

CITY OF DALTON
RESOLUTION
Resolution No. 21-03

DRAFT DATE: 02/24/21

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF DALTON, GEORGIA (THE “CITY”), TO APPROVE THE BOND RESOLUTION OF THE CITY OF DALTON BUILDING AUTHORITY AUTHORIZING THE ISSUANCE OF THE CITY OF DALTON BUILDING AUTHORITY REVENUE BONDS (CITY OF DALTON PROJECTS), SERIES 2021, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$21,000,000; TO AUTHORIZE THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT BETWEEN THE AUTHORITY AND THE CITY; TO AUTHORIZE THE MAYOR AND OTHER OFFICERS AND OFFICIALS OF THE CITY TO TAKE SUCH FURTHER ACTIONS AS ARE NECESSARY TO PROVIDE FOR THE ISSUANCE AND DELIVERY OF THE REVENUE BONDS DESCRIBED HEREIN; AND FOR OTHER PURPOSES.

WHEREAS, The City of Dalton Building Authority (the “Authority”) is a public body corporate and politic duly created and existing pursuant to the Constitution and Laws of the State of Georgia (the “State”), including an amendment to the Constitution of the State (1968 Ga. Laws, p. 1466, *et seq.*, as continued 1986 Ga. Laws, p. 5547, *et seq.*, as hereafter amended) (the “Amendment”); and the Authority is now existing and operating and its members have been duly appointed and entered into their duties; and

WHEREAS, under the Amendment and the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq.*, as amended), the Authority has the power (a) to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any “undertaking” (as defined in the Revenue Bond Law) or any “project” (as defined in the Amendment) including the acquisition, construction and improvement of buildings and facilities for use by the City of Dalton, Georgia (the “City”) for its governmental, proprietary and administrative functions, or for the purpose of refunding, as provided in the Amendment, any such bonds of the Authority previously issued to finance or refinance the cost of a project; and (b) to make and execute contracts and other instruments necessary to exercise the powers of the Authority; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political subdivision of the State of Georgia to contract, for a period not exceeding fifty (50) years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, including the Revenue Bond Law, and a resolution adopted by the Authority on April 8, 2010, the Authority issued its The City of Dalton Building Authority (Georgia) Revenue Bonds (Taxable –

Recovery Zone Economic Development Bonds – Direct Payment), Series 2010, in the original aggregate principal amount of \$5,600,000 (the “Series 2010 Bonds”), for the purpose of providing funds to (a) finance, in whole or in part, the cost of the acquisition of property, construction and equipping of a new Community Center, and renovations and improvements to recreation facilities including James Brown Park for the citizens of the City (the “2010 Projects”) and (b) pay the costs of issuance thereof; and

WHEREAS, in connection with the issuance of the Series 2010 Bonds, the Authority and the City entered into an Intergovernmental Agreement, dated as of April 8, 2010 (the “2010 Contract”), pursuant to which the Authority agreed to issue the Series 2010 Bonds to finance the acquisition, construction and installation of the 2010 Projects, and the City, in consideration of the Authority’s doing so, agreed to pay to the Authority amounts sufficient to pay the principal of and interest on the Series 2010 Bonds; and

WHEREAS, the Series 2010 Bonds are currently outstanding the aggregate principal amount equal to \$3,175,000; and

WHEREAS, because of present market conditions it is advisable, feasible and in the best interest of the Authority and the City that all or a portion of the Series 2010 Bonds (the “Refunded Bonds”) be refunded and called for redemption, in order to effect a savings in the debt service requirements on the City’s outstanding bonded indebtedness, and the Authority and the City have determined, after their own independent study and investigation, that it is in the best interest of the Authority and the City to refund the Refunded Bonds; and

WHEREAS, the Authority and the City propose to acquire, construct and install certain public buildings, facilities and equipment necessary and convenient for the efficient operation of the City (the “2021 Projects,” and, together with the 2010 Projects, the “Projects”), as more fully described in the Project Report attached as Appendix C to the Bond Resolution (defined below); and

WHEREAS, the City has requested that the Authority issue its Revenue Bonds (City of Dalton Projects), Series 2021, in the aggregate principal amount of not to exceed \$21,000,000 (the “Series 2021 Bonds”) to provide funds to (i) finance the acquisition, construction and installation of the 2021 Projects, (ii) refund the Refunded Bonds and (iii) pay expenses necessary to accomplish the foregoing; and

WHEREAS, the Series 2021 Bonds shall be issued pursuant to a resolution of the Authority, adopted on February 26, 2021 (the “Bond Resolution”), a form of which is attached hereto as Exhibit A; and

WHEREAS, the exact aggregate principal amount of the Series 2021 Bonds and interest rates thereon and the Series 2010 Bonds to be refunded will be determined by the Authority in a resolution supplementing the Bond Resolution (the “Supplemental Bond Resolution”); and

WHEREAS, the Authority and the City propose to enter into an Intergovernmental Contract (the “Contract”), pursuant to which the Authority will agree to provide funds to acquire, construct and install the 2021 Projects and refund the Refunded Bonds, and the City will agree to make contract payments in stated amounts which are sufficient to pay when due the principal of and interest on the Series 2021 Bonds (the “Contract Payments”); and

WHEREAS, the Series 2021 Bonds will be secured by a first lien on the Contract and the Contract Payments; and

WHEREAS, the City proposes to authorize the use and distribution of a Preliminary Official Statement relating to the Series 2021 Bonds (the “Preliminary Official Statement”), authorize the execution, delivery and use of an Official Statement relating to the Series 2021 Bonds (the “Official Statement”) and “deem final” the Preliminary Official Statement for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission; and

WHEREAS, the City proposes to authorize the execution, delivery and performance of a Continuing Disclosure Certificate (the “Disclosure Certificate”) to assist the initial purchaser of the Series 2021 Bonds in complying with its obligations under Rule 15c2-12 of the Securities Exchange Act of 1934, as amended; and

WHEREAS, it is necessary and proper that the Mayor and Council of the City approve the form of the Bond Resolution and the Contract, and authorize the Mayor to execute the Contract and the Disclosure Certificate.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City as follows:

The City has made a finding of fact that:

- 1) The Projects are “projects” and/or “undertakings” as defined pursuant to the Amendment or the Revenue Bond Law and is “self-liquidating” as defined pursuant to the Amendment; and
- 2) Following study and investigation, the City has determined that it is in the best interests to enter into the Contract with the Authority in connection with the Projects for the benefit of the City and its citizens;

BE IF FURTHER RESOLVED, as follows:

1. The Mayor and Council of the City hereby approve the form of the Bond Resolution, adopted by the Authority on February 26, 2021, in substantially the form attached hereto as Exhibit A, together with such supplements and amendments which may be made thereto with the consent of the Mayor of the City (the “Mayor”).
2. The Mayor is authorized and directed to cause to be prepared an answer to be filed

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in validation proceedings requesting that the Series 2021 Bonds and the security therefor be declared valid in all respects.

3. The execution, delivery and performance by the City of the Contract, in substantially the form attached hereto as Exhibit B, between the City and the Authority be and the same are hereby authorized. The Mayor is authorized to agree to any amendments to the Contract as may be necessary prior to the issuance of each series of the Series 2021 Bonds, and the execution and delivery of any such amendments shall be conclusive evidence of such approval. The Clerk of the City is authorized to attest the execution by the Mayor of the Contract and to affix the seal of the City to such documents.

4. The execution, delivery and performance of the Disclosure Certificate are hereby authorized. The Disclosure Certificate shall be in substantially the forms presented for approval at the meeting of the Mayor and Council of the City to adopt the Supplemental Resolution.

5. Prior to the execution of the Contract, and any amendments thereto, the Disclosure Certificate or other documents, the Mayor may approve any exhibits thereto and such other changes or additions as may be necessary and desirable to effect the purposes of this resolution, and the execution of the Contract, the Disclosure Certificate or other documents by the Mayor shall be conclusive evidence of such approval.

6. The use and distribution of the Preliminary Official Statement are hereby ratified and approved. The use, distribution and execution of the Official Statement are hereby authorized, provided that such Official Statement is in substantially the same form as the respective Preliminary Official Statement. The execution of the Official Statement by the Mayor, as hereby authorized shall be conclusive evidence of the approval of any such changes.

7. The execution and delivery of a certificate deeming the Preliminary Official Statement final for purpose of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended, are hereby authorized and approved.

8. The Mayor, Clerk of the City, and such other officials as may be required are directed to take such actions and to complete such transfers as are necessary to provide security for payment of the Series 2021 Bonds in accordance with the Bond Resolution and any amendments or supplemental resolutions of the Authority and to fulfill the obligations of the City pursuant to the Contract, as the same may be hereafter amended, and to take such other actions as may be required in accordance with the intents and purposes of this resolution.

9. The Contract, and any amendment thereto, the Disclosure Certificate and the Official Statement shall not be executed by the Mayor until the Mayor and Council of the City have been provided a certified copy of the Supplemental Bond Resolution and have adopted a supplemental resolution approving such Supplemental Bond Resolution and the final terms for the Series 2021 Bonds.

