bonds presented and surrendered in accordance with the provisions of this Article shall be canceled upon the surrender thereof.

ARTICLE IV

PROJECT FUND

Section 401 Project Fund. The Trustee shall establish a special fund designated as the “Town of Apex, North Carolina Limited Obligation Bonds Project Fund,” shall keep such fund separate and apart from all other funds and moneys held by it and shall administer such fund as herein provided. When a Series of Bonds is issued under this Master Trust Agreement, the Trustee may establish separate accounts and subaccounts within the Project Fund to account for the proceeds of such Series of Bonds and any other funds. The moneys deposited in the Project Fund shall be held and applied by the Trustee in accordance with the provisions of this Article.

The Town hereby grants to the Trustee for the benefit of the Owners of respective Series of Bonds a lien on and a security interest in all monies and securities in the applicable accounts or subaccounts of the Project Fund relating to that Series of Bonds. The money in each such account or subaccount shall be held by the Trustee in trust and, pending application to the payment of the applicable Project Costs and/or Issuance Costs shall, to the extent permitted by law, be subject to a lien and charge in favor of the Owners of the respective Series of Bonds issued and Outstanding under this Master Trust Agreement and shall be held for the security of such Owners, except as otherwise provided herein or in any Supplemental Trust Agreement.

Section 402 Deposits to Project Fund; Payments from Project Fund. There shall be credited to the applicable account or subaccount of the Project Fund the proceeds of the sale of a Series of Bonds as required to be deposited therein pursuant to the applicable Supplemental Trust Agreement. There shall also be credited to the applicable account or subaccount of the Project Fund the proceeds of performance and labor and materials payment bonds paid to the Trustee pursuant to Section 705, all investment earnings on moneys held in the Project Fund and any other funds from time to time deposited with the Trustee for such purposes.

Payment of Project Costs and Issuance Costs shall be made from the applicable accounts and/or subaccounts of the Project Fund. All payments from the Project Fund shall be subject to the provisions and restrictions set forth in this Article, and the Town shall not cause or agree to permit to be paid from the Project Fund any sums except in accordance with such provisions and restrictions.

Section 403 Requisitions from Project Fund. Payments from the Project Fund shall be made in accordance with the provisions of this Section.

Upon request of the Town, the Trustee shall pay Issuance Costs and/or Project Costs directly from the appropriate account or subaccount of the Project Fund, but before any payment shall be made there shall be filed with the Trustee a requisition, in substantially the form set forth in Exhibit A attached hereto, signed by an Authorized Officer, stating:

- (a) the requisition number for such payment;
- (b) the name of the person or entity to whom such payment is due;
- (c) the amount to be paid;

(d) a description of the purpose of such payment;

(e) that the obligation in the stated amount has been incurred by the Town, is presently due and payable and is a proper charge against the Project Fund that has not been paid; and

(f) from which account or subaccount of the Project Fund such Project Cost or Issuance Cost shall be paid.

Upon receipt of each requisition, the Trustee shall pay the obligations set forth in such requisition out of money in the applicable account or subaccount of the Project Fund, and each such obligation shall be paid by wire transfer or by check signed by one or more officers or employees of the Trustee designated for such purpose by the Trustee. If for any reason the Town should decide prior to the initiation of the payment by the Trustee of any item in a requisition not to pay such item, it shall give written notice of such decision to the Trustee, and thereupon the Trustee shall not make such payment.

Section 404 Reliance upon Requisitions. All requisitions received by the Trustee as conditions of payment from the Project Fund may be relied upon by the Trustee. Such requisitions shall be retained by the Trustee for so long as the Bonds are Outstanding and shall be subject at all reasonable times to examination by the Town and the Owners of Bonds then Outstanding.

Section 405 Completion of Project. The Town shall use its best efforts to cause the acquisition, construction and equipping of the 2026 Project and any Additional Project to be completed with all reasonable dispatch. Upon the completion of the 2026 Project and any Additional Project (or the applicable component thereof), the Town shall prepare and deliver to the Trustee a Certificate of Completion. The Certificate of Completion shall state that the 2026 Project or Additional Project (or applicable component thereof) has been completed and that there are no mechanic's or other liens against such 2026 Project or Additional Project (or applicable component thereof) for labor or materials furnished in connection therewith.

Section 406 Transfers of Unexpended Proceeds. Subject to the provisions of any Supplemental Trust Agreement, upon the Town's filing of a Certificate of Completion with the Trustee as described in Section 405, the Trustee shall withdraw all remaining moneys in the applicable account or subaccount of the Project Fund (other than any moneys retained therein to pay Project Costs and Issuance Costs not then due and payable) and deposit such moneys in the applicable account of the Bond Fund to be applied to the next succeeding payment of principal of or interest on the Series of Bonds from which such moneys are derived; provided, however, that if the Trustee receives a certificate of an Authorized Officer directing that the proceeds of such Bonds be applied to pay the cost of other components of the 2026 Project or Additional Project, as the case may be, or any other capital project of the Town, accompanied by an opinion of Bond Counsel to the effect that such application will not violate the laws of the State, including the Act, and will not cause the interest on such Series of Bonds to be includable in the gross income of the owners thereof for purposes of federal income taxation (to the extent so intended), then the Trustee shall apply the remaining moneys in such account or subaccount of the Project Fund to the purposes so directed. In the event that following completion of the 2026 Project or any Additional Project (or any component thereof), the Trustee shall not have received a Certificate of Completion, the Trustee may request the same in writing from the Town and, if such Certificate of Completion is

not delivered to the Trustee within forty-five (45) days, and if during such forty-five (45) day period the Trustee receives no notice from the Town to the effect that the 2026 Project or Additional Project (or such component thereof) is not complete, then the Trustee may treat the 45th day following the Trustee's transmittal of the request for a Certificate of Completion as the day such certificate is received by the Trustee.

ARTICLE V

OTHER FUNDS AND ACCOUNTS; PAYMENT OF DEBT SERVICE

Section 501 Establishment of Bond Fund. In addition to the Project Fund, there is hereby established the Town of Apex, North Carolina Limited Obligation Bonds Bond Fund, in which there are established the Interest Account, the Principal Account, the Sinking Fund Account and the Redemption Account. The Bond Fund and the accounts and subaccounts therein shall be established with and held by the Trustee.

Each Supplemental Trust Agreement shall provide, to the extent applicable, for the creation of a separate subaccount within the Interest Account, the Principal Account, the Sinking Fund Account and the Redemption Account with respect to each Series of Bonds, which subaccounts shall bear the designation of such Series of Bonds.

The money in all of the accounts and subaccounts of the Bond Fund shall be held in trust and applied as hereinafter provided and, pending such application, the money in the Bond Fund and the accounts and subaccounts therein shall be subject to a pledge, charge and lien in favor of the Owners of each of the respective Series of Bonds issued and Outstanding under this Master Trust Agreement and for the further security of such Owners, except as otherwise provided herein or in any Supplemental Trust Agreement.

A Supplemental Trust Agreement may provide for the creation of such other funds and accounts as the Town may determine for the Series of Bonds authorized by such Supplemental Trust Agreement.

Section 502 Payment of Debt Service. Subject to the limitations described in Section 801, the Town shall make the following payments to the Trustee in the following manner and order:

(a) At such time or times as provided in the Supplemental Trust Agreements, the Town shall deliver to the Trustee the amounts required by the Supplemental Trust Agreements for deposit in the appropriate subaccounts of the Interest Account, provided that if there shall not be sufficient money to satisfy all such deposits then required to be made, such deposits shall be made to each such subaccount of the Interest Account ratably according to the amounts so required to be deposited.

(b) At such time or times as provided in the Supplemental Trust Agreements, the Town shall deliver to the Trustee the amounts required by the Supplemental Trust Agreements for deposit in the appropriate subaccounts of the Principal Account and the Sinking Fund Account, provided that if there shall not be sufficient money to satisfy all such deposits then required to be made, such deposits shall be made to each such subaccount of the Principal Account and the Sinking Fund Account ratably according to the amounts so required to be deposited.

On or before the 45th day next preceding any date on which Serial Bonds are to mature or Term Bonds are to be redeemed pursuant to Sinking Fund Requirements therefor or are to mature, the Town may satisfy all or a portion of its obligation to make the payments required by subsections (a) and (b) of this Section by delivering to the Trustee Serial Bonds maturing or Term

Bonds maturing or required to be redeemed on such date. The price paid to purchase any such Bond, including accrued interest to the date of purchase, shall not exceed the principal or Redemption Price plus accrued interest to the date of purchase; provided, however, that the Trustee shall have no duty to confirm the purchase price paid by the Town. Upon such delivery, the Town shall receive a credit against amounts required to be deposited into the Interest Account and the Principal Account or the Sinking Fund Account, as the case may be, on account of such Bonds with respect to all interest payments for the remainder of the Fiscal Year and in the amount of 100% of the principal amount of any such Serial Bonds or Term Bonds so delivered.

Section 503 Application of Money in Interest Account. Not later than 10:00 A.M. on each Interest Payment Date, date for the payment of Defaulted Interest or date upon which Bonds are to be redeemed, or on such other date as may be specified in the applicable Supplemental Trust Agreement, the Trustee shall withdraw from the applicable subaccount in the Interest Account and remit or otherwise set aside the amount due and payable to the Owners as provided in the Supplemental Trust Agreements.

If there shall be deposited in the applicable subaccount of the Interest Account proceeds of a Series of Bonds that are to be used to finance interest payments with respect to such Bonds as provided in a Supplemental Trust Agreement, on the date of issuance of such Series of Bonds, an Authorized Officer shall deliver to the Trustee a schedule of payments to be made on Interest Payment Date from the applicable subaccount of the Interest Account for the payment of such interest.

Unless otherwise provided by a Supplemental Trust Agreement, if the Town fails to deposit with the Trustee the amounts required to be deposited in the Interest Account as provided in Section 502, or if the balance in the Interest Account on the Business Day next preceding an Interest Payment Date is insufficient to pay interest becoming due on the Bonds on such Interest Payment Date, the Trustee shall notify the Town of the amount of the deficiency and request the Town to immediately cure such deficiency.

Section 504 Application of Money in Principal Account. Not later than 10:00 A.M. on each principal payment date, the Trustee shall withdraw from the applicable subaccount in the Principal Account and remit or otherwise set aside the amount due and payable to the Owners as provided in the Supplemental Trust Agreements.

If on any date there is money in the Principal Account and no Serial Bonds are then Outstanding or if on any principal payment date money remains therein after the payment of the principal of Serial Bonds then due, the Trustee shall withdraw such money therefrom and shall apply the same in the following order: (a) deposit into the Sinking Fund Account the amount then required to be paid thereto by the Town pursuant to Section 502 and (b) deliver all remaining amounts to the Town.

Unless otherwise provided in a Supplemental Trust Agreement, if the Town fails to deposit with the Trustee the amounts required to be deposited in the Principal Account as provided in Section 502, or if the balance in the Principal Account on the Business Day next preceding a principal payment date is insufficient to pay principal coming due on the Serial Bonds on such

principal payment date, the Trustee shall notify the Town of the amount of the deficiency and request the Town to immediately cure such deficiency.

Section 505 Application of Money in Sinking Fund Account. Money held for the credit of the subaccounts in the Sinking Fund Account shall be applied to the retirement, purchase, redemption or payment of Term Bonds in the manner provided in the applicable Supplemental Trust Agreement. Unless otherwise provided in a Supplemental Trust Agreement, if the Town fails to deposit with the Trustee the amount required to be deposited in the Sinking Fund Account as provided in Section 502, or if the balance in the Sinking Fund Account on the Business Day next preceding any maturity date or mandatory sinking fund redemption date is insufficient to retire Term Bonds on such date as required by a Supplemental Trust Agreement, the Trustee shall notify the Town of the amount of the deficiency and request the Town to immediately cure such deficiency.

