

COVERING CERTIFICATE FOR RESOLUTION

The undersigned Town Clerk of the Town of Bowling Green, Virginia (the “Town”), certifies as follows:

1. Attached hereto is a true, correct, and complete copy of a resolution entitled “RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND AWARD OF A GENERAL OBLIGATION PUBLIC IMPROVEMENT AND REFUNDING BOND OF THE TOWN OF BOWLING GREEN, VIRGINIA, HERETOFORE AUTHORIZED, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF” (the “Resolution”). The Resolution was adopted at a regular meeting of the Town Council of the Town (the “Council”) held on March 5, 2026, by a majority of all members of the Council by a roll-call vote.

2. The Council meeting at which the Resolution was adopted was held at the time and place established by the Council for its regular meetings.

3. The minutes of such meeting reflect the attendance of the members and their votes on the Resolution as follows:

Member	Attendance (Present/Absent)	Vote (Aye/Nay/Abstain)
Tina Gambill, Mayor		
Valarie Coyle, Vice Mayor		
Dr. John Chinault		
Jean Davis		
Randy Hageman		
David Storke		
Jeff Voit		
Dan Webb		

4. The Resolution has not been repealed, revoked, rescinded, or amended and is in full force and effect on the date hereof.

WITNESS my signature and the seal of the Town of Bowling Green, Virginia this _____ day of March, 2026.

(SEAL)

Town Clerk, Town of Bowling Green, Virginia

**RESOLUTION PROVIDING FOR THE ISSUANCE, SALE
AND AWARD OF A GENERAL OBLIGATION PUBLIC
IMPROVEMENT AND REFUNDING BOND OF THE TOWN
OF BOWLING GREEN, VIRGINIA, HERETOFORE
AUTHORIZED, AND PROVIDING FOR THE FORM,
DETAILS AND PAYMENT THEREOF**

WHEREAS, the Town Council (the “Council”) of the Town of Bowling Green, Virginia (the “Town”), by an ordinance adopted on March 5, 2026, has authorized the issuance of general obligation bonds in the maximum principal amount of \$3,200,000 (a) to finance capital improvements related to the Town’s water and sewer systems and (b) to refinance the outstanding principal amount of a Tax-Exempt Multiple Advances Term Promissory Note (RD/RUS Interim Loan – Anticipation Note), dated April 29, 2021, as amended (the “2021 Note”) and (c) to pay the related costs of issuance and refinancing (collectively, the “Project”);

WHEREAS, a representative of Davenport & Company LLC, as the Town’s financial advisor (the “Financial Advisor”), has recommended that the Town solicit bids from qualified banking and financial institutions and has received five bids;

WHEREAS, the Financial Advisor has reviewed such bids and, after consultation with officials of the Town, has advised that the bid of Atlantic Union Public Finance, Inc. (such entity or an affiliate herein referred to as the “Lender”) offers the most favorable loan terms to the Town;

WHEREAS, the Town intends to issue and sell to the Lender a general obligation public improvement and refunding bond of the Town (the “Bond”) to evidence its repayment obligations with respect to such loan; and

WHEREAS, the Council has determined to delegate to the Town Manager the authority to negotiate the final terms of the loan (including the Bond), all within the parameters set forth in this Resolution;

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF BOWLING GREEN, VIRGINIA:

1. Issuance and Sale. Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991 and the Town Charter, the Council hereby provides for the issuance and sale of the Bond in an aggregate principal amount not to exceed \$3,200,000 and the use of the proceeds thereof to finance the Project, to refinance the 2021 Note, and to pay the related issuance and refinancing costs. The Bond shall be issued and sold to the Lender in accordance with the terms of its bid and this Resolution.

2. Bond Details. Subject to the provisions and limitations of this Resolution, the Council hereby authorizes the Town Manager to undertake the issuance and sale of the Bond and to determine the final terms of the Bond as she shall deem to be in the best interests of the Town. The Bond shall be designated “General Obligation Public Improvement and Refunding Bond, Series 2026,” shall be in registered form, and shall be dated such date as may be determined by the Town Manager. In finalizing the terms of the Bond, the Town Manager shall provide that the

Bond (a) shall not be issued in a principal amount exceeding the limit set forth in Section 1 above, (b) shall not bear interest at a tax-exempt rate exceeding _____% per year, (c) shall be sold at a price not less than 100% of the original aggregate principal amount thereof, or (d) shall have a final maturity date no later than December 31, _____. The Council further authorizes the Town Manager to determine the dates on which interest on the Bond shall be paid and the dates and amounts of the principal installments of the Bond shall be paid. Following the determination of the final pricing terms of the Bond, the Council directs the Town Manager to execute a certificate setting forth such final pricing terms and to file such certificate with the records of the Council. If deemed appropriate, the Town Manager is authorized to negotiate and execute a bond purchase and financing agreement with the Lender, which agreement shall set forth the terms and provisions of the loan and the Bond. The actions of the Town Manager in issuing and selling the Bond shall be conclusive, and no further action with respect to the issuance, sale and award of the Bond shall be necessary on the part of the Council.