10. The Mayor is hereby authorized to execute and deliver a certification, based upon facts, estimates and circumstances, as to reasonable expectations regarding the amount, expenditure and use of the proceeds of the Series 2021 Bonds, as well as such other documents as may be necessary or desirable in connection with the issuance and delivery of the Series 2021 Bonds.

11. No stipulation, obligation or agreement herein contained or contained in the Contract shall be deemed to be a stipulation, obligation or agreement of the Mayor or Clerk of the City in their individual capacity, and neither the Mayor nor the Clerk of the City shall be personally liable under the Contract or on the Series 2021 Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

12. From and after the execution and delivery of the Contract, and any amendments thereto and the Disclosure Certificate, the Mayor is hereby authorized, empowered, and directed to perform all actions and things, relating to the Contract and the issuance of the Series 2021 Bonds, and to execute all such documents as may be necessary to carry out and comply with the provisions of said Contract, and any amendments thereto, as executed, and is further authorized to take any and all further actions and execute and deliver any and all other documents and certificates as may be necessary or desirable in connection with the issuance of the Series 2021 Bonds and the execution and delivery of the Contract. The Clerk of City is authorized, empowered, and directed to attest the signatures of the Mayor, as and if necessary, with the signatures of such persons to be conclusive evidence of their authority to do and perform such actions and things.

13. All acts and doings of the Mayor which are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Series 2021 Bonds and the execution, delivery and performance of the Contract, and any amendments thereto, and the Disclosure Certificate shall be, and the same hereby are, in all respects approved and confirmed.

14. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof.

15. All ordinances, resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

16. This Resolution shall take effect immediately upon its adoption.

SO RESOLVED, this 1st day of March, 2021.

CITY OF DALTON, GEORGIA

By: _____
Mayor

(S E A L)

Attest: _____
Clerk

Exhibit A

Bond Resolution

BOND RESOLUTION

RESOLUTION OF THE CITY OF DALTON BUILDING AUTHORITY TO PROVIDE FOR THE ISSUANCE OF ITS REVENUE BONDS (CITY OF DALTON PROJECTS), SERIES 2021, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$21,000,000, TO PROVIDE FUNDS TO (I) FINANCE THE COST OF ACQUIRING, CONSTRUCTING AND INSTALLING CERTAIN PROJECTS FOR THE BENEFIT OF THE CITY OF DALTON, GEORGIA, (II) REFUND ALL OR A PORTION OF THE OUTSTANDING THE CITY OF DALTON BUILDING AUTHORITY (GEORGIA) REVENUE BONDS (TAXABLE – RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS – DIRECT PAYMENT), SERIES 2010 AND (III) PAY EXPENSES NECESSARY TO ACCOMPLISH THE FOREGOING; TO PROVIDE FOR THE ISSUANCE UNDER CERTAIN TERMS AND CONDITIONS OF ADDITIONAL BONDS; TO PROVIDE FOR THE CREATION AND MAINTENANCE OF CERTAIN FUNDS; TO PROVIDE REMEDIES FOR THE HOLDERS OF THE BONDS ISSUED HEREUNDER; TO AUTHORIZE AND APPROVE THE EXECUTION OF AN INTERGOVERNMENTAL CONTRACT WITH THE CITY OF DALTON, GEORGIA; AND FOR OTHER RELATED PURPOSES.

Adopted on

February 26, 2021

This document was prepared by

Gray, Pannell & Woodward LLP
347 W. Hancock Ave., Suite 100
Athens, Georgia 30601

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BOND RESOLUTION

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WHEREAS, The City of Dalton Building Authority (the “Authority”) is a public body corporate and politic duly created and existing pursuant to the Constitution and Laws of the State of Georgia (the “State”), including an amendment to the Constitution of the State (1968 Ga. Laws, p. 1466, *et seq.*, as continued 1986 Ga. Laws, p. 5547, *et seq.*, as hereafter amended) (the “Amendment”); and the Authority is now existing and operating and its members have been duly appointed and entered into their duties; and

WHEREAS, under the Amendment and the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq.*, as amended), the Authority has the power (a) to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any “undertaking” (as defined in the Revenue Bond Law) or any “project” (as defined in the Amendment) including the acquisition, construction and improvement of buildings and facilities for use by the City of Dalton, Georgia (the “City”) for its governmental, proprietary and administrative functions, or for the purpose of refunding, as provided in the Amendment, any such bonds of the Authority previously issued to finance or refinance the cost of a project; and (b) to make and execute contracts and other instruments necessary to exercise the powers of the Authority; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political subdivision of the State of Georgia to contract, for a period not exceeding fifty (50) years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, including the Revenue Bond Law, and a resolution adopted by the Authority on April 8, 2010 (the “Series 2010 Bond Resolution”), the Authority issued The City of Dalton Building Authority (Georgia) Revenue Bonds (Taxable – Recovery Zone Economic Development Bonds – Direct Payment), Series 2010, in the original aggregate principal amount of \$5,600,000 (the “Series 2010 Bond”), for the purpose of providing funds to (a) finance, in whole or in part, the cost of the acquisition of property, construction and equipping of a new Community Center, and renovations and improvements to recreation facilities including James Brown Park for the citizens of the City (the “2010 Projects”) and (b) pay the costs incident issuance thereof; and

WHEREAS, in connection with the issuance of the Series 2010 Bonds, the Authority and the City entered into an Intergovernmental Agreement, dated as of April 8, 2010 (the “2010 Contract”), pursuant to which the Authority agreed to issue the Series 2010 Bonds to finance the 2010 Projects, and the City, in consideration of the Authority’s doing so, agreed to pay to the Authority amounts sufficient to pay the principal of and interest on the Series 2010 Bonds; and

WHEREAS, the Series 2010 Bonds are currently outstanding the aggregate principal amount equal to \$3,175,000; and

WHEREAS, because of present market conditions it is advisable, feasible and in the best interest of the Authority and the City that all or a portion of the Series 2010 Bonds (the “Refunded Bonds”) be refunded and called for redemption, in order to effect a savings in the debt service requirements on the City’s outstanding bonded indebtedness, and the Authority and the City have determined, after their own independent study and investigation, that it is in the best interest of the Authority and the City to refund the Refunded Bonds; and

WHEREAS, the Authority and the City propose to acquire, construct and install certain public buildings, facilities and equipment necessary and convenient for the efficient operation of the City (the “2021 Projects,” and, together with the 2010 Projects, the “Projects”), as more fully described in the Project Report attached hereto as Exhibit C; and

WHEREAS, after careful study and investigation, the Authority proposes to issue its Revenue Bonds (City of Dalton Projects), Series 2021, in the aggregate principal amount of not to exceed \$21,000,000 (the “Series 2021 Bonds”), for the purpose of providing funds to (a) finance the acquisition, construction and installation of the 2021 Projects, (b) refund the Refunded Bonds and (c) pay the costs incident thereto; and

WHEREAS, the Authority and the City propose to enter into an Intergovernmental Contract (the “Contract”), pursuant to which the Authority will agree to provide funds to acquire, construct and install the 2021 Projects and refund the Refunded Bonds, and the City will agree to make contract payments in stated amounts which are sufficient to pay when due the principal of and interest on the Series 2021 Bonds (the “Contract Payments”); and

WHEREAS, the Series 2021 Bonds will be secured by a first lien on the Contract and the Contract Payments; and

WHEREAS, the Authority proposes to authorize the use and distribution of a Preliminary Official Statement relating to the Series 2021 Bonds (the “Preliminary Official Statement”), authorize the execution, delivery and use of an Official Statement relating to the Series 2021 Bonds (the “Official Statement”) and “deem final” the Preliminary Official Statement for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission; and

WHEREAS, the Authority has retained the services of Davenport & Company LLC, to act as financial advisor for the Series 2021 Bonds (the “Financial Advisor”); and

WHEREAS, the Financial Advisor has advised that it is in the best interest of the Authority to prepare a notice of sale to be submitted to prospective underwriters and purchasers of the Series 2021 Bonds and to receive competitive bids; and

WHEREAS, the Authority and the City desire to authorize and direct (i) the Financial Advisor to prepare and publish the appropriate notices of sale for the Series 2021 Bonds and to have the Chief Financial Officer of the City review all bids received in accordance with such notices; and (ii) the Chief Financial Officer of the City to award the sale of the Series 2021 Bonds to the bidder(s) submitting the best bid(s) with the lowest true interest cost to the Authority and the City.

NOW, THEREFORE, BE IT RESOLVED, by The City of Dalton Building Authority, and it is hereby resolved by authority of same, as follows:

(1) Authority for Bond Resolution. This Bond Resolution is adopted pursuant to the provisions of the Act.

(2) Findings. It is hereby ascertained, determined and declared that:

(a) The refunding of the Refunded Bonds and the refinancing of the 2010 Projects with the proceeds of the 2021 Bonds are lawful and valid public purposes in that they will further the public purposes to be served by the Amendment.