Section 506 Application of Money in the Redemption Account. The Trustee shall apply money in the Redemption Account to the purchase or redemption of Bonds as follows:

(a) Subject to the provisions of subsection (c) of this Section, and if instructed to do so by an Authorized Officer, the Trustee shall use commercially reasonable efforts to purchase and cancel Bonds or portions thereof, whether or not such Bonds or portions thereof are then subject to redemption, at the direction of an Authorized Officer, provided that the purchase price of each Bond, plus accrued interest to the date of purchase, shall not exceed the Redemption Price that would be payable on the next redemption date to the Owners of such Bonds under the provisions of the applicable Supplemental Trust Agreement plus accrued interest to the redemption date if such Bond or such portion thereof were called for redemption on such redemption date from the money in the applicable subaccount of the Redemption Account. The Trustee shall pay the interest accrued on such Bonds or portions thereof to the date of settlement from the applicable subaccount of the Interest Account and the purchase price from the applicable subaccount of the Redemption Account, but no such purchase shall be made by the Trustee from money in the applicable subaccount of the Redemption Account within the period of forty-five (45) days immediately preceding any date on which such Bonds or portions thereof are to be redeemed except from moneys other than the moneys set aside in the applicable subaccount of the Redemption Account for the redemption of Bonds.

(b) Subject to the provisions of subsection (c) of this Section, the Trustee shall call for redemption on a date permitted by the applicable Supplemental Trust Agreement such amount of Bonds or portions thereof as, with the redemption premium, if any, will exhaust the moneys then held in the applicable subaccount of the Redemption Account as nearly as may be; provided, however, that not less than Fifty Thousand Dollars (\$50,000) principal amount of Bonds shall be called for redemption at any one time unless the Trustee is so instructed by the Town. The Trustee shall pay the accrued interest on the Bonds or portions thereof to be redeemed to the date of redemption from the applicable subaccount of the Interest Account and the Redemption Price of such Bonds or portions thereof from the applicable subaccount of the Redemption Account. On or before the redemption date, the Trustee shall withdraw from the applicable subaccount of the Redemption Account and the applicable subaccount of the Interest Account and the respective amounts required to pay the Redemption Price and accrued interest to the redemption date of the Bonds or portions thereof so called for redemption.

(c) Money in the Redemption Account may be applied by the Trustee in each Fiscal Year to the purchase or the redemption of Bonds of any one or more Series then Outstanding in accordance with the latest Officer's Certificate filed with the Trustee (i) designating one or more Series of Bonds to be purchased or redeemed, (ii) if more than one Series of Bonds is so designated, setting forth the aggregate principal amount of Bonds of each Series to be purchased or redeemed, and (iii) unless the Supplemental Trust Agreement relating to the Bonds to be redeemed specifies the order of redemption, designating the Bonds to be redeemed within each Series, and if such Bonds are Term Bonds, the years in which future Sinking Fund Requirements are to be reduced as a result of such redemption and the amount of such reduction in each such year. In the event no such certificate is filed and unless the Supplemental Trust Agreement relating to the Bonds to be redeemed specifies otherwise, (A) the Trustee shall apply such money to the purchase of one or more Series of Bonds as it shall determine or to the redemption of Bonds bearing the highest rate of interest, (B) if Bonds of more than one maturity bear the same interest rate, the Trustee shall redeem such Bonds in the inverse order of maturities, and (C) if the Bonds bearing the highest rate of interest are Term Bonds, the Trustee will reduce Sinking Fund Requirements for such Term Bonds in inverse order of the scheduled redemption of such Term Bonds. All Bonds shall be redeemed as provided in the applicable Supplemental Trust Agreement.

Money held for the credit of the subaccounts in the Redemption Account shall be applied to the purchase or redemption of Bonds in the manner provided in the applicable Supplemental Trust Agreement.

Section 507 Net Proceeds Fund.

(a) Establishment of Net Proceeds Fund; Deposits. There is hereby established with the Trustee a special fund designated as the "Town of Apex, North Carolina Limited Obligation Bonds Net Proceeds Fund" to be maintained and held in trust for the benefit of the Owners as provided herein. The Trustee shall deposit Net Proceeds relating to casualty and theft and title insurance in the Net Proceeds Fund promptly upon receipt thereof. The Town shall transfer to the Trustee for deposit in the Net Proceeds Fund any other Net Proceeds received by the Town in the event of any damage, destruction, theft or taking by eminent domain or condemnation with respect to the Mortgaged Property.

(b) Disbursements. The Trustee shall disburse Net Proceeds for replacement or repair of the Mortgaged Property as provided in subsection (c)(1) and (c)(3) below, or transfer such proceeds to the Redemption Account upon notification of an Authorized Officer as provided in subsection (c)(2) or (c)(4) below. Any balance of Net Proceeds remaining after receipt by the Trustee of a certificate of an Authorized Officer stating that any such replacement or repair has been completed shall be placed into the subaccount or subaccounts of the Bond Fund as so directed by an Authorized Officer and applied to the next payment of principal of and interest on the applicable series of Bonds. Any funds remaining in the Net Proceeds Fund after the redemption of all Bonds Outstanding, including accrued interest and payment of any applicable fees to the Trustee pursuant to Section 1005 or provision made therefor satisfactory to the Trustee, shall be withdrawn by the Trustee and remitted to the Town.

(c) Application of Net Proceeds. (1) Upon receipt of a certification from an Authorized Officer that the Net Proceeds available for such purpose, together with any other funds to

be provided by the Town in its discretion for such purpose, are sufficient to repair or replace the Mortgaged Property to a condition substantially similar to its condition prior to the loss, casualty or other event giving rise to receipt of such Net Proceeds, the Trustee shall disburse moneys in the Net Proceeds Fund to the person, firm or corporation named in the requisition as authorized by subsection (b) above. The Authorized Officer must state in the requisition with respect to each payment to be made (A) the requisition number, (B) the name and address of the person, firm or corporation to whom payment is due, (C) the amount to be paid and (D) that each obligation mentioned therein has been properly incurred, is a proper charge against the Net Proceeds Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation.

Any balance of Net Proceeds remaining after such replacement or repair has been completed shall be transferred to the Bond Fund and applied to make payments of principal and interest on the Bonds as the same become due. After payment or provision for payment of all Bonds Outstanding as provided in this section, any balance of Net Proceeds shall be paid to the Town.

(2) If an Authorized Officer notifies the Trustee in writing that (A) the certification required by subsection (c)(1) of this Section cannot be made or (B) replacement or repair of the Mortgaged Property is not economically feasible or in the best interest of the Town, then the Trustee, upon the direction of the Town, shall promptly transfer the Net Proceeds to the Redemption Account as provided in this Section and apply such Net Proceeds, together with any other available moneys provided by Town in its discretion to the Trustee for deposit to the Redemption Account (subject to the limitation set forth below), to the redemption in whole of all of the Outstanding Bonds as provided in Section 301 and the applicable Supplemental Trust Agreements; provided, however, that if any of the Bonds are not subject to redemption at that time, then the amount deposited in the Redemption Account may be invested in Defeasance Obligations which, together with investment earnings thereon and any moneys not so invested, shall be sufficient to pay all interest on such Bonds until their respective maturities or redemption dates and to pay the principal of and premium, if any, on such Bonds on the respective maturities or redemption dates.

(3) If there are sufficient Net Proceeds to comply with the provisions of subsections (c)(1) or (c)(2) of this Section, the Town must comply with either of such provisions. However, if the certification required by subsection (c)(1) of this Section cannot be made and if the Net Proceeds and other funds made available by the Town are insufficient to redeem or defease all of the Bonds in whole as required by subsection (c)(2) of this Section, the Trustee shall apply the Net Proceeds and any other funds made available by the Town in the Town's discretion to the replacement and repair of the Mortgaged Property with such changes as may be necessary to cause the replacement and repair to be made from the funds available therefor; provided, however, that no change may be made that would result in a use of the Mortgaged Property different from that which existed prior to the event giving rise to the receipt of Net Proceeds. If Net Proceeds are applied for such purpose, moneys shall be disbursed from the Net Proceeds Fund in the manner provided in subsection (c)(1) of this Section.

(4) If the Town is unable to comply with subsections (c)(1), (c)(2) or (c)(3) of this Section, then the Town shall direct the Trustee to transfer the Net Proceeds to the Redemption Account to be used to redeem in part the Bonds Outstanding pursuant to the redemption provisions of any Supplemental Trust Agreements in such manner specified in an Officer's Certificate filed with the Trustee; provided, however, that if any of such Bonds are not subject to redemption at that time, then the amount deposited in the Redemption Account may be invested in Defeasance Obligations which, together with investment earnings thereon and any moneys not so invested, shall be sufficient to pay all interest on such Bonds until their respective maturities or redemption dates and to pay the principal of and premium, if any, on such Bonds on the respective maturities or redemption dates.

(d) Cooperation. The Trustee shall cooperate fully with the Town, at the expense of the Town, in filing any proof of loss with respect to any insurance policy maintained pursuant to Article VI hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Mortgaged Property or any item or portion thereof.

Section 508 Escheat. All money that the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside or delivered to the Trustee for the purpose of paying any of the Bonds issued hereunder, either at maturity or by purchase or call for redemption, shall be held in trust for the respective Owners.

Any money that is so set aside and that remains unclaimed by the Owners for a period of five (5) years after the date on which such Bonds have become payable shall be presumed to be abandoned for purposes of Section 116B-53 of the General Statutes of North Carolina, and the Trustee shall report and remit this property to the State Treasurer pursuant to the requirements of, Article 4 of Chapter 116B of the General Statutes of North Carolina, and thereafter the Owners shall look only to the State Treasurer for payment and then only to the extent of the amounts so received, without any interest thereon, and the Trustee and the Town shall have no responsibility with respect to such money.

Section 509 Cancellation of Bonds. Upon receipt of the same, the Trustee shall cancel all Bonds paid, redeemed or purchased by the Trustee or purchased by the Town and delivered to the Trustee, and all Bonds delivered to the Trustee in exchange for other Bonds or delivered to the Trustee upon the transfer of any Bond if a new Bond is delivered upon such transfer. The Trustee shall certify to the Town the details of all Bonds so canceled. All Bonds canceled under any of the provisions of this Master Trust Agreement either shall be delivered to the Town or destroyed by the Trustee, as the Town directs. Upon destruction of any Bonds, the Trustee shall execute a certificate in duplicate, describing the Bonds so destroyed; and one executed certificate shall be filed with the Town and the other executed certificate shall be retained by the Trustee.

Section 510 Disposition of Fund Balances. After provision is made for the payment of all Outstanding Bonds, including the interest thereon and for the payment of all other obligations, expenses and charges required to be paid under or in connection with this Master Trust Agreement, the Trustee shall pay all amounts in any fund, account or subaccount then held by it under this Master Trust Agreement to the Town. If a continuing lien has been imposed on such balance by another resolution, bond order, any other agreement, by court order or decree, or by law, the

Trustee shall pay such balance to such person or entity as is entitled to receive the same by law or under the terms of such resolution, bond order, agreement, court order, or decree.

ARTICLE VI

INSURANCE

Section 601 Comprehensive General Liability. (a) The Town shall maintain or caused to be maintained throughout the term of this Master Trust Agreement a comprehensive general liability policy or policies in protection of the Town, its officers, agents and employees. Said policy shall cover such losses and for such amounts and shall have such deductible amounts as shall be satisfactory to the Town Council and, in the judgment of the Town Council, shall protect the Town against losses not protected under the principles of sovereign immunity.