If the date on which any payment is due with respect to the Bond is not a Business Day (as hereinafter defined), the payment shall be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of payment. "Business Day" shall mean a day on which banking business is transacted, but not including a Saturday, Sunday, legal holiday, or any other day on which banking institutions are authorized or required by law to close in the Commonwealth of Virginia.

Principal and interest shall be payable by the Registrar (as hereinafter defined) by check or draft mailed to the registered owner at the address as it appears on the registration books kept by the Registrar on the last Business Day of the month preceding each interest payment date; provided, however, at the request of the registered owner of the Bond, payment may be made by wire transfer pursuant to the most recent wire instructions received by the Registrar from such registered owner. Principal and interest shall be payable in lawful money of the United States of America.

3. Prepayment Provisions. The Bond may be subject to prepayment prior to maturity at the option of the Town, in whole or in part, at any time, at a prepayment price equal to 100% of the principal amount thereof to be redeemed, plus interest accrued and unpaid to the date fixed for such prepayment.

4. Pledge of Full Faith and Credit. The Bond shall be issued as a "general obligation bond" within the meaning of the Public Finance Act of 1991, and the Town hereby irrevocably pledges its full faith and credit to the payment of principal of and interest on the Bond. Unless other funds are lawfully available and appropriated for timely payment of the Bond, the Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property within the Town sufficient to pay when due the principal of and interest on the Bond.

5. Execution and Form. The Bond shall be signed by the manual signature of the Mayor or Vice Mayor, and the Town's seal shall be affixed thereto and attested by the manual signature of the Town Clerk (such term as used in this Resolution to include any Deputy or Assistant Clerk). The Bond shall be issued as a typewritten bond in substantially the form of Exhibit A attached hereto, with such completions, omissions, insertions, and changes not inconsistent with this Resolution as may be approved by the Mayor or Vice Mayor, whose approval

shall be evidenced conclusively by such officer's execution of the Bond and delivery to the purchaser thereof.

6. Registration, Transfer and Owner of the Bond. The Bond shall be issued in registered form without coupons, payable to the registered holder or its registered assigns. The Council hereby appoints the Town Treasurer as the initial paying agent and registrar for the Bond (in both capacities, the "Registrar"); provided, however, the Council may at any time, in its sole discretion, after notice to the registered owner of the Bond, appoint a bank or trust company to act as successor Registrar for the Bond. The Registrar shall maintain registration books for the registration and exchange of the Bond. Upon presentation and surrender of the Bond to the office of the Registrar, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the Town shall execute and deliver in exchange a new Bond or Bonds having an equal aggregate principal amount, of the same form and maturity, bearing interest at the same rate and registered in the name(s) as requested by the then registered owner or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Registrar may charge the person requesting such exchange the amount of any tax or governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal of and interest on the Bond and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person or entity shown as owner on the registration books on the last Business Day of the month preceding each payment date.

7. Preparation and Delivery of the Bond. The officers of the Town are hereby authorized and directed to take all proper steps to have the Bond prepared and executed in accordance with their terms and to deliver the Bond to the Lender upon payment therefor.

8. Mutilated, Lost or Destroyed Bond. If the Bond has been mutilated, lost or destroyed, the Town officers authorized under Section 5 above to execute the original Bond shall execute and deliver a new Bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Bond or in lieu of and in substitution for such lost or destroyed Bond; provided, however, that such Town officers shall so execute and deliver only if the registered owner has paid the reasonable expenses and charges of the Town in connection therewith and, in the case of a lost or destroyed Bond, (a) has filed with the Town evidence satisfactory to such Town officers that such Bond was lost or destroyed and (b) has furnished to the Town satisfactory indemnity.

9. Arbitrage Covenants. (a) The Town represents that there have not been issued, and covenants that there will not be issued, any obligations that will be treated as part of the same issue of obligations as the Bond within the meaning of Treasury Regulations Section 1.150-1(c).

(b) The Town covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or otherwise cause interest on the Bond to be includable in the gross income of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the Town shall comply with any provision of law that may require the Town at any time to rebate to the United States any part of the earnings

derived from the investment of the gross proceeds of the Bond, unless the Town receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bond from being includable in the gross income of the registered owners thereof under existing law. The Town shall pay any such required rebate from its legally available funds.

10. Non-Arbitrage Certificate and Elections. Such officers of the Town as may be requested by the Town's bond counsel are hereby authorized and directed to execute an appropriate certificate setting forth (a) the expected use and investment of the proceeds of the Bond in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code and regulations issued pursuant thereto and (b) any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate shall be prepared in consultation with the Town's bond counsel, and such elections shall be made after consultation with bond counsel.

11. Limitation on Private Use. The Town covenants that it shall not permit the proceeds of the Bond or the facilities financed or refinanced therewith to be used in any manner that would result in more than (a) 5% of such proceeds or facilities being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% of such proceeds or facilities being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the Town receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Bond from being includable in the gross income for federal income tax purposes of the registered owner thereof under existing law, the Town need not comply with such covenants.