(b) The acquisition, construction and installation of the 2021 Projects are lawful and valid public purposes in that they will further the public purposes to be served by the Amendment;

(c) The Projects are “projects” and/or “undertakings” as defined pursuant to the Amendment or the Revenue Bond Law and is “self-liquidating” as defined pursuant to the Amendment; and

(d) the specified payments to be received by the Authority under the Contract will be fully sufficient to pay the principal of and interest on the Series 2021 Bonds as the same become due and payable; and

BE IF FURTHER RESOLVED, as follows:

ARTICLE I.

DEFINITIONS

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

“2010 Projects” means the projects originally financed with the proceeds of the Series 2010 Bonds and refinanced with the proceeds of the 2021 Bonds.

“2021 Projects” mean the projects financed with the proceeds of the Series 2021 Bonds described more fully in the Project Report.

“Amendment” means an amendment to the Constitution of the State of Georgia (1968 Ga. Laws, p. 1466, *et seq.*, as continued 1986 Ga. Laws, p. 5547, *et seq.*, as thereafter amended), which created the Authority.

“Additional Bonds” means any revenue bonds of the Authority ranking on a parity with the Series 2021 Bonds which may hereafter be issued pursuant to Section 2.10 hereof.

“Agent Member” means a member of, or participant in, the Securities Depository.

“Authority” means The City of Dalton Building Authority and its successors and assigns.

“Beneficial Owners” shall mean the owners of a beneficial interest in the Series 2021 Bonds registered in Book-Entry Form.

“Bond Registrar” means initially U.S. Bank National Association, Atlanta, Georgia and its successors and assigns or any successor commercial bank or banks appointed by the Authority and approved by the City to serve as bond registrar, in accordance with the terms of this Bond Resolution and any supplemental resolution, for any series of Bonds secured by this Bond Resolution.

“Bond Resolution” means this Bond Resolution, as same may be supplemented from time to time.

“Bondholders” and “owners” mean the registered owners of the outstanding Bonds.

“Bonds” means the Series 2021 Bonds and any Additional Bonds authorized by and issued pursuant to this Bond Resolution.

“Book-Entry Form” or “Book-Entry System” shall mean, with respect to the Series 2021 Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Series 2021 Bonds and bond service charges may be transferred only through book entry and (ii) physical Series 2021 Bonds in fully registered form are registered only in the name of a Securities

Depository or its nominee as holder, with physical Series 2021 Bonds in the custody of a Securities Depository.

“Business Day” means a day which is not (a) a Saturday, a Sunday or a legal holiday on which banking institutions in the State of Georgia or the State of New York are authorized by law or executive order to close or (b) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to close.

“City” means the City of Dalton, Georgia and its successors or assigns.

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

“Cost of Issuance Fund” means The City of Dalton Building Authority Cost of Issuance Fund – City of Dalton Projects, Series 2021 created pursuant to Section 4.05 of this Bond Resolution.

“Cost of Issuance Fund Depository” means initially Bank OZK, Dalton, Georgia and its successors and assigns, or any successor cost of issuance fund depository hereafter appointed by the Authority and approved by the City; provided, however, the Cost of Issuance Fund Depository shall at all times be a commercial bank or trust company.

“DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, or its nominee, or any other person, firm, association or corporation designated in any resolution of the Issuer supplemental hereto to serve as securities depository for a series of Bonds.

“Fiscal Year” means the period commencing on the 1st day of January in each calendar year and extending through the 31st day of December of the following year, or such other period as shall hereafter be adopted by the City as herein provided.

“Government Obligations” means (a) direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by a person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of and the interest on which is fully and unconditionally guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par by anyone other than the holder.

“Interest Payment Date” means the 1st day of each February and August of each year or such other dates as may be specified in a supplemental resolution to be adopted by the Authority prior to the issuance and delivery of each series of Series 2021 Bonds.

“Contract” means the Contract, between the Authority and the City, with respect to the Projects, as the same from time to time may be amended.

“Contract Payments” means the payments which are to be received by the Authority pursuant to Section 4.2 of the Contract, which are equal to the amounts sufficient to enable the Authority to pay the principal of and interest on the Bonds as the same become due, whether at maturity or by proceedings for mandatory redemption; provided, however, the City shall receive a credit against any required Contract Payment to the extent moneys are on deposit in the Sinking Fund and available to pay the principal of and interest on the Bonds coming due on the next succeeding Interest Payment Date, as the case may be. In addition to the foregoing, each Contract Payment shall include the charges as billed specified in subparagraphs (e) and (f) of Section 5.03 of this Bond Resolution and any deficit in any preceding Contract Payment.

“Paying Agent” means initially U.S. Bank National Association, Atlanta, Georgia and its successors and assigns, or any successor commercial bank or banks appointed by the Authority and approved by the City to serve as paying agent, in accordance with the terms of this Bond Resolution and any supplemental resolution, for any series of Bonds secured by this Bond Resolution.

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

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

(2) Bonds or obligations of such county, municipal corporation, school district, political subdivision, authority, or body or bonds or obligations of the State of Georgia or other states or of other counties, municipal corporations, and political subdivisions of the State of Georgia;

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

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

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

government;

(6) Certificates of deposit of national or state banks located within this state which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within this state which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within this state or with a trust office within this state, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or other states or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations described in (3) above, obligations of the agencies and instrumentalities of the United States government described in (4) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in (5) above;

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

(A) The portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in paragraphs (3) and (4) above and repurchase agreements fully collateralized by any such obligations;

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

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

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

(8) Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank

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

(9) any other investments authorized by the laws of the State of Georgia.

“Projects” means the 2010 Projects and the 2021 Projects.

“Project Fund” means The City of Dalton Building Authority Project Fund – City of Dalton Projects, Series 2021 created in Section 4.03 of this Bond Resolution.

“Project Fund Custodian” means initially Bank OZK, Dalton, Georgia, its successors and assigns, or any successor project fund custodian hereafter appointed by the Authority and approved by the City; provided, however, the Project Fund Custodian shall at all times be a commercial bank or trust company.

“Project Report” shall mean the project report attached hereto as Exhibit C.

“Record Date” means the fifteenth day of the month next preceding the Interest Payment Date.

“Refunded Bonds” means all or a portion of the outstanding Series 2010 Bonds. The Series 2010 Bonds to be refunded shall be specified by the Authority in the supplemental resolution to be adopted prior to the issuance and delivery of the Series 2021 Bonds.

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

“Series 2010 Bonds” means the \$5,600,000 in original aggregate principal amount of The City of Dalton Building Authority (Georgia) Revenue Bonds (Taxable – Recovery Zone Economic Development Bonds – Direct Payment), Series 2010.

“Series 2021 Bonds” means the not to exceed \$21,000,000 in aggregate principal amount of The City of Dalton Building Authority Revenue Bonds (City of Dalton Projects), Series 2021 authorized to be issued pursuant to Article II of this Bond Resolution.

“Sinking Fund” shall mean The City of Dalton Building Authority Sinking Fund – City of Dalton Projects created in Section 5.01 of this Bond Resolution.

“Sinking Fund Custodian” means initially U.S. Bank National Association, Atlanta, Georgia and its successors and assigns, or any successor sinking fund custodian hereafter appointed by the Authority and approved by the City; provided, however, the Sinking Fund Custodian shall at all times be a commercial bank or trust company.

“Sinking Fund Investments” shall mean (a) obligations of the United States and its agencies and instrumentalities unconditionally guaranteed by the United States, (b) certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation, provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured, and (c) the local government investment pool established by Section 36-83-8 of the Official Code of Georgia Annotated.

“Sinking Fund Year” shall mean the period commencing on the 2nd day of February in each year and extending through the 1st day of February in the next year or such other dates as may be specified in a supplemental resolution to be adopted by the Authority prior to the issuance and delivery of each series of Series 2021 Bonds.

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

[END OF ARTICLE I]

ARTICLE II.

AUTHORIZATION AND TERMS OF SERIES 2021 BONDS; AND FORM AND REGISTRATION OF SERIES 2021 BONDS

Section 2.01 Authorization of Series 2021 Bonds.

There are hereby authorized to be issued the Series 2021 Bonds designated as “The City of Dalton Building Authority Revenue Bonds (City of Dalton Projects), Series 2021” in the aggregate principal amount of not to exceed \$21,000,000. The Series 2021 Bonds are authorized to be issued for the purpose of providing funds to finance, in whole or in part, the costs of (i) acquiring, constructing and installing the 2021 Projects, (ii) refunding of the Refunded Bonds and (iii) issuing the Series 2021 Bonds.

The Series 2021 Bonds shall be payable solely from the Contract Payments. All of the covenants, agreements and provisions of this Bond Resolution shall be for the equal and proportionate benefit and security of all owners of the Bonds issued hereunder.

Section 2.02 Terms of Series 2021 Bonds.

The Series 2021 Bonds shall be dated as of their date of issuance, shall be in the form of fully registered bonds without coupons, shall be in the denomination of \$5,000 or any integral multiple thereof, shall be transferable to subsequent owners as hereinafter provided, shall be numbered R-1 upward, shall bear interest (based on a 360-day year comprised of twelve thirty-day months) from the Interest Payment Date (hereinafter defined) next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date but before an Interest Payment date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from the date of issuance and delivery). The interest shall be payable on the Interest Payment Dates, and the principal shall mature on the 1st day of February or such other date as may be specified in a supplemental resolution to be adopted by the Authority prior to the issuance and delivery of each series of Series 2021 Bonds.