(b) The net proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

Section 602 Workers' Compensation. The Town shall maintain workers' compensation insurance to insure its employees against liability for compensation under the laws now in force in the State, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof. The proceeds of such workers' compensation insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

Section 603 Casualty and Theft Insurance. (a) The Town shall procure and maintain, or cause to be procured and maintained, throughout the term of this Master Trust Agreement insurance against loss or damage to any portion of the Mortgaged Property by fire and lightning, with extended coverage, and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance policies shall name the Trustee as a lenders loss payable and/or mortgagee. To the extent that any contractor shall provide an insurance policy or certificate of insurance (naming the Trustee as a lenders loss payable and/or mortgagee) demonstrating that the same coverage as is required by this subsection is being carried by such contractor with respect to the Mortgaged Property or any part thereof and adequately protects the interest of the Town and the Trustee, the insurance provided for by this subsection shall not be required with respect to the Mortgaged Property or such part thereof while the Mortgaged Property or such part thereof is so covered by such other insurance.

(b) Such insurance shall be in an amount equal to 100% of the replacement cost of the Mortgaged Property (except that such insurance may be subject to a reasonable and customary deductible clause for any one loss).

(c) The Net Proceeds of such insurance shall be deposited in the Net Proceeds Fund and applied as provided in Section 507.

Section 604 Title Insurance. The Town shall obtain at the time of execution of this Master Trust Agreement, and cause to be maintained, a mortgagee's title insurance policy on the Mortgaged Property, insuring the Town's fee simple interest in said property, subject only to Permitted Encumbrances, in an amount at least equal to \$_____, naming the Trustee as the named insured. The Net Proceeds of such insurance shall be deposited in the Net Proceeds Fund and applied as provided in Section 507.

Section 605 General Insurance Provisions. (a) The Town shall pay or cause to be paid when due the premiums for all insurance policies required by this Master Trust Agreement.

(b) Except as otherwise provided in subsection (d) of this Section, all insurance policies required by this Article shall be issued by a responsible carrier authorized to do business under the laws of the State.

(c) The Trustee shall not be responsible for the sufficiency or adequacy of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Trustee.

(d) In lieu of obtaining the policies of insurance required by Section 601, Section 602 and Section 603, the Town may adopt alternative risk management programs which it determines to be reasonable, including, without limitation, to self-insure in whole or in part, individually or in connection with other units of local government or other institutions, to participate in programs of captive insurance companies, to participate with other units of local government or other institutions in mutual or other cooperative insurance or other risk management programs, to participate in State or federal insurance programs, to take advantage of State or federal laws now or hereafter in existence limiting liability, or to establish or participate in other alternative risk management programs, all as may be reasonable and appropriate risk management by the Town and that provide comparable coverages required by such sections. In addition, any insurance coverage pursuant to this Article (other than Section 604) may be pursuant to a program whereby the Town self-insures against certain losses up to a stated loss amount, and retains excess coverage from an insurer meeting the requirements of this Article.

(e) The insurance coverage required under Section 603 may be maintained under a blanket policy covering other properties of the Town.

(f) The Town shall cause to be delivered to the Trustee at least once annually a certificate stating that the insurance policies or alternative risk management programs required or permitted by this Master Trust Agreement are in full force and effect.

(g) The Town shall cooperate fully with the Trustee in filing any proof of loss with respect to any insurance policy maintained pursuant to this Article and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Mortgaged Property or any portion thereof.

ARTICLE VII

DEPOSITARIES OF MONEY; SECURITY FOR DEPOSITS; INVESTMENT OF FUNDS AND COVENANTS OF THE TOWN

Section 701 Security for Deposits. Any and all money deposited with the Trustee shall be trust funds under the terms hereof, and, to the extent permitted by law in the case of the Project Fund, shall not be subject to any lien or attachment by any creditor of the Town.

All money deposited with the Trustee hereunder in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured, for the benefit of the Town and the Owners of Bonds, either (a) by lodging with a bank or trust company chosen by the Trustee or, if then permitted by law, by setting aside under control of the trust department of the bank or trust company holding such deposit, as collateral security, Government Obligations or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States or applicable State law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) if the furnishing of security as provided in clause (a) above is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee to give security for the deposit of any money with it for the payment of the principal of or the redemption premium or the interest on any Bonds, or for the Trustee to give security for any money that shall be represented by Investment Obligations purchased under the provisions of this Article as an investment of such money.

All money deposited with the Trustee shall be credited to the particular fund, account or subaccount to which such money belongs.

Section 702 Investment of Money. Money held for the credit of all funds, accounts and subaccounts shall be continuously invested and reinvested by the Trustee in Investment Obligations or held as cash to the extent investment or reinvestment in Investment Obligations is not practicable or to the extent the Trustee has not received written direction from the Town with respect to the making of such investments. Except as hereinafter provided in this Section with respect to the disposition of investment income, the particular investments to be made and other related matters in respect of investments may, as to each Series of Bonds, be provided in the applicable Supplemental Trust Agreement.

Investment Obligations shall mature or be redeemable at the option of the holder thereof not later than the respective dates when the money held for the credit of such funds, accounts and subaccounts will be required for the purposes intended.

Notwithstanding the forgoing, no Investment Obligations pertaining to any Series in any fund, account or subaccount shall mature on a date beyond the latest maturity date of the respective Series of Bonds Outstanding at the time such Investment Obligations are deposited. For purposes of this Section, the maturity date of any repurchase agreement shall be deemed to be the stated maturity date of such agreement and not the maturity dates of the underlying obligations.

An Authorized Officer shall give to the Trustee written directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Article, and the Trustee shall then invest such money as so directed. The Trustee may request additional direction or authorization from the Authorized Officer or his designee in writing with respect to the proposed investment of money under the provisions of this Master Trust Agreement. Upon receipt of such directions, the Trustee shall invest, subject to the provisions of this Article, such money in accordance with such directions. The Trustee shall have no liability for investments made in accordance with this Section. The Trustee may rely in good faith on any written investment instructions received by an Authorized Officer of the Town stating that such directed investment constitutes an Investment Obligation within the meaning of this Master Trust Agreement and otherwise complies with the provisions of this Section.

Notwithstanding anything contained herein to the contrary, the Trustee shall have no obligation to enter into any repurchase agreement, investment agreement or similar agreement with respect to the investment of any monies held under the Trust Agreement unless (i) such agreement is in form and content acceptable to the Trustee in its sole discretion, (ii) any liability of the Trustee under such agreement is limited to loss occasioned by the negligence or willful misconduct of the Trustee, and (iii) the Town shall pay to the Trustee an additional fee established by the Trustee for entering into such type of agreement in accordance with its customary practices.

Investment Obligations acquired with money in or credited to any fund, account or subaccount established under this Master Trust Agreement shall be deemed at all times to be part of such fund, account or subaccount. Any loss realized upon the disposition or maturity of such Investment Obligations shall be charged against such funds, accounts or subaccounts. The interest accruing on any such Investment Obligations and any profit realized upon the disposition or maturity of such Investment Obligations shall be credited to such funds, accounts or subaccounts.

Any such interest accruing and any such profit realized shall be transferred upon the receipt thereof by the Trustee pursuant to the provisions of this Master Trust Agreement.

The Trustee shall sell or reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to do so to provide money to make any payment from any such fund, account or subaccount. The Trustee shall not be liable or responsible for any loss resulting from any investment made pursuant to the provisions of this Section.

Whenever a transfer of money between two or more of the funds, accounts or subaccounts established under this Master Trust Agreement is permitted or required, such transfer may be made as a whole or in part by transfer of one or more Investment Obligations at a value determined at the time of such transfer in accordance with this Article, provided that the Investment Obligations transferred are those in which money of the receiving fund, account or subaccount could be invested at the date of such transfer.

For purposes of making any investment hereunder, the Trustee may consolidate money held by it in any fund, account or subaccount with money in any other fund, account or subaccount. Transfers from any fund, account or subaccount to the credit of any other fund, account or subaccount provided for in this Master Trust Agreement may be effectuated on the books and records of the Trustee and the Town without any actual transfer of funds or liquidation of

investments. Investment Obligations purchased with consolidated funds shall be allocated to each fund, account or subaccount on a pro rata basis in accordance with the initial amount so invested from each such fund, account or subaccount.

Unless otherwise directed by the Town, Investment Obligations may be purchased by the Trustee through its own investment division or other bank facilities established for such purpose.

Although the Town recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Town hereby agrees that confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered to the Town that includes comparable information to which would have been included in the broker confirmation. Unless otherwise requested by the Town, no statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

The Trustee may elect, but shall not be obligated, to credit the funds and accounts held by it with moneys representing income or principal payments due on, or sales proceeds due in respect of, Investment Obligations in such funds and accounts, or to credit to Investment Obligations intended to be purchased with such moneys, in each case before actually receiving the requisite moneys from the payment source, or to otherwise advance funds for account transactions. The Town acknowledges that the legal obligation to pay the purchase price of any Investment Obligations arises immediately at the time of the purchase. Notwithstanding anything else in this Master Trust Agreement, (i) any such crediting of funds or assets shall be provisional in nature, and the Trustee shall be authorized to reverse any such transactions or advances of funds in the event that it does not receive good funds with respect thereto, and (ii) nothing in this Master Trust Agreement shall constitute a waiver of any of the Trustee's rights as a securities intermediary under Section 25-9-206 of the General Statutes of North Carolina, as amended.

Section 703 Valuation. For the purpose of determining the amount on deposit in any fund, account or subaccount, Investment Obligations in which money in such fund, account or subaccount is invested shall be valued by the Trustee (a) at face value if such Investment Obligations mature within twelve (12) months from the date of valuation thereof and (b) if such Investment Obligations mature more than twelve (12) months after the date of valuation thereof, at the price at which such Investment Obligations are redeemable by the holder at its option, if so redeemable, or, if not so redeemable, at the lesser of (i) the cost of such Investment Obligations minus the amortization of any premium or plus the amortization of any discount thereon and (ii) the market value of such Investment Obligations.

All Investment Obligations in all of the funds, accounts and subaccounts created hereunder shall be valued as of the last day of each Fiscal Year. When a valuation is made by the Trustee, the Trustee shall report the result of such valuation to the Town within thirty (30) days after such valuation. In addition, Investment Obligations shall be valued at any time requested by the Town on reasonable notice to the Trustee (which period of notice may be waived or reduced by the Trustee); provided, however, that the Trustee shall not be required to value Investment Obligations more than once in any calendar month.

Section 704 Covenant as to Arbitrage. The Town covenants that so long as any of the Bonds remain Outstanding, money on deposit in any fund, account or subaccount maintained in connection with the Bonds, regardless of whether such money was derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner that would cause any of the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and applicable regulations promulgated from time to time thereunder, except for moneys on deposit in such funds, accounts or subaccounts with respect to any Series of Bonds not intended to be tax-exempt under the provisions of the Code. The Town further covenants and agrees to comply with the requirements of Section 148 of the Code and applicable regulations promulgated from time to time thereunder with respect to any Series of Bonds intended to be tax-exempt under the provisions of the Code.

Section 705 Construction. The Town shall comply with the provisions of applicable law and enter into one or more contracts or purchase orders providing for the acquisition, construction and equipping of the 2026 Project and any Additional Project. The Town shall require the acquisition, construction and equipping of the 2026 Project and any Additional Project to be carried on expeditiously in accordance with the plans and specifications therefor, all applicable ordinances and statutes, and in accordance with the requirements of all regularly constituted authorities having jurisdiction over same.

Section 706 Installation of Additional Improvements; Modification of Mortgaged Property. (a) The Town may at any time and from time to time, in its sole discretion and at its own expense, construct or cause to be constructed additional improvements and install or permit to be installed items of equipment or other personal property in or upon any portion of the Mortgaged Property that do not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property. All such items shall be subject to the lien of the Deed of Trust to the extent provided therein. The Town shall repair and restore at its own expense any and all damage resulting from the construction or installation of such improvements or equipment.