12. Prepayment of 2021 Note. The Town Manager is authorized and directed to take all proper steps to prepay the 2021 Note and to prepare and deliver any such prepayment notices and correspondence necessary to effect the prepayment.

13. SNAP Investment Authorization. The Council has previously received and reviewed the Information Statement describing the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP") and the Contract Creating the State Non-Arbitrage Program Pool I (the "Contract"), and the Council hereby authorizes the Town Treasurer in her discretion to utilize SNAP in connection with the investment of all or a portion of the proceeds of the Bond. The Council acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the Town in connection with SNAP, except as otherwise provided in the Contract.

14. Provision of Financial Information to the Lender. The Town Manager or her designee is hereby authorized and directed to provide directly to the Lender, or by posting on the Town's website, for each fiscal year in which the Bond remains outstanding: (a) a copy of the Town's audited financial statements no later than March 31 of the following year and (b) the Town's annual budget within 30 days after adoption by Council.

15. Other Actions. All other actions of officers of the Town and the Council in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and

sale of the Bond, the financing of the Project and the refinancing of the 2021 Note are ratified, approved, and confirmed. The officers of the Town are hereby authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bond, the financing of the Project and the refinancing of the 2021 Note.

15. Repeal of Conflicting Resolutions. All resolutions or parts of resolutions in conflict herewith are repealed.

16. Effective Date. This Resolution shall take effect immediately.

FORM OF BOND

REGISTERED

REGISTERED

No. R-1

_____, 2026

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
TOWN OF BOWLING GREEN**

**General Obligation Public Improvement and Refunding Bond
Series 2026**

The Town of Bowling Green, Virginia (the “Town”), for value received, promises to pay, to [_____] (the “Lender”), or its registered assigns or legal representative, the principal sum of [_____] **DOLLARS** (\$_____), together with interest from the date of this bond on the unpaid principal, at the rate of [_____] % per year, calculated on the basis of a 360-day year of twelve 30-day months, subject to prepayment as hereinafter provided. Installments of interest shall be payable semi-annually on [_____] and [_____] , commencing [_____] , and installments of principal shall be payable annually on [_____] , commencing [_____] , in the amounts set forth on Schedule I attached hereto. Final payment of principal and interest on this bond shall be due on _____. Principal of and interest on this bond are payable in lawful money of the United States of America.

If the date on which any payment is due with respect to this bond is not a Business Day (as hereinafter defined), the payment shall be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of payment. “Business Day” shall mean a day on which banking business is transacted, but not including a Saturday, Sunday, legal holiday, or any other day on which banking institutions are authorized or required by law to close in the Commonwealth of Virginia. Principal and interest are payable in lawful money of the United States of America by the Town Treasurer, who has been appointed the initial paying agent and registrar for this bond (in both capacities, the “Registrar”).

This bond is issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Town Charter and the Public Finance Act of 1991. This bond has been authorized and issued pursuant to an ordinance and a resolution, both adopted by the Town Council of the Town (the “Council”) on March 5, 2026, to provide funds (a) to finance capital improvements related to the Town’s water and sewer systems, (b) to refinance the outstanding principal amount of a Tax-Exempt Multiple Advances Term Promissory Note (RD/RUS Interim Loan – Anticipation Note), dated April 29, 2021, as amended (the “2021 Note”), and (c) to pay the costs of issuing this bond and refinancing the 2021 Note.

This bond is subject to prepayment, in whole or in part, at any time prior to maturity, at the option of the Town, at a prepayment price equal to 100% of the principal amount of this bond to be prepaid, together with any interest accrued and unpaid to the date fixed for prepayment.

This bond constitutes a “general obligation bond” within the meaning of the Public Finance Act of 1991, and the Town has irrevocably pledged its full faith and credit to the payment of principal of and interest on this bond. Unless other funds are lawfully available and appropriated for timely payment of this bond, the Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all taxable property within the Town sufficient to pay when due the principal of and interest on this bond.

The Registrar shall treat the registered owner of this bond as the person exclusively entitled to the payment of principal of and interest on this bond and the exercise of all rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the last Business Day of the month preceding each payment date.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed, and this bond, together with all other indebtedness of the Town, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Town of Bowling Green, Virginia, has caused this bond to be signed by its Mayor, its seal to be affixed hereto and attested by the Town Clerk, and this bond to be dated the date first written above.

(SEAL)

Mayor, Town of Bowling Green, Virginia

(ATTEST)

Town Clerk, Town of Bowling Green,
Virginia

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or type name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE:

: :
: :
: :
: :

the within bond and all rights thereunder, hereby irrevocably constituting and appointing _____,
Attorney, to transfer said bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union, or Savings Association who is a member of a medallion program approved by The Securities Transfer Association, Inc.

(Signature of Registered Owner)

NOTICE: The signature above must correspond with the name of the registered owner as it appears on the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

TRANSFER OF BOND

Transfer of this bond may be registered by the registered owner or its duly authorized attorney upon presentation hereof to the Registrar who shall make note of such transfer in books kept by the Registrar for that purpose and in the registration blank below.

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SCHEDULE I

[Attach Amortization Schedule at Closing]