The Series 2021 Bonds may be issued in one or more series; provided, however, the total aggregate principal amount of the Series 2021 Bonds shall not to exceed \$21,000,000; shall bear interest at interest rates not to exceed 5.00% per annum; and shall have a maximum annual debt service in any sinking fund year not to exceed \$2,725,000. The Series 2021 Bonds shall have a final maturity not later than December 31, 2046. The principal amount in each year (through the operation of a sinking fund or otherwise) and the interest rate on each such maturity shall be specified by the Authority in a supplemental resolution to be adopted by the Authority prior to the issuance and delivery of the Series 2021 Bonds.

Unless the Series 2021 Bonds are held in Book-Entry Form, the principal amount of the Series 2021 Bonds shall be payable at maturity, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. Unless the Series 2021 Bonds are held in Book-Entry Form, interest on the Series 2021 Bonds shall be paid on each Interest Payment Date by check or draft mailed by first class mail as provided in Section 2.05 hereof, except that in the case of any owner of Series 2021 Bonds in an aggregate principal amount of at least \$1,000,000 who, on or prior to any Record Date, shall supply wire transfer instructions to the Paying Agent, interest due on the Interest Payment Date next succeeding such Record Date shall be payable by wire transfer in accordance with such instructions. While the Series 2021 Bonds are held in Book-Entry Form, the principal and interest on the Series 2021 Bonds shall be payable as provided in Section 2.11 hereof.

U.S. Bank National Association, Atlanta, Georgia, is hereby designated as the Paying Agent. The Authority may, from time to time, designate a successor Paying Agent, as approved by the City, provided said Paying Agent complies with all of the provisions of this Article and the applicable provisions of this Bond Resolution.

Section 2.03 Execution of Series 2021 Bonds.

The Series 2021 Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chairman of the Authority and the official seal of the Authority shall be printed or impressed thereon and attested by the manual or facsimile signature of the Secretary of the Authority. In case any officer who shall have signed or sealed any of the Series 2021 Bonds shall cease to be such officer before the Series 2021 Bonds so signed and sealed have been actually authenticated and delivered, such Series 2021 Bonds shall nevertheless be authenticated and delivered as herein provided and may be issued as though the person who signed or sealed such Series 2021 Bonds had not ceased to be such officer. Any Series 2021 Bonds may be signed and sealed on behalf of the Authority by such persons as shall be the proper officers of the Authority at the actual time of the execution of such Series 2021 Bonds, even if such persons may not have been officers of the Authority at the date of issuance of such Series 2021 Bonds.

Section 2.04 Authentication of Series 2021 Bonds.

Only such Series 2021 Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinafter set forth executed by an officer or employee of the Authenticating Agent shall be entitled to any right or benefit hereunder. No Series 2021 Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been so executed by the Authenticating Agent, and such executed certificate of the Authenticating Agent upon any such Series 2021 Bond shall be conclusive evidence that such Series 2021 Bond has been authenticated and delivered hereunder. Said certificate of authentication on any Series 2021 Bond shall be deemed to have been executed by the Authenticating Agent if signed by an authorized officer or employee of the Authenticating Agent, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Series 2021 Bonds issued hereunder.

Section 2.05 Medium and Places of Payment.

The principal of and interest on the Series 2021 Bonds shall be payable in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. The principal of the Series 2021 Bonds shall be payable upon the presentation and surrender of the Series 2021 Bonds at the principal corporate trust office of the Paying Agent for the Series 2021 Bonds. Interest on the Series 2021 Bonds shall be paid by check or draft mailed by first class mail on the date on which due by the Paying Agent to the respective owners of the Series 2021 Bonds at their addresses as they appear on the Record Date relating to such Interest Payment Date on the bond register kept by the Bond Registrar, except as provided in Section 2.02 hereof with respect to the Series 2021 Bonds. The Authority may, by supplemental resolution, provide for other methods or places of payment, including wire transfer, as it may deem appropriate in connection with the issuance of any Additional Bonds.

Notwithstanding the foregoing, the Series 2021 Bonds shall be issued in Book-Entry Form and registered in the name of the Securities Depository or its nominee as provided in Section 2.11 hereof. All Series 2021 Bonds may have endorsed thereon such legends, text or identification numbers as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Series 2021 Bonds may be listed or any usage or requirement of law with respect thereto.

Section 2.06 Registration of Transfer and Exchange of Series 2021 Bonds.

The Bond Registrar of the Authority shall maintain a register for registration of transfer of the Series 2021 Bonds. The Bond Registrar is hereby also designated as Authenticating Agent for purposes of authenticating any Series 2021 Bonds issued hereunder or issued in exchange or in replacement for Series 2021 Bonds previously issued. The Series 2021 Bonds may be registered as transferred only on the bond register of the Bond Registrar with respect to the Series 2021 Bonds. No transfer of any Series 2021 Bond shall be effective for any purpose hereunder except upon presentation and surrender of such Series 2021 Bond at the office of the Bond Registrar with a written assignment signed by the registered owner of such Series 2021 Bond in person or by a duly authorized attorney in form and with guaranty of signature satisfactory to the Bond Registrar. The Authority, its agents, the Paying Agent and the Bond Registrar may deem and treat the registered owner of any Series 2021 Bond as the absolute owner of such Series 2021 Bond for the purpose of receiving payment of the principal thereof and the interest thereon and for all purposes hereunder, notwithstanding any notice, actual or constructive, to the contrary.

U.S. Bank National Association, Atlanta, Georgia, is hereby designated as the Bond Registrar. The Authority may, from time to time, designate a successor Bond Registrar, as approved by the City, provided said Bond Registrar complies with all of the provisions of this Article and the applicable provisions of this Bond Resolution.

Upon surrender for registration of transfer of any Series 2021 Bond at the principal corporate trust office of the Bond Registrar, the Authority shall execute and the Authenticating Agent shall authenticate and deliver to the transferee or transferees a new Series 2021 Bond or Series 2021 Bonds of a like aggregate principal amount of authorized denominations and of like interest rate and maturity. Every Series 2021 Bond presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Authority and the Bond Registrar duly executed by the Bondholder

thereof or his attorney duly authorized in writing. The execution by the Authority of any Series 2021 Bond in denomination of \$5,000 or any integral multiple thereof shall constitute full and due authorization of such denomination and the Bond Registrar shall thereby be authorized to authenticate and deliver such Series 2021 Bond. No charge shall be made to any Bondholder for the privilege of registration of transfer or exchange, but any Bondholder requesting any such registration of transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto.

The inclusion of the foregoing provisions shall constitute a continuing request from the Authority to the Clerk of the Superior Court of Whitfield County, Georgia, unless the signature of such Clerk shall appear by facsimile, to execute the certificate of validation on any replacement Series 2021 Bond issued.

Notwithstanding the foregoing in this Section, while the Series 2021 Bonds are held in Book-Entry Form, registration of transfers and exchanges shall be made in accordance with the Book-Entry System.

Section 2.07 Mutilated, Destroyed or Lost Series 2021 Bonds.

In case any Series 2021 Bond shall become mutilated or be stolen, destroyed or lost, the Authority may cause to be executed and delivered a new Series 2021 Bond of like type, date and tenor in exchange and substitution for and upon cancellation of such mutilated Series 2021 Bond, or in lieu of and in substitution for such Series 2021 Bond stolen, destroyed or lost, upon the Bondholder paying the reasonable expenses and charges of the Authority in connection therewith and, in the case of a Series 2021 Bond stolen, destroyed or lost, the filing with the Authority of evidence satisfactory to the Authority that such Series 2021 Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the Authority with indemnity satisfactory to the Authority. If any such Series 2021 Bond shall have matured, instead of issuing a new Series 2021 Bond therefor, the Authority may pay the same.

Section 2.08 Blank Bonds; Cancellation After Exchange.

The Authority shall make all necessary and proper provisions for the transfer and exchange of the Series 2021 Bonds by the Bond Registrar and the Authority shall deliver or cause to be delivered to the Bond Registrar a sufficient quantity of blank Series 2021 Bonds duly executed on behalf of the Authority, together with the certificate of validation pertaining thereto duly executed by the Clerk of the Superior Court of Whitfield County, as herein provided, in order that the Bond Registrar shall at all times be able to register and authenticate the Series 2021 Bonds at the earliest practicable time in accordance with the provisions of this Bond Resolution. All Series 2021 Bonds surrendered in any exchange or registration of transfer or Series 2021 Bonds that have been paid shall be forthwith cancelled by the Bond Registrar and a record thereof duly entered in the permanent records pertaining to the Series 2021 Bonds maintained by the Bond Registrar.

Section 2.09 No Preference or Priority.

All Bonds herein authorized to be issued are of equal rank and dignity without preference, priority or distinction as to lien or otherwise as to the Contract and the Contract Payments securing

the payment thereof and interest thereon.

Section 2.10 Additional Bonds.