(b) The Town shall have the right, at its own expense, to make modifications and improvements to any portion of the Mortgaged Property if such modifications or improvements are necessary or beneficial for the use of the Mortgaged Property. Such modifications or improvements shall not in any way damage any portion of the Mortgaged Property (unless such damage is to be repaired as provided in subsection (a) of this Section) or cause it to be used for purposes other than those authorized under the provisions of State and federal law or which would impair the exclusion from gross income for federal income tax purposes of the interest on the Bonds intended to be exempt for federal income tax purposes; and the Mortgaged Property, upon completion of any modifications or improvements made pursuant to this Section, shall be of a value which is not less than the value of the Mortgaged Property immediately prior to the making of such modifications and improvements.

(c) Except for Permitted Encumbrances, the Town will not permit any mechanic’s or other lien to be established or remain against the Mortgaged Property for labor or materials furnished in connection with any modifications or improvements made by the Town pursuant to this Section; provided, however, that if any such lien is established, the Town may in good faith contest any lien filed or established against the Mortgaged Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any

appeal therefrom and shall provide the Trustee with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Trustee.

Section 707 Access to Mortgaged Property. The Town agrees that the Trustee, and any of its officers, agents, employees or representatives, shall have the right at all reasonable times to enter upon the Mortgaged Property or any portion thereof to inspect the Mortgaged Property. The Town shall cause any contractor or subcontractor to cooperate with the Trustee, and any of their officers, agents, employees or representatives, during such inspections.

No right of inspection contained herein shall be deemed to impose upon the Trustee any duty or obligation whatsoever to undertake any inspection. No inspection made shall be deemed to impose upon the Trustee any duty or obligation whatsoever to identify or correct any defects in the Mortgaged Property or to notify any person or entity with respect thereto, and no liability shall be imposed upon the Trustee and no warranties (either express or implied) are made by the Trustee as to the quality or fitness of any improvement, any such inspection and approval being given solely for the benefit of the Trustee.

Section 708 Maintenance, Utilities, Taxes and Assessments. (a) The Town shall provide for the repair and replacement of any portion of the Mortgaged Property necessary on account of ordinary wear and tear or want of care.

(b) The Town shall also pay or cause to be paid all utilities, taxes, assessments or other charges of any type or nature levied, assessed or charged against any portion of the Mortgaged Property; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Town shall be obligated to pay only such installments as are required to be paid as and when the same become due.

(c) The Town may, at its expense and in its name, in good faith contest any such utilities, taxes, assessments or other charges and, in the event of any such contest, may permit such utilities, taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided, however, that prior to such nonpayment it shall furnish to the Trustee a written opinion of counsel to the effect that, by nonpayment of any such items, the interest of the Trustee as beneficiary under the Deed of Trust will not be materially endangered and that the Mortgaged Property will not be subject to loss or forfeiture. Otherwise, the Town shall promptly pay such utilities, taxes, assessments or charges or make provisions for the payment thereof.

Section 709 Encumbrances. Except as provided in this Article or in the Deed of Trust, the Town shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim, as applicable, on or with respect to the Mortgaged Property, other than Permitted Encumbrances, and shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim for which it is responsible if the same shall arise at any time; provided, however, that the Town may contest any such mortgage, pledge, lien, charge, encumbrance or claim if it desires to do so and shall provide the Trustee with full security against any loss or

forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Trustee.

Section 710 Indemnification. To the extent permitted by law, the Town covenants to defend, indemnify and hold harmless the Trustee and its directors, officers and employees (collectively, the “Indemnified Party”) against any and all losses, claims, damages or liabilities, joint or several, including reasonable fees and expenses incurred in connection therewith, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise in connection with the 2026 Project, any Additional Project or the Mortgaged Property and the transactions contemplated by the Trust Agreement or the Deed of Trust and shall reimburse any such Indemnified Party for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of the transactions contemplated by the Trust Agreement or the Deed of Trust, whether such loss or claim is asserted prior to termination of this Master Trust Agreement or thereafter. In particular, without limitation, the Town shall and hereby agrees to indemnify and save the Indemnified Party harmless from and against all claims, losses and damages, including reasonable legal fees and expenses, arising out of any breach or default on the part of the Town in the performance of any of its obligations under this Master Trust Agreement.

Section 711 Release of Mortgaged Property. At any time and from time to time, so long as no Event of Default has occurred and is continuing hereunder or under the Deed of Trust, the Deed of Trust Trustee and the Trustee, as beneficiary under the Deed of Trust, shall be required to release a portion of the Mortgaged Property from the lien and security interest created by the Deed of Trust when and if the following requirements have been met:

(a) there is filed with the Trustee a certified copy of a resolution of the Town Council or an Officer’s Certificate stating that the Town desires the release of such portion of the Mortgaged Property, giving an adequate description of the portion of the Mortgaged Property to be released, requesting such release and providing for the payment by the Town of all expenses in connection with such release;

(b) except as provided below, either (i) the estimated value of the Mortgaged Property remaining after the proposed release (as such value is evidenced as hereinafter provided) is not less than 25% of the aggregate principal amount of Bonds then Outstanding or (ii) the Town provides for substitution of other property (the “Substitute Property”) that will be made subject to the lien of the Deed of Trust that has an estimated value such that the combined estimated value of the remaining Mortgaged Property and the Substitute Property immediately before the proposed substitution is not less than 25% of the aggregate principal amount of Bonds then Outstanding;

(c) in the case of a substitution of property, there is filed with the Trustee an opinion of bond counsel to the Town to the effect that the substitution of such property is permitted by law and is permitted under the terms of the Trust Agreement and the Deed of Trust and for any Bonds with respect to which interest is intended to be excludable from the gross income of the owners thereof for federal or state income tax purposes, that such release and substitution will not adversely affect the exclusion of interest on such Bonds from the gross income of the owners thereof for federal or state income tax purposes; and

(d) there is filed with the Trustee an Officer's Certificate to the effect that such release shall not prohibit the Town's ingress, egress and regress to and from the remainder of the Mortgaged Property not being released and will not materially interfere with the use of the remainder of the Mortgaged Property not being released.

The estimated value of the Mortgaged Property or any Substitute Property required by (b) shall be evidenced by an Officer's Certificate as to such estimated value, and may be based on such assumptions as the Authorized Officer may deem reasonable, including, but not limited to, reliance on (i) an appraisal, (ii) the insured value of the property subject to the valuation, (iii) the assessed tax valuation of the remaining Mortgaged Property, and (iv) a combination of the foregoing. If any improvements are then being installed on any portion of property that will be included in the Mortgaged Property, the estimated value of the Mortgaged Property may take into account the expected value of the Mortgaged Property following the completion of the improvements.

If the portion of the Mortgaged Property requested to be released is land on which no part of the improvements comprising the Project or supporting infrastructure is located, and the release is requested so that such land and improvements to be constructed thereon may be made subject to a new deed of trust that will secure obligations of the Town incurred to finance the cost of new improvements, and the requirements of subsections (a), (c) (if applicable) and (d) are met with respect to the proposed release, then the land may be released from the Deed of Trust without complying with the requirements of subsection (b).

Section 712 Assignment and Lease by the Town. (a) The Trust Agreement may not be assigned by the Town.

(b) The Town may lease all or any portion of the 2026 Project, any Additional Project or the Mortgaged Property, subject to all of the following conditions:

(i) the obligation of the Town to pay the principal of, premium, if any, and interest on the Bonds and the Additional Payments hereunder shall remain obligations of the Town;

(ii) the Town shall, at least ten (10) days prior to the execution and delivery of any such lease, furnish or cause to be furnished to the Trustee a true and complete copy of such lease;

(iii) no lease by the Town shall cause the 2026 Project, any Additional Project or the Mortgaged Property to be used for a purpose other than a governmental or proprietary function authorized under the provisions of the Constitution and laws of the State;

(iv) no lease shall cause the interest on the Bonds intended to be exempt for federal income tax purposes to become includable in gross income for federal income taxation purposes; and

(v) in the case of any lease of all or any portion of the Mortgaged Property, the Trustee shall have received evidence satisfactory to the Trustee that such lease is subordinate in all respects to the lien of the Deed of Trust.

ARTICLE VIII

PAYMENT OF BONDS; LIMITED OBLIGATION; BUDGETING

Section 801 Payment of Bonds; Limited Obligation; Budgeting. The Town shall cause to be paid, when due, the principal of (whether at maturity, by acceleration, by call for redemption or otherwise) and the premium, if any, and interest on the Bonds at the places, on the dates and in the manner provided herein and in the Bonds and the documentation securing such Bonds, according to the true intent and meaning thereof.

The Town shall also pay to such persons or entities as are entitled thereto such amounts (“Additional Payments”) as shall be required for the payment of all administrative and other costs relating to the 2026 Project, any Additional Project or the Bonds, including, without limitation, (i) all costs, expenses, compensation and indemnity of the Trustee, the Local Government Commission, the provider of any bond insurance policy, credit facility or liquidity facility relating to any Bonds and any fiscal agents required to administer the terms of any Bonds (such as remarketing agents, auction agents, tender agents or paying agents); (ii) fees of auditors, accountants, attorneys or engineers; (iii) all other necessary administrative costs of the Town or to indemnify any Indemnified Party; and (iv) any other payments specified as Additional Payments under a Supplemental Trust Agreement.

The Town Manager (or any other officer at any time charged with the responsibility for formulating budget proposals) shall include in the budget proposals for review and consideration by the Town Council in each Fiscal Year in which this Master Trust Agreement shall be in effect, items for all payments of principal of, premium, if any, and interest due on the Bonds (reasonably estimated in the case of any Bonds issued bearing interest at a variable interest rate) and reasonably estimated Additional Payments required for such Fiscal Year under this Master Trust Agreement. Any budget item referred to in this paragraph shall be deleted from the applicable budget by the Town Council only by the adoption of a resolution to such effect containing a statement of its reasons therefor, which resolution shall be adopted by roll-call vote. The Town shall furnish to the Trustee within thirty (30) days of the adoption by the Town of its annual budget a certificate of an Authorized Officer certifying that such annual budget includes items for all payments of principal of, premium, if any, and interest on the Bonds and the reasonably estimated Additional Payments for the Fiscal Year to which the annual budget relates. In addition the Town shall promptly provide to the Trustee notice of any amendments to its annual budget affecting appropriations for payments of principal of, premium, if any, and interest on the Bonds or Additional Payments. The Town shall promptly provide notice of any Event of Nonappropriation to the Trustee, the Local Government Commission and each Rating Agency.

In order to secure the Town’s obligation hereunder and under any Supplemental Trust Agreement, including payment of principal of, premium, if any, and interest on the Bonds, the Town has delivered the Deed of Trust creating a lien on the Mortgaged Property, subject only to Permitted Encumbrances, and hereby grants to the Trustee a security interest in all money and securities held by or on behalf of the Trustee in all of the funds, accounts or subaccounts established pursuant to this Master Trust Agreement, except those funds, accounts and subaccounts that are expressly pledged in a Supplemental Trust Agreement as security only for a specified Series of Bonds and solely in strict compliance with the terms hereof.

NO PROVISION OF THIS MASTER TRUST AGREEMENT OR THE DEED OF TRUST SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE TOWN WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS MASTER TRUST AGREEMENT OR THE DEED OF TRUST SHALL BE CONSTRUED OR INTERPRETED AS CREATING A DELEGATION OF GOVERNMENTAL POWERS NOR AS A DONATION BY OR A LENDING OF THE CREDIT OF THE TOWN WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE. THIS MASTER TRUST AGREEMENT OR THE DEED OF TRUST SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE TOWN TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE SOLE DISCRETION OF THE TOWN FOR ANY FISCAL YEAR IN WHICH THIS MASTER TRUST AGREEMENT OR THE DEED OF TRUST IS IN EFFECT; PROVIDED, HOWEVER, THAT ANY FAILURE OR REFUSAL BY THE TOWN TO APPROPRIATE FUNDS, WHICH RESULTS IN THE FAILURE BY THE TOWN TO MAKE ANY PAYMENT COMING DUE UNDER THIS MASTER TRUST AGREEMENT WILL IN NO WAY OBVIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE TOWN IN ANY ACTION FOR BREACH OF A CONTRACTUAL OBLIGATION UNDER THIS MASTER TRUST AGREEMENT OR THE DEED OF TRUST, AND THE TAXING POWER OF THE TOWN IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS DUE UNDER THIS MASTER TRUST AGREEMENT OR THE DEED OF TRUST. No provision of this Master Trust Agreement or the Deed of Trust shall be construed to pledge or to create a lien on any class or source of the Town's moneys, nor shall any provision of this Master Trust Agreement restrict the future issuance of any of the Town's bonds or other indebtedness. To the extent of any conflict between this Section and any other provision of this Master Trust Agreement or the Deed of Trust, this Section shall take priority.

Section 802 No Set-Off or Recoupment. Subject to the provisions of Section 801, the obligation of the Town to pay the principal of (whether at maturity, by acceleration, by call for redemption or otherwise) and the premium, if any, and interest on the Bonds and the Additional Payments under the Trust Agreement and to perform and observe the other covenants set forth in the Trust Agreement shall be absolute and unconditional, and the Town shall pay without abatement, diminution or deduction all such amounts regardless of any cause or circumstance whatsoever, including, without limitation (a) any damage, destruction or taking by eminent domain of the 2026 Project, any Additional Project or the Mortgaged Property or (b) any defense, set-off, recoupment or counterclaim that the Town may have against the Trustee or any Owner of the Bonds.

ARTICLE IX

REMEDIES

Section 901 Extension of Interest Payment. If the time for the payment of the interest on any Bond is extended, whether or not such extension is by or with the consent of the Town, such interest so extended shall not be entitled in case of Event of Default hereunder to the benefit or security of this Master Trust Agreement and in such case the Owner of the Bond for which the time for payment of interest was extended shall be entitled only to the payment in full of the principal of all Bonds then Outstanding and of interest for which the time for payment shall not have been extended.

Section 902 Events of Default. Each of the following events is hereby declared an Event of Default:

(a) payment of the principal of and the redemption premium, if any, on any of the Bonds is not made when the same are due and payable, either at maturity or by redemption or otherwise;

(b) payment of the interest on any of the Bonds is not made when the same is due and payable;

(c) the occurrence of an Event of Nonappropriation;

(d) failure by the Town to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or in any Supplemental Trust Agreement, other than as referred to in subsections (a), (b) or (c) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the Town by the Trustee; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period and if corrective action is instituted by the Town within the applicable period and diligently pursued, the Town shall have an additional period to correct the failure of the amount of time necessary to correct such failure if diligently pursued;

(e) the occurrence of an event of default as provided in the Deed of Trust; or

(f) the occurrence of any other event specified in a Supplemental Trust Agreement as being an “Event of Default” under this Master Trust Agreement.

Section 903 Acceleration of Maturities. Upon the happening and continuance of any Event of Default specified in Section 902, then and in every case the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall, by a notice in writing to the Town, declare the principal of all 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 contained in the Bonds or the Trust Agreement 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, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Trust Agreement or the Deed of Trust, moneys shall have accumulated in the Bond Fund sufficient to

pay the principal of all matured Bonds and all arrears of interest, if any, upon all the Bonds then Outstanding (except the principal of any Bonds not then due and payable by their terms and the interest accrued on such Bonds since the last interest payment date) and sufficient to satisfy the Sinking Fund Requirement, if any, for any Term Bonds then Outstanding, for the then current Fiscal Year, and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Town hereunder or under the Deed of Trust shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee, and every other default of which the Trustee has knowledge as provided in Section 914 in the observance or performance of any covenant, condition, agreement or provision contained in the Bonds, the Trust Agreement (other than a default in the payment of the principal of such Bonds then due and payable only because of a declaration under this Section) or the Deed of Trust shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds not then due and payable by their terms and then Outstanding shall, by written notice to the Town, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 904 Remedies. Upon the happening and continuance of any Event of Default specified in Section 902, then and in every such case the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall, proceed (subject to the provisions of Section 1002) to protect and enforce its rights and the rights of the Owners of the Bonds under applicable laws and under the Trust Agreement or the Deed of Trust by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either 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 the Trustee, being advised by counsel, chosen by the Trustee, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Trust Agreement or the Deed of Trust, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any Event of Default becoming, and at any time remaining, due from the Town for principal, interest or otherwise under any of the provisions of the Trust Agreement, the Deed of Trust or of the Bonds unpaid, with interest on overdue payments of principal at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Owners of the Bond, and to recover and enforce any judgment or decree against the Town, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the funds and accounts pledged to secure the Bonds under the provisions of this Master Trust Agreement and any Supplemental Trust Agreement and any other moneys available for such purpose) in any manner provided by law, the moneys adjudged or decreed to be payable.

The provisions of this Section 904 are subject to the provisions of Section 801, and the Trustee is not authorized to pursue any action to collect any deficiency for the amounts owed to the Owners of the Bonds or any other party pursuant to the provisions of this Master Trust

Agreement following the realization of the remedies available under the Deed of Trust and the application of the proceeds thereof, and any other amounts held hereunder, to the payment thereof.

Section 905 Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the Trustee and the Deed of Trust Trustee, and after satisfaction of all costs and expenses of the Trustee and the Deed of Trust Trustee, of the Owners in declaring such Event of Default, including, to the extent permitted by law, reasonable compensation to its or their agents, attorneys and counsel and the creation of a reasonable reserve for anticipated fees, costs and expenses, be deposited to the credit of the Bond Fund. Anything in this Master Trust Agreement to the contrary notwithstanding, if at any time the money in the Bond Fund is not sufficient to pay the interest on or the principal of the Bonds as the same become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 903), such money, together with any money then available or thereafter becoming available for such purposes (except for such money that has already been deposited in subaccounts of the Interest Account, the Principal Account or the Sinking Fund Account for a particular Series of Bonds pursuant to the provisions of Section 502), whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(a) if the principal of all Series of Bonds shall not have become or shall not have been declared due and payable, all such money shall be applied as follows:

first: to the payment to the persons or entities entitled thereto of all installments of interest on Bonds then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably according to the amounts due on such installments, to the persons or entities entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Bonds;

second: to the payment to the persons or entities entitled thereto of the unpaid principal of any Bonds that shall have become due and payable (other than Bonds deemed to have been paid pursuant to the provisions of Section 1301 of this Master Trust Agreement), in the order of their due dates, with interest on the overdue principal at a rate equal to the rate on such Bonds, and, if the amount available shall not be sufficient to pay in full all of the amounts due on the Bonds on any date, together with such interest, then to the payment ratably according to the amount of such principal due on such date, to the persons or entities entitled thereto, without any discrimination or preference;

third: to the payment of the interest on and the principal of Bonds, to the purchase and retirement of Bonds, and to the redemption of Bonds, all in accordance with the provisions of this Master Trust Agreement; and

fourth: to the payment of persons or entities entitled thereto of all Additional Payments then due, and if the amount available shall not be sufficient to pay in full all such Additional Payments, then to the payment thereof ratably according to the amounts due thereon, to the persons or entities entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Series of Bonds shall have become or shall have been declared due and payable, all such money shall be applied:

first: to the payment of principal and interest then due upon such Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons or entities entitled thereto without any discrimination or privilege; and

second: to the payment of persons or entities entitled thereto of all Additional Payments then due, and if the amount available shall not be sufficient to pay in full all such Additional Payments, then to the payment thereof ratably according to the amounts due thereon, to the persons or entities entitled thereto, without any discrimination or preference.

(c) If the principal of all of the Series of Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 903 of this Master Trust Agreement, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all of the Series of Bonds shall later become due and payable or be declared due and payable, the money then remaining in and thereafter accruing to the Bond Fund shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, (a) such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard for the amount of money available for such application and the likelihood of additional money becoming available for such application in the future, (b) setting aside such money as provided herein in trust for the proper purpose shall constitute proper application by the Trustee and (c) the Trustee shall incur no liability whatsoever to the Town, to any Owner or to any other person or entity for any delay in applying any such money so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Master Trust Agreement as may be applicable at the time of application by the Trustee. Whenever the Trustee exercises such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the Owner of any Bond until such Bond is surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid.

The provisions of this Section are subject to the provisions of Section 801.

Section 906 Effect of Discontinuance of Proceedings. If any proceeding taken by the Trustee or Owners of Bonds on account of any Event of Default is discontinued or abandoned for any reason, then and in every such case, the Town, the Trustee and the Owners of Bonds shall be restored to their former positions and rights hereunder, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceedings had been taken.

Section 907 Control of Proceedings. Anything in this Master Trust Agreement to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of Bonds at any time Outstanding shall have the right, subject to the provisions of Section 1002, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall be in accordance with law and the provisions of this Master Trust Agreement.

Section 908 Restrictions Upon Action. Except as provided in Section 913, no Owner of Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bonds or for the execution of any trust hereunder or for any other remedy hereunder unless such Owner of Bonds previously shall (a) has given to the Trustee written notice of the Event of Default on account of which suit, action or proceeding is to be instituted, (b) has requested the Trustee to take action after the right to exercise such powers or right of action, as the case may be, shall have accrued, (c) has afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceedings in its or their name, and (d) has offered to the Trustee reasonable security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Master Trust Agreement or to any other remedy hereunder. Notwithstanding the foregoing provisions of this Section and without complying therewith, the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding may institute any such suit, action or proceeding in their own names for the benefit of all Owners of Bonds. It is understood and intended that, except as otherwise above provided, no one or more Owners of Bonds shall have any right in any manner whatsoever by his or their action to affect, disturb or prejudice the security of this Master Trust Agreement or to enforce any right hereunder except in the manner provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Owners of Bonds and that any individual rights of action or other right given to one or more of such Owners by law are restricted by this Master Trust Agreement to the rights and remedies herein provided.

Section 909 Enforcement of Rights of Action. All rights of action (including the right to file proof of claim) under this Master Trust Agreement or under any Bonds may be enforced by the Trustee without the possession of any Bonds or the production thereof in any proceedings relating thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners of Bonds, and any recovery of judgment shall be for the equal benefit of the Owners of Bonds, subject to the provisions of Section 801.

Section 910 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners of Bonds is intended to be exclusive of any other remedy or remedies herein provided, 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.

Section 911 Delay Not a Waiver. No delay or omission by the Trustee or of any Owner of Bonds in the exercise of any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein, and every power or remedy given by this Master Trust Agreement to the Trustee and to the Owners of Bonds may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the Owners of not less than a majority in principal amount of the Bonds then Outstanding shall, waive any Event of Default which in its opinion has been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Master Trust Agreement or before the completion of the enforcement of any other remedies under this Master Trust Agreement, but no such waiver shall extend to or affect any other existing or subsequent Event of Default or impair any rights or remedies consequent thereon.

Section 912 Notice of Default. The Trustee shall mail to the Town, the Local Government Commission and to all Owners at their addresses as they appear on the registration books written notice of the occurrence of any Event of Default within thirty (30) days after the Trustee has knowledge or notice that any such Event of Default shall have occurred. The Trustee shall not be subject to any liability to any Owner by reason of its failure to mail any such notice.

Section 913 Right to Enforce Payment of Bonds Unimpaired. Nothing in this Article shall affect or impair the right of any Owner of Bonds to enforce the payment of the principal of and interest on his Bonds or the obligation of the Town to pay the principal of and interest on each Bond to the Owner thereof at the time and place specified in said Bonds.

Section 914 Trustee Notice of Default. Except upon the happening of any Event of Default specified in subsections (a) and (b) of Section 902, the Trustee shall not be obliged to take notice or be deemed to have notice or knowledge of any Event of Default unless specifically notified in writing of such Event of Default by the Town or the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding.