The Authority covenants that no other bonds or obligations of any kind or nature will hereafter be issued which are payable from or enjoy a lien on the Contract Payments prior to the lien created for the payment of the Series 2021 Bonds.

It is expressly provided, however, that Additional Bonds or obligations may be issued ranking as to lien on the Contract Payments on a parity with the Series 2021 Bonds herein authorized to be issued, provided the following conditions are met:

(a) There shall be no default in the payment of principal of or interest on any Bond currently existing.

(b) An amendment to the Contract shall have been entered into between the Authority and the City to ensure payment by the City of amounts sufficient to pay the principal of and interest on the Additional Bonds proposed to be issued as the same become due and payable.

(c) The Authority shall pass proper proceedings reciting that all of the above requirements have been met, shall authorize the issuance of the Additional Bonds and shall provide in such proceedings, among other things, the date such Additional Bonds shall bear, the rate or rates of interest and maturity dates, as well as the registration and redemption provisions, if any. The interest on the Additional Bonds of any such issue shall fall due on February 1 and August 1 of each year, and the Additional Bonds shall mature in installments on February 1, or such other dates as may be specified in a supplemental resolution prior to the issuance and delivery of the Series 2021 Bonds, but, as to principal, not necessarily in each year or in equal installments. Any such proceeding or proceedings shall restate and reaffirm, by reference, all of the applicable terms, conditions and provisions of this Bond Resolution.

Section 2.11 Book-Entry Only System.

Upon the initial issuance and delivery of the Series 2021 Bonds, the Series 2021 Bonds shall be issued in the name of DTC or its nominee, Cede & Co., as registered owner of the Series 2021 Bonds, and held in the custody of DTC or its designee. A single certificate (or such number of certificates required by the procedures of DTC) will be issued and delivered to DTC (or its designee) for the Series 2021 Bonds, and the Beneficial Owners will not receive physical delivery of certificates except as provided herein. For so long as DTC shall continue to serve as securities depository for the Series 2021 Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Series 2021 Bonds is to receive, hold or deliver any certificate. The Authority, the Bond Registrar and the Paying Agent will recognize DTC or its nominee as the Bondholder for all purposes, including notices.

The Authority, the Bond Registrar and the Paying Agent may rely conclusively upon (i) a

certificate of DTC as to the identity of DTC's participants (the "Participants") in the Book-Entry System with respect to the Series 2021 Bonds and (ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Series 2021 Bonds beneficially owned by, the Beneficial Owners.

Whenever, during the term of the Series 2021 Bonds, the beneficial ownership thereof is determined by a Book-Entry System at DTC, the requirements in this Bond Resolution of holding, delivering or transferring Series 2021 Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book-entry Series 2021 Bonds to produce the same effect. Any provision hereof permitting or requiring delivery of Series 2021 Bonds shall, while the Series 2021 Bonds are in the Book-Entry System, be satisfied by the notation on the books of DTC in accordance with applicable state law.

Except as otherwise specifically provided in this Bond Resolution and the Series 2021 Bonds with respect to the rights of Participants and Beneficial Owners, when a Book-Entry System is in effect, the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2021 Bonds registered in its name for the purposes of (i) payment of the principal of and interest on the Series 2021 Bonds or portion thereof to be redeemed or purchased, (ii) giving any notice permitted or required to be given to Bondholders under this Bond Resolution, and (iii) the giving of any direction or consent or the making of any request by the Bondholders hereunder, and the Authority shall be affected by any notice to the contrary. The Authority, the Bond Registrar and the Paying Agent will not have any responsibility or obligations to DTC, any Participant, any Beneficial Owner or any other person which is not shown on the Register, with respect to (i) the accuracy of any records maintained by DTC or any Participant; (ii) the payment by DTC or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption or Purchase Price of, or interest on, any Series 2021 Bonds; (iii) the delivery of any notice by DTC or any Participant; (iv) the selection of the Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2021 Bonds; or (v) any consent given or any other action taken by DTC or any Participant. The Paying Agent shall pay all principal of and interest on the Series 2021 Bonds registered in the name of a nominee of DTC only to or "upon the order of" DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal of and interest on such Series 2021 Bonds to the extent of the sum or sums so paid.

The Book-Entry System may be discontinued by the Authority, and the Authority will cause the delivery of certificates to such Beneficial Owners of the Series 2021 Bonds and the registration in the names of such Beneficial Owners as shall be specified to the Bond Registrar by DTC in writing, if DTC determines to discontinue providing its service with respect to the Series 2021 Bonds and no successor securities depository is appointed. Such a determination may be made at any time by giving 30 days' notice to the Authority and discharging its responsibilities with respect thereto under applicable law.

In the event the Book-Entry System is discontinued, the Authority, the Paying Agent or the Bond Registrar shall mail a notice to DTC for distribution to the Beneficial Owners stating (1) that DTC will no longer serve as securities depository, (2) the procedures for obtaining Series 2021 Bonds and (3) the provisions of this Bond Resolution which govern the Series 2021 Bonds,

including, but not limited to, provisions regarding authorized denominations, registration of transfer and exchange, principal and interest payment and other related matters.

When the Book-Entry System is not in effect, all references herein to DTC shall be of no further force or effect and the Authority shall issue Series 2021 Bonds directly to the Beneficial Owners.

If Series 2021 Bonds are issued as book-entry bonds, the form of said Series 2021 Bonds shall contain the following text:

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to The City of Dalton Building Authority (the “Authority”) or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof Cede & Co., has an interest herein.

The Authority has established a Book-Entry System of registration for this Bond. Except as specifically provided otherwise in the hereinafter defined Bond Resolution, Cede & Co., as nominee of The Depository Trust Company, will be the registered owner and will hold this Bond on behalf of each beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, each beneficial owner of this Bond shall be deemed to have agreed to such arrangement. Cede & Co., as registered owner of this Bond, will be treated as the owner of this Bond for all purposes.

DTC may discontinue providing its services as depository with respect to this Bond at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

Section 2.12 Form of Series 2021 Bonds.

The Series 2021 Bonds, the form of assignment, the form of authentication certificate and the certificate of validation shall be in substantially the forms in Exhibit A attached hereto, with such appropriate variations, omissions, substitutions and insertions as are permitted or required hereby and may have such letters, numbers or other marks of identification and such legends and endorsements placed thereon, as may be required to comply with any applicable laws or rules or regulations, or as may, consistently herewith, be determined by the officers executing such Series 2021 Bonds, as evidenced by their execution.

[END OF ARTICLE II]

ARTICLE III.

REDEMPTION OF SERIES 2021 BONDS BEFORE MATURITY

Section 3.01 Optional and Mandatory Sinking Fund Redemption.

The optional and mandatory redemption provisions shall be specified by the Authority in the supplemental resolution to be adopted prior to the issuance and delivery of the Series 2021 Bonds.

Section 3.02 Method of Redemption.

In the event of a partial redemption of the Series 2021 Bonds, the particular maturity or maturities to be redeemed shall be selected by the Authority as directed by the City. If less than all of the Series 2021 Bonds of a maturity are to be called for redemption, the particular certificates of such maturity or portions thereof in the case of bonds in principal amounts greater than \$5,000 to be redeemed shall be selected by lot in such manner as may be designated by DTC, when in book-entry form and by the Paying Agent, when not in book-entry form.

Section 3.03 Revised Schedule of Contract Payments.

Upon the partial redemption of any of the Series 2021 Bonds, the Paying Agent shall provide the Authority and the City with an updated schedule of Contract Payments for the coming Fiscal Year which schedule shall take into account such redemption and shall be and become for all purposes thereafter Schedule 1 to the Contract setting forth the Contract Payments.

Section 3.04 Redemption Account.

Moneys to be used for redemption of Series 2021 Bonds shall be deposited in a sub-account in the Sinking Fund, which shall be a special account to be held in trust by the Sinking Fund Custodian, separate and apart from all other accounts. At such time as any moneys are deposited with the Sinking Fund Custodian for the purpose of redeeming in whole or in part the portion of the principal on the Series 2021 Bonds, the Sinking Fund Custodian shall establish and maintain a separate account in the Sinking Fund for the Authority to be held in its name and designated as the "Redemption Account." Said moneys shall be set aside in the Redemption Account solely for the purpose of redeeming the principal on such Series 2021 Bonds in advance of their maturity dates and shall be applied on the date designated for redemption to the payment of the principal and interest components on the Series 2021 Bonds with respect to the Series 2021 Bonds to be redeemed upon presentation and surrender of such Series 2021 Bonds.

Section 3.05 Notice of Redemption; Deposit of Moneys; Written Designation.

(a) Notice of the call for any redemption, identifying the Series 2021 Bonds (or the portions thereof) to be redeemed and specifying the terms of such redemption, shall be given by the Paying Agent (upon being satisfactorily indemnified as to expenses) by mailing a copy of the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Series 2021 Bond to be

redeemed in whole or in part at the address shown on the books of the Bond Registrar maintained pursuant to Section 2.06 hereof; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Series 2021 Bond or portion thereof with respect to which no such failure has occurred. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice.