ARTICLE X

TRUSTEE

Section 1001 Acceptance of Trusts. The Trustee by execution hereof accepts and agrees to fulfill the trusts imposed upon it by this Master Trust Agreement, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Master Trust Agreement, to all of which the Town, the Trustee and the respective Owners of the Bonds agree. Prior to the occurrence of any Event of Default and after the curing of all such Events of Default that may have occurred, the Trustee shall perform such duties and only such duties of the Trustee as are specifically set forth in this Master Trust Agreement. Upon the occurrence and during the continuation of any Event of Default, the Trustee shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

No provision of this Master Trust Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) prior to any such Event of Default hereunder, and after the curing of any Event of Default that may have occurred:

(i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Master Trust Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations of the Trustee as are specifically set forth in this Master Trust Agreement, and no implied covenants or obligations shall be read into this Master Trust Agreement against the Trustee and no permissive right of the Trustee under this Master Trust Agreement shall impose any duty on the Trustee to take such action, and

(ii) in the absence of willful misconduct on its part, the Trustee may conclusively rely, as to the accuracy of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to it conforming to the requirements of this Master Trust Agreement, but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not on its face it conforms to the requirements of this Master Trust Agreement; and

(b) at all times, regardless of whether or not any such Event of Default shall exist:

(i) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts, and

(ii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than 25% or a majority, as this Master Trust Agreement shall require, in aggregate principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any

proceeding for any remedy available to the Trustee, or exercising any power conferred upon the Trustee under this Master Trust Agreement.

None of the provisions contained in the Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 1002 Indemnification of Trustee as Condition for Remedial Action. The Trustee shall be under no obligation to institute any suit or to take any remedial proceeding (including, but not limited to, the appointment of a receiver or the acceleration of the maturity date of any or all Bonds under this Master Trust Agreement) or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of any of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. The Trustee nevertheless may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Town, at the request of the Trustee, shall reimburse the trustee for all costs, expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Town shall fail to make such reimbursement, the Trustee may reimburse itself from any money in its possession under the provisions of this Master Trust Agreement and shall be entitled to a preference therefor over any Bonds Outstanding.

Section 1003 Limitations on Obligations and Responsibilities of Trustee. (a) The Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Town, or to report, or make or file claims or proof of loss for, any loss or damage insured against or that may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. Except as to the acceptance of the trusts under this Master Trust Agreement, the Trustee shall have no responsibility in respect of the validity or sufficiency of this Master Trust Agreement, or in respect of the validity of Bonds or the due execution or issuance thereof. The Trustee shall be under no obligation to see that any duties herein imposed upon the Town or any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

(b) The Trustee shall have no duty or responsibility to examine or review, and shall have no liability for, the contents of any documents submitted or delivered to any Owner in the nature of a preliminary or final placement memorandum, official statement, offering circular or similar disclosure document; the Trustee shall not be liable for any debts contracted or for damages to persons or to property injured or damaged, or for salaries or nonfulfillment of contracts, relating to the acquisition, construction or equipping of the 2026 Project or any Additional Project; and the Trustee shall have no duty to inspect or oversee the acquisition, construction or equipping of the 2026 Project or any Additional Project, or, except as provided in Section 1001(a)(ii), to verify the truthfulness or accuracy of the certifications made by the Town with respect to the Trustee's disbursements for Project Costs or Issuance Costs in accordance with this Master Trust Agreement.

(c) Notwithstanding any provision of the Trust Agreement to the contrary, the Trustee shall not be liable or responsible for any calculation or determination which may be required in connection with or for the purpose of complying with Section 148 of the Code or any applicable Treasury regulations, including, without limitation, the calculation of amounts required to be paid to the United States under the provisions of Section 148 of the Code and the applicable Treasury regulations, the maximum amount which may be invested in “non-purpose obligations” as defined in the Code and the fair market value of any investments made hereunder, and the sole obligation of the Trustee with respect to investment of funds hereunder shall be to invest the monies received by the Trustee in accordance with Article VII pursuant to instructions from an authorized representative of the Town and to maintain appropriate records relating to the investments so made.

(d) The Trustee shall not be responsible or liable for the environmental condition or any contamination of the Mortgaged Property or any other property which secures the Town’s obligations under the Trust Agreement or the Bonds or for any diminution in value of any such property as a result of any contamination of the property by any hazardous substance, hazardous material, pollutant or contaminant. The Trustee shall not be liable for any claims by or on behalf of the Owners or any other person or entity arising from contamination of the Mortgaged Property or any other property which secures the Town’s obligations under the Trust Agreement or the Bonds by any hazardous substance, hazardous material, pollutant or contaminant, and shall have no duty or obligation to assess the environmental condition of any such property or with respect to compliance of any such property under state or federal laws pertaining to the transport, storage, treatment or disposal of, hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits or licenses issued under such laws.

(e) The Trustee shall not be liable if and to the extent its performance under the Trust Agreement is prevented by reason of “force majeure.” For purposes of this provision, “force majeure” means an occurrence beyond the control of the Trustee and could not have been avoided by exercising due care, including, without limitation, acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar circumstances.

(f) The Trustee shall not be responsible for the filing of, or for the sufficiency or accuracy of, any financing statements initially filed to perfect any lien or security interest granted or created under this Master Trust Agreement, any Supplemental Trust Agreement or the Deed of Trust in connection with the issuance of the Series 2026 Bonds or any subsequent Series of Bonds. The Trustee shall be required to file continuation statements with respect to each such financing statement initially filed by the Town at the time of the issuance of the Series 2026 Bonds or any subsequent Series of Bonds, provided that a copy of such initial financing statement is timely delivered to the Trustee. In addition, unless the Trustee shall have been notified in writing by the Town that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in (i) relying on such initial filing and descriptions in filing any financing or continuation statements or modifications thereto pursuant to this subsection and (ii) filing any continuation statements in the same filing offices as the initial filings were made. The Town shall be responsible for all reasonable and customary fees charged by the Trustee for the preparation and filing of any such continuation statements, including reasonable attorneys’ fees and expenses, in accordance with Section 1005.

Section 1004 Trustee Not Liable for Failure of Town to Act. The Trustee shall not be liable or responsible because of the failure of the Town or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Town. The Trustee shall not be responsible for the application of any of the proceeds of Bonds or any other money deposited with it and invested, paid out, withdrawn or transferred hereunder if such application, investment, payment, withdrawal or transfer shall be made in accordance with the provisions of this Master Trust Agreement. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 1005 Compensation and Indemnification of Trustee. Subject to the provisions of any contract between the Town and the Trustee relating to the compensation of the Trustee, the Town shall pay to the Trustee reasonable compensation for all services performed by them hereunder and also all their reasonable expenses, charges and other disbursements and those of their attorneys, agents and employees incurred in and about the administration and the performance of their powers and duties hereunder and, to the extent permitted by law, shall indemnify and save the Trustee harmless against any liabilities that they may incur in the proper exercise and performance of their powers and duties hereunder. If the Town shall fail to cause any payment required by this Section to be made, the Trustee may make such payment from any money in its possession under the provisions of the Trust Agreement and shall be entitled to a preference therefor over any Bonds Outstanding hereunder. The Town covenants that it shall promptly deposit or cause to be deposited to the credit of the respective fund or account the amount withdrawn therefrom by the Trustee to make any such payment. The provisions of this Section shall survive the removal or resignation of the Trustee.

Section 1006 Monthly Statements from Trustee. It shall be the duty of the Trustee, on or before the 10th day of each month, to file with the Town a statement setting forth in respect of the preceding calendar month:

(a) the amount withdrawn or transferred by it and the amount deposited with it on account of each fund, account or subaccount held by it under the provisions of the Trust Agreement,

(b) the amount on deposit with it at the end of such month in each such fund, account or subaccount,

(c) a brief description of all obligations held by it as an investment of money in each such fund, account or subaccount,

(d) the amount applied to the payment, purchase or redemption of Bonds under the provisions of Article V and a description of the Bonds or portions thereof so paid, purchased or redeemed, and

(e) any other information that the Town may reasonably request which is contained in the books and records of the Trustee.

All records and files pertaining to Bonds in the custody of the Trustee not otherwise restricted or excluded from disclosure by the terms of the Trust Agreement, including, without limitation, Section 1102, shall be open at all reasonable times to the inspection of the Town and its agents and representatives.

Section 1007 Trustee May Rely on Certificates. If at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which the Trust Agreement or the Deed of Trust provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of the Trust Agreement or the Deed of Trust, and any such certificate shall be evidence of such fact or protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in absence of willful misconduct, by reason of the supposed existence of such fact. Except as otherwise provided in the Trust Agreement or the Deed of Trust, any request, notice, certificate or other instrument from the Town to the Trustee shall be deemed to have been signed by the proper party or parties if signed by any Authorized Officer, and the Trustee may accept and rely upon a certificate signed by any Authorized Officer as to any action taken by the Town.

Section 1008 Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Bonds shall be taken and construed as made by and on the part of the Town and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 1009 Trustee Protected in Relying on Certain Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in absence of willful misconduct, reasonably and in accordance with the terms of the Trust Agreement or the Deed of Trust, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Trust Agreement or the Deed of Trust, or upon the written opinion of any attorney, engineer or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Trustee shall not be under any obligation to see to the recording or filing of the Trust Agreement or otherwise to the giving to any person of notice of the provisions hereof.

Section 1010 Trustee May Pay Taxes and Assessments. In case the Town shall fail to pay or cause to be paid any lawful tax, assessment or governmental charge or other charge upon any part of the Town to the extent, if any, that the Town may be deemed by the Trustee liable for same, the Trustee may pay such tax, assessment or governmental charge, without prejudice, however, to any rights of the Trustee or the Owners of Bonds arising in consequence of such failure; and any amount at any time so paid under this Section shall be repaid upon demand by the Trustee by the Town, but the Trustee shall be under no obligation to make any such payment from sources provided in the Trust Agreement unless it shall have available or be provided with adequate funds for the purpose of such payment.

Section 1011 Resignation and Removal of Trustee Subject to Appointment of Successor. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 1014 and approval by the Local Government Commission.

Section 1012 Resignation of Trustee. Subject to the provisions of Section 1011, the Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing given to the Town, and mailed, postage prepaid, at the Trustee's expense, to each Owner of Bonds, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee hereunder if such new Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof.

Section 1013 Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing (i) executed by the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding and filed with the Town or (ii) executed by an Authorized Officer, so long as no Event of Default shall have occurred and be continuing, in either case filed with Trustee not less than sixty (60) days before such removal is to take effect as stated in said instrument of instruments. A photographic copy of any order, instrument or instruments filed with the Town under the provisions of this paragraph shall be delivered promptly by the Town to the Trustee.

The Trustee may also be removed at any time for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Master Trust Agreement with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Town or the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding.

Section 1014 Appointment of Successor Trustee. If at any time the Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the positions of Trustee shall thereupon become vacant. If the position of Trustee shall become vacant for any reason, the Town shall appoint a Trustee to fill such vacancy. The appointment of any successor Trustee shall be subject to the approval of the Local Government Commission. The Town shall cause a notice of any such appointment made by it to be mailed first class, postage prepaid, to all Owners of Bonds.

Any organization or entity into which the Trustee may be merged or converted or with which it may be consolidated, or any organization or entity resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any organization or entity succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such organization or entity shall be otherwise qualified and eligible to serve as Trustee under this Article and provided such successor entity is (i) a bank or trust company within or without the Town which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) of good standing and (iii) having a combined capital, surplus and undivided profits aggregating not less than One Hundred Million Dollars (\$100,000,000).

At any time within sixty (60) days after any such vacancy shall have occurred, the Owners of not less than 25% in principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing, executed by such Owners and filed with the Town, may nominate a successor Trustee, which the Town shall appoint and which shall supersede any Trustee

theretofore appointed by the Town. Photographic copies of each such instrument shall be delivered promptly by the Town to the predecessor Trustee and to the Trustee so appointed by the Owners.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section, any Owner hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any successor Trustee appointed shall be (i) a bank or trust company within or without the Town which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) of good standing and (iii) having a combined capital, surplus and undivided profits aggregating not less than One Hundred Million Dollars (\$100,000,000).