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

(c) On or prior to the date fixed for any redemption of Series 2021 Bonds, the moneys required for such redemption shall be deposited with the Paying Agent by the City in accordance with the Contract. All Series 2021 Bonds called for redemption shall cease to bear interest after the specified redemption date, provided that sufficient funds for redemption are on deposit with the Paying Agent.

Section 3.06 Redemption of All Outstanding Series 2021 Bonds.

In the event that all outstanding Series 2021 Bonds are to be redeemed, the Paying Agent shall, without further authorization, deposit into the Redemption Account all amounts then remaining in the Sinking Fund with advice to the Authority and the City of such action, such deposit to be made on the date fixed for redemption.

Section 3.07 Effect of Additional Bonds.

In the event Additional Bonds are hereafter issued by the Authority, the Authority covenants and agrees that it will not optionally redeem the Series 2021 Bonds, or any such Additional Bonds, from moneys in the Sinking Fund unless and until the Sinking Fund is at its proper balance. It is expressly understood and agreed that should the Authority hereafter elect to issue Additional Bonds, as herein authorized, it shall have the right to redeem the Bonds of any such future issue or issues before it redeems the Series 2021 Bonds, or it may redeem the Series 2021 Bonds before it redeems the Bonds of any such future issue or issues, or it may redeem some of the Series 2021 Bonds and some of the Bonds or any such future issue or issues at the same time.

[END OF ARTICLE III]

ARTICLE IV.

CUSTODY AND APPLICATION OF PROCEEDS; COST OF ISSUANCE FUND

Section 4.01 Application of Bond Proceeds.

Upon the issuance of the Series 2021 Bonds, the net proceeds of the sale thereof (i.e., par plus net original issue premium/less net original issue discount, less underwriter's discount) shall be applied as specified in the supplemental resolution to be adopted by the Authority prior to the issuance and delivery of the Series 2021 Bonds.

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

Section 4.02 Refunding of the Refunded Bonds.

The refunding of the Refunded Bonds is hereby authorized and approved. The Chairman of the Authority is hereby authorized to execute and/or deliver all such documents certificates or notices necessary to effect the refunding the Refunded Bonds.

The Bond Registrar for the Series 2010 Bonds is hereby directed to send a conditional call notice on March 2, 2021 for the redemption of the Refunded Bonds on April 20, 2021 or at such later date as may be directed by the Authority in writing, in accordance with the provisions of the Series 2010 Bond Resolution.

Section 4.03 Project Fund.

(a) A special trust fund is hereby created for the benefit of the Bondholders and designated "The City of Dalton Building Authority Project Fund – City of Dalton Projects, Series 2021 Projects." There shall be deposited with the Project Fund Custodian the amounts to be specified in the supplemental resolution to be adopted prior to the issuance and delivery of the Series 2021 Bonds, and any other funds acquired for this purpose by gift, donation, grant or otherwise. All moneys deposited into the Project Fund shall be held in trust by the Project Fund Custodian separate from other deposits of the Authority and the City.

(b) Unless amended in writing by the Authority and the City, the acquisition, construction, and installation related to the Projects shall be accomplished in accordance, or substantially in accordance, with the Project Report attached to this Bond Resolution as Exhibit C prepared in connection with the 2021 Projects, which shall be recorded in the Minute Book of the City, and the Project Report, by this reference thereto, is incorporated herein and made a part hereof.

(c) The moneys in the Project Fund shall be held by the Project Fund Custodian and withdrawn and applied to pay costs of the 2021 Projects in accordance with, or substantially in

accordance with, the Project Report unless amended in writing by the Authority and the City. Any moneys in the Project Fund not presently needed for the payment of current obligations during the course of construction may be invested in Permitted Investments upon the written direction of an authorized representative of the City, and proper evidence of the same being delivered to the Project Fund Custodian. Any such securities shall be held by the Project Fund Custodian for the account of the Project Fund until maturity or until sold, and at maturity or upon such sale, the proceeds received therefrom, including interest income and premium, if any, shall be immediately deposited into the Project Fund and shall be disbursed in the manner and for the purposes hereinafter set forth.

(d) Withdrawals from the Project Fund may be made for the purpose of paying the cost of the undertaking herein contemplated or contemplated by a supplemental resolution, including the purchase of such property and equipment as may be useful in connection therewith, including, but not limited to: (i) the cost of indemnity and fidelity bonds either to secure deposits in the Project Fund or to insure the faithful completion of any contract pertaining to said improvements; (ii) any taxes or any charges lawfully levied or assessed against the undertaking; (iii) fees and expenses of consulting engineers for engineering studies, surveys and estimates, and the preparation of plans and supervising the construction; (iv) legal expenses and fees and all other items of expense not elsewhere in this Section specified incident to said undertaking; (v) payments made for labor, contractors, builders and materialmen in connection with the improvements contemplated by the undertaking and payment for machinery and equipment and for the restoration of property damaged or destroyed in connection therewith and the repayment of advances or loans made for the purpose of paying any of the aforementioned costs; (vi) the cost of acquiring by purchase, and the amount of any award or final judgment in any proceeding to acquire by condemnation, lands and rights of way necessary for the improvements and appurtenances in connection therewith, and options and payments thereon, and any easements or rights or any damages incident to or resulting from the making of such improvements; and (vii) to reimburse the Authority or the City for the advance payment of costs pertaining to the undertaking prior to the receipt of the proceeds derived from the sale of the Series 2021 Bonds.

(e) Before any moneys are disbursed, there shall be filed with the Project Fund Custodian: (i) a requisition for such payment stating each amount to be paid, the circumstances of such obligation and the name of the person, firm or corporation to whom payment thereof is due; and (ii) a certificate attached to the requisition and certifying: (1) that an obligation in the stated amount has been incurred, is a proper charge against the Project Fund and has not been paid; (2) a bill or statement of account for such obligation, or a copy thereof, is attached to the requisition or is on file in the office of the Chief Financial Officer of the City; (3) that they have no notice of any vendor's, mechanic's or other liens or rights to liens, security interests, chattel mortgages or conditional sales contracts, which should be satisfied or discharged before such payment is made; (4) that such requisition contains no item representing payment on account or any retained percentages which the Authority or the City is, at the date of such certificates, entitled to retain; and (5) that insofar as such obligation was incurred for work, materials, supplies or equipment in connection with the undertaking, such work was actually performed or such materials, supplies or equipment were actually installed in or about the construction or delivered at the site of the work for that purpose. The requisition shall be signed by a duly authorized representative of the

Authority and approved by a duly authorized representative of the City. A form of such requisition is attached hereto as Exhibit D.

Section 4.04 Completion of Project.

If upon the completion of the 2021 Projects any moneys remain in the Project Fund, such remaining moneys shall be transferred to the Sinking Fund and shall be used to pay the next occurring principal amount due on the Series 2021 Bonds.

Section 4.05 Cost of Issuance Fund.

There is hereby created by the Authority and ordered established with the Cost of Issuance Depository a special trust fund to be designated “The City of Dalton Building Authority Cost of Issuance Fund – City of Dalton Projects, Series 2021.” There shall be deposited with the Cost of Issuance Fund Depository, the amounts to be specified in one or more supplemental resolutions to be adopted prior to the issuance and delivery of the Series 2021 Bonds, and any other funds acquired for this purpose by gift, donation, grant or otherwise. All moneys deposited into the Cost of Issuance Fund shall be held in trust by the Cost of Issuance Fund Depository separate from other deposits of the Authority and the City.

Section 4.06 Cost of Issuance Fund Requisition Procedure.

All payments from the Cost of Issuance Fund shall be made upon checks signed or bank wires authorized by authorized signatories of the Cost of Issuance Fund Depository, on behalf of the City, or by officers of the City properly authorized to sign on its behalf, but before they shall sign any such checks or authorize any such bank wire there shall be filed with the Cost of Issuance Fund Depository: (a) a requisition for such payment (the above-mentioned checks and bank wires may be deemed a requisition for the purpose of this Section), stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due; (b) a certificate attached to the requisition and certifying that an obligation in the stated amount has been incurred, and that the same is a proper charge against the Cost of Issuance Fund and has not been paid (or is a reimbursement to the City for previously paying such obligation), specifying the purpose and circumstances of such obligation in reasonable detail and to whom such obligation is owed, accompanied by the bill or statement of account for such obligation, or a copy thereof. If upon payment of all of the costs of issuance of the Series 2021 Bonds any moneys remain in the Cost of Issuance Fund, such remaining moneys shall be transferred to the Sinking Fund and shall be used to pay the next occurring principal amount due on the Series 2021 Bonds.

[END OF ARTICLE IV]

ARTICLE V.

PLEDGE OF CONTRACT AND CONTRACT PAYMENTS; SINKING FUND; DEFEASANCE

Section 5.01 Pledge of Contract and Contract Payments; Creation of Sinking Fund.

The Contract and the Contract Payments are hereby pledged to the payment of the Bonds, and the Contract and the Contract Payments so pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof or further acts, and the lien of this pledge shall be valid and binding against the Authority and the City and against all parties having claims of any kind against them, whether such claims shall have arisen in contract, tort or otherwise and irrespective of whether or not such parties have notice hereof.