Section 1015 Vesting of Duties in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Town, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor; but such predecessor shall nevertheless, on the written request of its successor or of the Town and upon payment of the expenses, charges and other disbursements of such predecessor that are payable pursuant to the provisions of Section 1005, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities and powers of such predecessor hereunder; and every predecessor Trustee shall deliver all property and money held by it hereunder to its successor. Should any instrument in writing from the Town be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Town.

Section 1016 E-Verify. The Trustee hereby certifies that the Trustee understands that “E-Verify” is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with Section 64-25(5) of the General Statutes of North Carolina, as amended. The Trustee uses E-Verify to verify the work authorization of its employees in accordance with Section 64-26(a) of the General Statutes of North Carolina, as amended. The Trustee shall require that any subcontractor that it uses in connection with the performance of its obligations under the Trust Agreement to certify to such subcontractor’s compliance with E-Verify.

ARTICLE XI

EXECUTION OF INSTRUMENTS BY OWNERS, PROOF OF OWNERSHIP OF BONDS, AND DETERMINATION OF CONCURRENCE OF OWNERS

Section 1101 Execution of Instruments. Any request, direction, consent or other instrument in writing required or permitted by this Master Trust Agreement or any Supplemental Trust Agreement to be signed or executed by any Owners of Bonds may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Owners or their attorneys or legal representatives or legal representative of his estate if the Owner is deceased. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Master Trust Agreement or any Supplemental Trust Agreement and shall be conclusive in favor of the Trustee and the Town with regard to any action taken by either under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the verification, by any officer in any jurisdiction who by the laws thereof has power to take affidavits within such jurisdictions, to the effect that such instrument was subscribed and sworn to before him or by an affidavit of a witness to such execution. Where such execution is on behalf of a person other than an individual, such verification or affidavit shall also constitute sufficient proof of the authority of the signer thereof.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions of Section 205.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of any Owner of Bonds shall bind every future Owner of the same Bonds in respect of anything done by the Trustee in pursuance of such request or consent.

Notwithstanding any of the foregoing provisions of this Section, the Trustee shall not be required to recognize any person as an Owner of Bonds or to take any action at such an Owner's request unless such Bonds shall be deposited with it.

Section 1102 Preservation of Information; Communications. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Owners received by the Trustee.

(b) If an Owner which is a Securities Depository Nominee or three or more Owners which are not Securities Depository Nominees (hereinafter collectively referred to as "applicants") apply in writing to the Trustee and furnish reasonable proof that each such applicant has owned a Bond for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Owners with respect to their rights under this Master Trust Agreement or under the Bonds and such application, at its election, shall either

(i) afford such applicants access to the information preserved at the time by the Trustee in accordance with subsection (a) of this Section, or

(ii) inform such applicants as to the approximate number of Owners whose names and addresses appear in the information preserved at the time by the Trustee in accordance with sub-section (a) of this Section , and as to the approximate cost of mailing to such Owners the form of communication, if any, specified in such application.

If the Trustee shall elect not to afford such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Owner whose name and address appears in the information preserved at the time by the Trustee in accordance with subsection (a) of this Section a copy of the form of communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing.

(c) Every Owner, by receiving and holding one or more Bonds, agrees with the Town and the Trustee that neither the Town nor the Trustee shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Owners in accordance with subsection (b) of this Section, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under such subsection.

ARTICLE XII

AMENDMENTS AND SUPPLEMENTS; ASSIGNMENTS AND LEASING

Section 1201 Supplements and Amendments Without Consent. This Master Trust Agreement and the Deed of Trust, and the rights and obligations of the parties thereto, may be amended or supplemented at any time by an amendment or supplement thereto without the consent of any Owners, provided that, in the opinion of the Trustee, who may rely upon a written opinion of legal counsel, such amendment or supplement shall not materially adversely affect the interest of the Owners:

(a) to cure any ambiguity or formal defect or omission, to correct or supplement any provision herein that may be inconsistent with any other provision herein, to make any other provisions with respect to matters or questions arising under this Master Trust Agreement or the Deed of Trust, or to modify, alter, amend, add to or rescind, in any particular, any of the terms or provisions contained in this Master Trust Agreement or the Deed of Trust, or

(b) to grant or to confer upon the Trustee, for the benefit of the Owners, any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners or the Trustee, or

(c) to add to the provisions of this Master Trust Agreement or the Deed of Trust other conditions, limitations and restrictions thereafter to be observed, or

(d) to add to the covenants and agreements of the Town in this Master Trust Agreement or the Deed of Trust other covenants and agreements thereafter to be observed by the Town or to surrender any right or power herein reserved to or conferred upon the Town, or

(e) to permit the qualification of this Master Trust Agreement or the Deed of Trust under any federal statute now or hereafter in effect or under any state blue sky law, and, in connection therewith, if the Town so determines, to add to this Master Trust Agreement, any Supplemental Trust Agreement or the Deed of Trust such other terms, conditions and provisions as may be permitted or required by such federal statute or blue sky law.

At least thirty (30) days prior to the execution and delivery of any such supplement or amendment for any of the purposes of this Section, the Trustee shall cause a notice of the proposed supplement or amendment to be mailed, postage prepaid, to all Owners of Bonds and to each Rating Agency. Such notice shall be prepared by the Town, shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the designated corporate trust office of the Trustee for inspection by all Owners of Bonds. A failure on the part of the Trustee to mail the notice required by this Section shall not affect the validity of such supplement or amendment.

Section 1202 Supplements and Amendments With Consent. Subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding that will be affected by a proposed supplement or amendment to this Master Trust Agreement or the Deed of Trust (as defined in Section 1203) shall have the right, from time to time, anything contained in this Master Trust

Agreement or the Deed of Trust to the contrary notwithstanding, to consent to and approve the execution and delivery of such supplement or amendment as are deemed necessary or desirable by the Town for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Master Trust Agreement or the Deed of Trust; provided, however, that nothing herein contained shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Bonds without the consent of the Owner of such Bond and the approval of the Local Government Commission, (b) a reduction in the principal amount of any Bonds or the redemption premium or the rate of interest on any Bonds without the consent of the Owner of such Bond, (c) a preference or priority of any Bonds over any other Bonds without the consent of the Owners of all Bonds then Outstanding or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplement or amendment without the consent of the Owners of all Bonds then Outstanding. Nothing herein contained, however, shall be construed as making necessary the approval by Owners of Bonds of the execution and delivery of any supplement or amendment to this Master Trust Agreement or the Deed of Trust as authorized in Section 1201.

If at any time the Town and the Trustee determine that it is necessary or desirable to execute and deliver any supplement or amendment to this Master Trust Agreement or the Deed of Trust for any of the purposes of this Section, the Trustee shall, at the expense of the Town, cause notice of the proposed supplement or amendment to be mailed, postage prepaid, to all Owners at their addresses as they appear on the registration books as of the date of mailing such notice and to each Rating Agency. Such notice shall be prepared by the Town, shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the designated corporate trust office of the Trustee for inspection by all Owners of Bonds. The Trustee shall not, however, be subject to any liability to any Owner of Bonds by reason of its failure to cause the notice required by this Section to be mailed, and any such failure to cause the notice required by this Section to be mailed shall not affect the validity of such supplement or amendment when consented to and approved as provided in this Section.

Whenever, at any time within three (3) years after the date of the mailing of such notice, the Town delivers to the Trustee an instrument or instruments in writing purporting to be executed by the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding that are affected (as defined in Section 1203) by a proposed supplement or amendment, which instrument or instruments shall refer to the proposed supplement or amendment described in such notice and shall specifically consent to and approve the execution and delivery thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Town and the Trustee, as applicable, may execute and deliver such supplement or amendment to this Master Trust Agreement or the Deed of Trust in substantially such form, without liability or responsibility to any Owner of Bonds whether or not such Owner shall have consented thereto.

If the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding at the time of the execution and delivery of such supplement or amendment and that are affected (as defined in Section 1203) by a proposed supplement or amendment to this Master Trust Agreement or the Deed of Trust have consented to and approved the execution and delivery thereof as herein provided, to the extent permitted by law, no Owner of Bonds shall have any right to object to the execution and delivery of such supplement or amendment, to object to any of the terms and provisions contained therein or the operation thereof, to question the propriety of the

execution and delivery thereof, or to enjoin or restrain the Town and the Trustee, as applicable, from executing and delivering the same or from taking any action pursuant to the provisions thereof.

Section 1203 Bonds Affected. For purposes of this Master Trust Agreement, Bonds shall be deemed to be “affected” by a supplement or amendment to this Master Trust Agreement or the Deed of Trust if the same adversely affects or diminishes the rights of the Owners of such Bonds against the Town or the rights of such Owners in the security for such Bonds. The Trustee may in its reasonable discretion determine whether any Bonds would be affected by any such supplement or amendment, and any such determination shall be conclusive upon the Owners of all Bonds, whether theretofore or thereafter issued or incurred. The Trustee shall not be liable for any such determination made in good faith. The Trustee may, but shall not be required to, execute or consent to any such supplement or amendment that adversely affects its rights, protections or indemnifications under this Master Trust Agreement, any Supplemental Trust Agreement or the Deed of Trust.

Section 1204 Supplements and Amendments Part of Master Trust Agreement and Deed of Trust. Any supplement or amendment to this Master Trust Agreement or the Deed of Trust executed and delivered in accordance with the provisions of this Article shall thereafter form a part of this Master Trust Agreement and the Deed of Trust, as applicable, and this Master Trust Agreement and the Deed of Trust shall be and be deemed to be modified and amended in accordance therewith. Thereafter the respective rights, duties and obligations under this Master Trust Agreement and the Deed of Trust of the Town, the Trustee and all Owners of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Master Trust Agreement and the Deed of Trust as so supplemented and amended. If any supplement or amendment to this Master Trust Agreement or the Deed of Trust is executed and delivered, Bonds issued thereafter may contain an express reference to such supplements or amendments if deemed necessary or desirable by the Town.

Section 1205 Supplemental Trust Agreements. For purpose of this Article XII, a Supplemental Trust Agreement that relates only to a particular Series of Bonds and that does not purport to alter or amend the rights or security of any Owners of any Bonds of any other Series shall not be deemed or considered to be a supplement or amendment to this Master Trust Agreement for purposes of this Article.

Section 1206 Exclusion of Bonds. Bonds owned or held by or for the account of the Town shall not be deemed Outstanding Bonds for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in this Article, and the Town as Owner of such Bonds shall not be entitled to consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Town shall furnish the Trustee an Officer’s Certificate upon which the Trustee may rely, describing all Bonds so to be excluded.