There is hereby created a special trust fund for the benefit of the owners of the Bonds designated as “The City of Dalton Building Authority Sinking Fund – Series 2021” (the “Sinking Fund”). There shall be paid into the Sinking Fund, on or prior each Interest Payment Date, the amount required to pay the Contract Payments. The Contract Payments made by the City pursuant to the Contract (except payments required pursuant to subparagraphs (e) and (f) of Section 5.03 hereof) shall be deposited directly into the Sinking Fund. Moneys deposited in the Sinking Fund shall be used to pay the principal of and interest on the Bonds when due, whether at maturity or by proceedings for mandatory redemption.

Section 5.02 Sinking Fund as a Trust Fund; Investment of Moneys.

The Sinking Fund shall be kept as a trust account for the benefit of the owners of the Bonds separate from other deposits of the Authority and the City. Moneys on deposit in the Sinking Fund shall be invested only in Sinking Fund Investments upon the written direction of the City. Any such securities shall be held by the Sinking Fund Custodian for the account of the Sinking Fund until maturity or until sold. Except as provided below, at the maturity or upon such sale, the proceeds received therefrom, including interest income and premium, if any, shall be immediately deposited into the Sinking Fund and shall be disbursed in the manner and for the purposes herein set forth.

Section 5.03 Sinking Fund Disbursements.

Subject to the terms and conditions set forth in this Bond Resolution, moneys in the Sinking Fund shall be disbursed for (a) the payment of the interest on the Bonds secured hereby as such interest becomes due and payable; (b) the payment of the principal of the Bonds secured hereby as same becomes due and payable, either at maturity or by proceedings for mandatory redemption; (c) the optional or mandatory redemption of Bonds secured hereby before maturity at the price and under the conditions provided therefor in Article III hereof; (d) the purchase of Bonds in the open market; provided, however, the price paid shall not exceed the authorized call price; (e) the payment of charges for paying the Bonds and interest thereon and the charges for the registration of the Bonds secured hereby and their transfer or exchange in accordance with the terms thereof;

and (f) the payment of any charges for investment services, including, but not limited to the fees of the custodians and depositories.

Section 5.04 Cancellation and Destruction.

All Bonds paid, purchased or redeemed, either at or before maturity, shall be cancelled and destroyed and such Bonds shall not be reissued. A record of such destruction shall be made and preserved in the permanent records of the Bond Registrar pertaining to such Bonds and in the permanent records of the Authority.

Section 5.05 Defeasance.

If (a) the Authority shall pay or cause to be paid to the Bondholders the principal of and the interest to become due thereon at the times and in the manner stipulated therein and herein, (b) all fees, charges and expenses of the Paying Agent, Bond Registrar, depositories and custodians shall have been paid or provision for such payment has been made, and (c) the Authority shall keep, perform and observe all of its agreements in the Bonds and herein expressed as to be kept, performed and observed by it or on its part, then these presents and the rights hereby granted shall cease, terminate and be discharged.

The Bonds shall be deemed to be paid within the meaning of this Bond Resolution if (a) sufficient moneys shall have been irrevocably deposited with the Paying Agent to pay the same when they become due, or (b) there shall have been irrevocably deposited with the Paying Agent moneys or Government Obligations, which, without any reinvestment thereof or of the interest thereon, will produce moneys sufficient (as evidenced by an opinion or report of an independent certified public accountant or firm thereof) to pay the same when they become due (whether upon or prior to the stated maturity or the redemption date of the Bonds); provided, however, that if any of the Bonds are to be redeemed prior to their stated maturity, notice of such redemption shall have been duly given as provided herein or irrevocable arrangements satisfactory to the Paying Agent shall have been made for the giving thereof.

[END OF ARTICLE V]

ARTICLE VI.

DEPOSITORIES AND CUSTODIANS; SECURITIES FOR DEPOSITS

Section 6.01 Depository; Security for Deposits.

(a) Except as otherwise provided in this Bond Resolution, all moneys received by the Authority under the terms hereof shall, subject to the giving of security as hereinafter provided, be deposited with the proper Depository or Custodian in the name of the Authority. All moneys deposited under the provisions of this Bond Resolution shall be applied in accordance with the terms and for the purposes set forth in this Bond Resolution and shall not be subject to lien or attachment or any type of security interest by any creditor of the Authority or the City.

(b) No moneys belonging to any of the funds created hereunder shall be deposited or remain on deposit with the Depository or Custodian in an amount in excess of the amount guaranteed by the Federal Deposit Insurance Corporation, unless such institution shall have pledged for the benefit of the Authority and the owners of the Bonds as collateral security for the moneys deposited, direct obligations of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America, or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve Bank and having a market value (exclusive of accrued interest) at least equal to the amount of such deposits.

Section 6.02 Designation of Depository and Custodian; Successor Depository and Custodian.

Bank OZK, Dalton, Georgia is hereby designated as the Project Fund Custodian and the Cost of Issuance Fund Depository. U.S. Bank National Association, Atlanta, Georgia is hereby designated as the Sinking Fund Custodian. The Authority may, from time to time, designate a successor Custodian or Depository, as approved by the City, provided said Custodian or Depository complies with all of the provisions of this Article and the applicable provisions of this Bond Resolution.

In the event the Sinking Fund Custodian and the Paying Agent for all Bonds then outstanding are the same bank acting in both capacities, then the Sinking Fund Custodian shall, without any further direction on the part of or any further authorization from the Authority, use and disburse the moneys in the Sinking Fund as provided in this Bond Resolution; except that, if, as provided under Article III of this Bond Resolution, it redeems or buys any Bonds issued hereunder with moneys in the Sinking Fund, then proper authorization and direction from the governing bodies of the Authority and the City shall be furnished for such use and disbursement of said moneys.

In the event the Sinking Fund Custodian and the Paying Agent for all Bonds then outstanding are not the same bank, then the Sinking Fund Custodian shall transfer to the Paying Agent from moneys held in the Sinking Fund, in immediately available funds, moneys in amount and at or before such times as shall be required to make the disbursements required pursuant to Section 5.03 hereof.

[END OF ARTICLE VI]

ARTICLE VII.

PARTICULAR COVENANTS

Section 7.01 Payment.

The Authority shall promptly pay the principal of and interest on every Bond issued hereunder and secured hereby at the place, on the dates and in the manner herein, in any supplemental resolution adopted by the Authority in connection with the issuance of any series of Series 2021 Bonds, and in the Bonds, according to the true intent and meaning thereof. The principal, premium (if any) and interest on the Bonds are payable solely out of the Contract Payments.

Section 7.02 Liens.

The Authority shall not create, or permit to be created, any charge, lien or encumbrance or any security interest in or on the Contract Payments or the Contract ranking prior to or equal with the lien on the Contract Payments and the Contract created to secure payment of the Bonds.

Section 7.03 Non-Arbitrage and Tax Covenants.

The Authority covenants and agrees for the benefit of the Bondholders that so long as the Series 2021 Bonds remain outstanding, it will not intentionally cause any proceeds of the Series 2021 Bonds to be used to acquire higher yielding investments, except as may be otherwise permitted by Section 148 of the Code, and that it will comply with, and take such action and make such payments as may be permitted or required by Section 148(f) of the Code, to insure that the Series 2021 Bonds do not constitute “arbitrage bonds” within the meaning of Section 148(a) of the Code.

The Authority hereby covenants and agrees that it will expend the proceeds from the sale of the Series 2021 Bonds and will take such action as may be necessary so that the interest on the Series 2021 Bonds will be and will remain excluded from the gross income of the owner thereof for federal income tax purposes, including, without limitation, compliance with provisions of Sections 141- 149 of the Code, as applicable.

Section 7.04 Authorization of Execution of 8038-G, Tax and Non-Arbitrage Certificate, Tax Policy and Other Documents.

The Chairman of the Authority is hereby authorized to execute and file with the Internal Revenue Service an Information Return for Tax-Exempt Governmental Obligations, Form 8038-G. The Chairman of the Authority is hereby authorized to execute and deliver a certification, based upon facts, estimates and circumstances, as to reasonable expectations regarding the amount, expenditure and use of the proceeds of the Series 2021 Bonds, as well as such other documents as may be necessary or desirable in connection with the issuance and delivery of the Series 2021 Bond. The Chairman of the Authority is hereby authorized to execute and deliver on behalf of the Authority an arbitrage regulatory agreement or similar agreement with an arbitrage rebate consultant or any other entity which may be from time to time a custodian of any of the funds

created hereunder or under this Bond Resolution in order to comply with the arbitrage restrictions contained in Section 148 of the Internal Revenue Code of 1986 (the “Code”). Such agreement shall be in a form satisfactory to the Chairman of the Authority and the execution of such agreement by the Chairman of the Authority shall be conclusive evidence of such approval.

Section 7.05 Changes of Use of the Projects.