ARTICLE XIII

DEFEASANCE

Section 1301 Release of Trust Agreement. When:

(a) the Bonds issued hereunder shall have become due and payable in accordance with their terms or otherwise as provided in this Master Trust Agreement, and the whole amount of the principal and the interest and premium, if any, so due and payable upon all Bonds shall be paid, and

(b) if the Bonds shall not have become due and payable in accordance with their terms, the Trustee shall hold, sufficient (i) money or (ii) Defeasance Obligations or a combination of (i) and (ii) of this clause (b), the principal of and the interest on which, when due and payable, will provide sufficient money to pay the principal of, and the interest and redemption premium, if any, on all Bonds then Outstanding to the maturity date or dates of such Bonds or to the date or dates specified for the redemption thereof, and there shall have been delivered to the Trustee an opinion of Bond Counsel that such deposit of money or Defeasance Obligations will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, and

(c) if Bonds are to be called for redemption, irrevocable instructions to call the Bonds for redemption shall have been given by the Town to the Trustee, and

(d) sufficient funds shall also have been provided or provision made for paying all other obligations payable hereunder by the Town;

then and in that case the right, title and interest of the Trustee in the funds, accounts and subaccounts mentioned in this Master Trust Agreement shall thereupon cease, determine and become void and, upon being furnished with an opinion, in form and substance satisfactory to the Trustee, of counsel approved by the Trustee, to the effect that all conditions precedent to the release of this Master Trust Agreement and the Deed of Trust have been satisfied, the Trustee shall release this Master Trust Agreement and the Deed of Trust and shall execute such documents to evidence such release as may be required by such counsel, and the Trustee shall turn over to the Town any surplus in, and all balances remaining in, all funds, accounts and subaccounts other than money held for the redemption or payment of Bonds. If the Bonds to be paid by the moneys or Defeasance Obligations deposited with the Trustee will not be retired within six months of the date of the deposit, then in addition to the requirements set forth in (a) through (d) above, such deposit shall be accompanied by a report of an independent verification agent or certified public accountant to the effect that the principal of and the interest on the Defeasance Obligations when due and payable, together with any money deposited, will provide sufficient money to pay the principal of, and the interest and redemption premium, if any, on, all Bonds then Outstanding to the maturity date or dates of such Bonds or to the date or dates specified for the redemption thereof. Otherwise, this Master Trust Agreement shall be, continue and remain in full force and effect; provided, however, that (i) if the Bonds to be paid by the moneys or Defeasance Obligations deposited with the Trustee will not be retired within thirty days of the date of the deposit, then in addition to the requirements set forth in Article III, the Trustee, within thirty (30) days after such moneys or Defeasance Obligations shall have been deposited with it, shall cause a notice signed by the Trustee

to be mailed, postage prepaid, to all Owners of Bonds, setting forth (a) the date or dates, if any, designated for the redemption of the Bonds, (b) a description of the Defeasance Obligations so held by it, and (c) that this Master Trust Agreement has been released in accordance with the provisions of this Section, and (ii) (a) the Trustee shall nevertheless retain such rights, powers and privileges under this Master Trust Agreement as may be necessary and convenient in respect of the Bonds for the payment of the principal, interest and any premium for which such Defeasance Obligations have been deposited and (b) the Trustee shall retain such rights, powers and privileges under this Master Trust Agreement as may be necessary and convenient for the registration, transfer and exchange of Bonds; provided, however, that failure to mail such notice to any Owner or to the Owners, or any defect in such notice so mailed, shall not affect the validity of the release of this Master Trust Agreement.

All money and Defeasance Obligations held by the Trustee pursuant to this Section shall be held in trust and applied to the payment, when due, of the obligations payable therewith.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401 Successorship of Town. In the event the Town for any reason shall be dissolved or its legal existence shall otherwise be terminated, all of the covenants, stipulations, obligations and agreements contained in this Master Trust Agreement by or on behalf of or for the benefit of the Town shall bind or inure to the benefit of the successor of the Town from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the term “Town” as used in this Master Trust Agreement shall include such successor or successors.

Section 1402 Payment Due on Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right as provided in this Master Trust Agreement is not a Business Day, such payment may be made or act performed or right exercised on the next Business Day with the same force and effect as if done on the date provided in this Master Trust Agreement.

Section 1403 Manner of Giving Notice. All notices, demands and requests to be given to or made hereunder by the Town or the Trustee shall be given or made in writing and shall be deemed to be properly given or made if sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

(a) As to the Town--

Town of Apex, North Carolina
73 Hunter Street
Apex, North Carolina 27502
Attention: Finance Director

(b) As to the Trustee--

U.S. Bank Trust Company, National Association
214 North Tryon Street, 27th Floor
Charlotte, North Carolina 28202-1078
Attention: Global Corporate Trust

(c) As to the Local Government Commission--

North Carolina Local Government Commission
Longleaf Building
3200 Atlantic Avenue
Raleigh, North Carolina 27604
Attention: Secretary

Unless otherwise specifically provided herein to the contrary, the Trustee shall also have the right to accept and act upon notices, certificates, consents, requests, waivers, requisitions, instructions and directions, including funds transfer and investment instructions (each for purposes of this paragraph, a "Notice"), under this Master Trust Agreement or any Supplemental Trust Agreement sent by Electronic Means by the Town. As used in this paragraph, "Electronic Means" means a portable document format ("pdf") or other replicating image attached to an unsecured email, facsimile transmission, secure electronic transmission (containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee), or another method or system specified by the Trustee as available for use in connection with its services hereunder; provided, however, that the Town shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide Notices by Electronic Means ("Authorized Officers"), which incumbency certificate shall include each Authorized Officer's name, title, sample signature, telephone number, facsimile number and email address from which such Notices will be sent and shall be amended whenever a person is to be added or deleted from the listing. The Town agrees that the Trustee cannot determine the identity of the actual sender of Notices delivered by Electronic Means and that the Trustee shall be deemed to have acted reasonably in believing the genuineness of a Notice received by Electronic Means if such Notice on its face appears to have been signed by, and sent from the email address of, an Authorized Officer, as shown on the incumbency certificate provided to the Trustee. The Town shall be responsible for ensuring that only its Authorized Officers use Electronic Means to deliver Notices to the Trustee, and the Town and its Authorized Officers are responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and authentication keys provided by the Trustee, if any. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with Notices delivered by Electronic Means notwithstanding such Notices conflict or are inconsistent with a subsequent written Notice delivered by other means. If the Trustee accepts and acts upon a Notice delivered by Electronic Means in accordance with this paragraph, the Town agrees (i) to assume all risks arising out of the use of such Electronic Means to submit Notices to the Trustee, including, without limitation, the risk of the Trustee acting on unauthorized Notices and the risk that a Notice is intercepted during transmission and misused by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Trustee and that there may be more secure methods of transmitting instructions than the use of Electronic Means; (iii) that the Trustee has no responsibility for the Town's security procedures in connection with its transmission of Notices and that such procedures, including the procedures set forth herein, provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) that it will notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures to the extent they may impact the use of Electronic Means to deliver Notices pursuant to this paragraph.

Any such notice, demand or request may also be transmitted to the appropriate above-mentioned party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change in the manner provided above to the other parties by the party effecting the change.

All documents received by the Trustee under the provisions of this Master Trust Agreement, or photographic copies thereof, shall be retained in its possession until this Master Trust Agreement shall be released under the provisions of Section 1301, subject at all reasonable times to the inspection of the Town, any Owner and their respective agents and representatives.

Section 1404 Substitute Mailing. If, because of the temporary or permanent suspension of postal service, the Town or the Trustee shall be unable to mail any notice required to be given by the provisions of this Master Trust Agreement, the Town or the Trustee shall give notice in such other manner as in the judgment of the Town or the Trustee shall most effectively approximate mailing, and the giving of notice in such manner shall for all purposes of this Master Trust Agreement be deemed to be in compliance with the requirement for the mailing thereof.

Section 1405 Parties, Owners and Local Government Commission Alone Have Rights Under this Master Trust Agreement. Except as herein or in a Supplemental Trust Agreement otherwise expressly provided, nothing in this Master Trust Agreement, express or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the Trustee, the Town, the Owners of Bonds and the Local Government Commission any right, remedy or claim, legal or equitable, under or by reason of this Master Trust Agreement or any provision being intended to be and being for the sole and exclusive benefit of the Trustee, the Town, the Owners of Bonds and the Local Government Commission.

Section 1406 Effect of Partial Invalidity. In case any one or more of the provisions of this Master Trust Agreement or the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Master Trust Agreement or the Bonds, but this Master Trust Agreement and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Bonds or this Master Trust Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Town to the full extent permitted by law.

Section 1407 Effect of Covenants; Governing Law; Venue. All covenants, stipulations, obligations and agreements of the Town contained in this Master Trust Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the Town to the full extent permitted by the Constitution and laws of the State. This Master Trust Agreement is executed and delivered with the intent that the laws of the State shall govern its construction. The exclusive forum and venue for all actions arising out of this Master Trust Agreement are with the North Carolina General Court of Justice in the County of Wake, North Carolina or the U.S. District Court for the Eastern District of North Carolina, Raleigh Division. Any attempt to contravene this Section shall be an express violation of this Master Trust Agreement.

Section 1408 No Recourse Against Members, Officers or Employees of Town or the Local Government Commission. No recourse under, or upon, any statement, obligation, covenant or agreement contained in this Master Trust Agreement, or in any Bonds issued hereunder, or in any document or certification whatsoever, or under any judgment obtained against the Town, or by the enforcement of any assessment, or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any member,

officer or employee of the Town or the Local Government Commission, either directly or through the Town for the payment for or to, the Town or any receiver of either of them, or for, or to, any Owner of Bonds or otherwise, of any sum that may be due and unpaid upon any such Bonds. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such member, officer or employee to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the Town or the Local Government Commission or any receiver of either of them, or for, or to, any Owner of Bonds, or otherwise, of any sum that may remain due and unpaid upon the Bonds hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the adoption of this Master Trust Agreement and the issuance of the Bonds.

Section 1409 Dealing in Bonds. The Trustee and its directors, officers, employees or agents, and any officer, employee or agent of the Town, may in good faith, buy, sell, own, hold and deal in any Bonds and may join in any action which any Owner thereof may be entitled to take with like effects as if such Trustee were not a Trustee.

Section 1410 Headings. Any heading preceding the text of the several articles hereof, any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Master Trust Agreement, nor shall they affect its meaning, construction or effect.

Section 1411 Further Authority. The officers of the Town, attorneys and other agents or employees of the Town are hereby authorized to do all acts and things required of them by this Master Trust Agreement for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Bonds and this Master Trust Agreement.

Section 1412 Multiple Counterparts. This Master Trust Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

Section 1413 USA Patriot Act Compliance. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Trustee requires documentation to verify its formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

IN WITNESS WHEREOF, the Town and the Trustee have caused this Master Trust Agreement to be executed in their respective names by their respective duly authorized representatives all as of the date first written above.

TOWN OF APEX, NORTH CAROLINA

[SEAL]

By: _____
Mayor

Attest:

Town Clerk

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee

By: _____
Vice President

[Counterpart signature page to the Master Trust Agreement, dated as of November 1, 2026, between the Town of Apex, North Carolina and U.S. Bank Trust Company, National Association]

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The foregoing Master Trust Agreement has been approved under the provisions of Section 160A-20 and Article 8 of Chapter 159 of the General Statutes of North Carolina, as amended.

Secretary, Local Government Commission of North
Carolina

Requisition No. _____

REQUISITION AND CERTIFICATE

_____, 20__

U.S. Bank Trust Company, National Association
214 North Tryon Street, 27th Floor
Charlotte, North Carolina 28202-1078
Attention: Global Corporate Trust

Dear Sir or Madam:

On behalf of the Town of Apex, North Carolina (the "Town"), in connection with \$_____ Town of Apex, North Carolina Limited Obligation Bonds, Series ____ (the "Bonds") issued by the Town, I hereby requisition from you funds held in the _____ Project Account of the Town of Apex, North Carolina Limited Obligation Bonds Project Fund (the "Project Fund") in accordance with the Master Trust Agreement, dated as of November 1, 2026 (the "Master Trust Agreement"), between the Town and yourself, as trustee (the "Trustee"), and the _____ Supplemental Trust Agreement, dated as of _____ (the "Supplemental Trust Agreement"), between the Town and the Trustee, the sum of \$_____ payable to _____.

I hereby certify that the obligation to make such payment was incurred by the Town in connection with the [_____] Project as defined in the [Master][Supplemental] Trust Agreement or is a cost of issuance relating to the issuance of the Bonds, is presently due and payable, is a proper charge against the Project Fund and has not been the basis for any prior requisition which has been paid.

All capitalized terms not otherwise defined herein shall have the same meaning in the Master Trust Agreement and the Supplemental Trust Agreement.

Authorized Officer