In the event that any portion of the Projects is sold, leased, otherwise disposed of to a person or entity other than a “governmental person” as defined in Treasury Regulations § 1.141-1(b) or a “501(c)(3) Organization” as defined in §150(a)(4) of the Internal Revenue Code of 1986, as amended (the “Code”), or is subjected to “private business use” as such term is used in Section 141(b) of the Code and the regulations thereunder, then to the extent required by Treasury Regulations § 1.141-12 or otherwise by the Code, the Authority, at the direction and at the expense of the City, will take a sufficient remedial action under Treasury Regulations § 1.141-12 and shall provide to the Bondholders an opinion of nationally recognized bond counsel to the effect that such event will not adversely affect the exclusion of interest on the Bonds from gross income for federal income taxation purposes.

[END OF ARTICLE VII]

ARTICLE VIII.

EVENTS OF DEFAULT; REMEDIES

Section 8.01 Events of Default.

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

Section 8.02 Remedies.

Upon the happening and continuance of any Event of Default, as provided in Section 8.01 hereof, then and in every such case any Bondholder may proceed, subject to the provisions of Section 8.04 hereof, to protect and enforce the rights of the Bondholders hereunder by a suit, action or special proceedings in equity, or at law, either for the appointment of a receiver of the Projects, or for the special performance of any covenant or agreement contained herein or in aid or execution of any power herein granted, or for the enforcement of any proper legal or equitable remedy as such Bondholder shall deem most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law.

Section 8.03 Restoration.

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

Section 8.04 Equal Benefit.

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

Section 8.05 Nonexclusivity of Remedies.

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

Section 8.06 No Waiver.

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

[END OF ARTICLE VIII]

ARTICLE IX.

SUPPLEMENTAL PROCEEDINGS

Section 9.01 Adoption of Supplemental Proceedings.

The Authority may, with the approval of the Bondholders as set forth in Section 9.03 hereof, from time to time and at any time, adopt such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Bond Resolution or in any supplemental resolution or in the Bonds; provided, however, that nothing herein contained shall permit, or be construed as permitting: (a) the extension of the maturity of any Bond issued hereunder; (b) the reduction in the principal amount of any Bond or the alteration of the rate or rates of interest thereon or any other modification of the terms of payment of such principal or interest; (c) the reduction of the percentage of the principal amount of Bonds required for consent to such supplemental resolution; (d) the creation of any lien on the Contract Payments or the Contract prior to or superior to the lien created as the security for the payment of the Bonds. A modification or amendment of the provisions with respect to the Sinking Fund is not to be deemed a change in the terms of payment.

Nothing herein contained, however, shall be construed as making necessary the approval by the Bondholders of any resolution not inconsistent with the terms and provisions of this Bond Resolution, or any resolution adopted (a) in connection with the issuance of one or more series of Series 2021 Bonds in accordance with the terms of this Bond Resolution; (b) to cure any ambiguity or formal defect or omission in this Bond Resolution or in any supplemental proceedings; (c) to provide for the issuance of Additional Bonds in accordance with the terms of this Bond Resolution (including without limitation the addition of events of default and remedies relating to any Additional Bonds hereafter incurred by the Authority); (d) to grant any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders by the Authority; (e) to further expand or clarify the amounts required to be paid into the Sinking Fund and the timing thereof; (f) to modify, amend or supplement this Bond Resolution or any proceedings supplemental hereto in such manner as to permit the qualification of this Bond Resolution under the Trust Indenture Act of 1939 or any federal statute hereinafter in effect; (g) to make any modifications or amendment of this Bond Resolution required in order to make the Bonds eligible for acceptance by The Depository Trust Company or any similar holding institution or to permit the issuance of the Bonds in book-entry form; (h) to modify any provisions of this Bond Resolution in any respect provided that such modification shall not be effective until after the Bonds outstanding immediately prior the effective date of such supplemental resolution shall cease to be outstanding or constitute a majority of all Bonds and further provided that any Bonds issued contemporaneously with or after the effective date of such supplemental proceedings shall contain a specific reference to the modifications contained in any such subsequent proceedings; or (i) to make any other changes that in the opinion of counsel are not materially adverse to the interests of the Bondholders.

Section 9.02 Notice.

After any supplemental resolution requiring the consent of the Bondholders shall have been adopted, the Authority shall cause a notice of the adoption of such resolution to be mailed by first class mail, postage prepaid, to all registered owners of Bonds appearing on the bond registration book kept by the Bond Registrar.

Section 9.03 Required Approval.

No such supplemental resolution requiring the consent of the Bondholders shall become effective unless the owners of at least fifty-one percent (51%) in aggregate principal amount of the Bonds issued hereunder then outstanding shall have filed with the Secretary of the Authority within three months after the date of adoption of such resolution properly executed instruments approving the adoption of such supplemental resolution, each such instrument to be accompanied by proof of ownership of the Bonds to which such instrument refers, which proof shall be such as is permitted by the provisions of Section 9.06 hereof.

Section 9.04 Legal Action.

Any action or proceeding in any court objecting to such supplemental resolution or to any of the terms and provisions therein contained or the operation thereof, or the execution by any Bondholder of any instrument purporting to approve the adoption of such resolution, or to enjoin or restrain the Authority from taking any action pursuant to the provisions thereof, must be commenced within 30 days after the Authority shall have determined that the owners of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then outstanding, have approved the adoption of such supplemental resolution.

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

Section 9.05 Incorporation.

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

Whenever referred to herein as “supplemental resolution” same shall be construed to mean such action as shall be taken by the Authority, as may be required to comply with the law then in force and effect.

Section 9.06 Proof of Ownership.

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

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

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

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

Section 9.07 Amendments to Contract.

The Authority and the City, from time to time and at any time, subject to the conditions and restrictions in the Contract, may modify, amend, or supplement the Contract.

[END OF ARTICLE IX]

ARTICLE X.

MISCELLANEOUS PROVISIONS

Section 10.01 Severability.

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

Section 10.02 General Authority.

Any officer of the Authority is hereby authorized to execute and deliver all other documents and certificates necessary to affect the transactions contemplated by this Bond Resolution and to make covenants on behalf of the Authority. All actions heretofore taken and all documents heretofore executed in connection with the transactions contemplated by this Bond Resolution are hereby ratified and approved. If the Chairman or Secretary is unable or unwilling to carry out the transactions contemplated by the terms of this Bond Resolution or to execute any documents authorized herein, including but not limited to the Series 2021 Bonds, the Vice-Chairman and Assistant Secretary are hereby authorized to act/sign on behalf of the Chairman and Secretary, respectively.

Section 10.03 Bond Resolution as Contract.

The provisions of this Bond Resolution shall constitute a contract by and among the Authority, the City and the owners of the Bonds authorized to be issued hereunder, and after the issuance of the initial series of Series 2021 Bonds, this Bond Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interest of the owners of the Bonds, nor shall the Authority pass any proceedings in any way adversely affecting the rights of such owners or issuers, so long as any of the Bonds authorized by this Bond Resolution, or the interest thereon, shall remain unpaid; provided, however, that this covenant shall not be construed as prohibiting modifications hereof or amendments hereto to the extent and in the manner as provided in Article IX hereof.

The provisions of this Bond Resolution and every appropriate sentence hereof shall be construed as including and as being applicable to any Additional Bonds issued by the Authority, as well as to the Series 2021 Bonds, and any Additional Bonds issued by the Authority shall be treated for all intents and purposes, unless otherwise specifically stated, just as if they had been issued together with the Series 2021 Bonds and pursuant to the terms of this Bond Resolution.

Any subsequent proceedings authorizing the issuance of Additional Bonds issued by the Authority as provided in this Bond Resolution shall in no way conflict with the terms and conditions of this Bond Resolution, but shall, for all legal purposes, reaffirm all of the applicable covenants, agreements and provisions of this Bond Resolution for the equal protection and benefit of the Bondholders.

Section 10.04 Authorization of Disclosure Documents.

The use and distribution of the Preliminary Official Statement are hereby authorized and approved. The Chairman of the Authority is hereby authorized to execute and deliver the Official Statement for and on behalf of the Authority, and the Official Statement shall be in substantially the form of the Preliminary Official Statement, subject to such minor changes, insertions or omissions as may be approved by the Chairman of the Authority, and the execution of said Official Statement by the Chairman of the Authority as hereby authorized shall be conclusive evidence of any such approval. The distribution of the Official Statement for and on behalf of the Authority is hereby authorized and approved. The Authority hereby “deems final” the Preliminary Official Statement as of its date in accordance with Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission under the Securities and Exchange Act of 1934 and the Chairman of the Authority or the Vice-Chairman of the Authority is hereby authorized and directed to execute a certificate to that effect.

Section 10.05 Payments Due on Saturday, Sunday or Holiday.

If a payment on the Series 2021 Bonds is due on a Saturday, Sunday or any day that the principal office of the Paying Agent is authorized or required by law to remain closed, such payment shall be made on the next succeeding Business Day with the same force and effect as if such payment had been made on the original due date.

Section 10.06 Validation.

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

Section 10.07 Repealer.

Any and all resolutions or parts of resolutions in conflict with this Bond Resolution this day adopted be and the same are hereby repealed, and this Bond Resolution shall be in full force and effect from and after its adoption.

Section 10.08 Waiver of Performance Audit.

The Authority will not conduct any performance audit or performance review with respect to the Series 2021 Bonds as such terms are described in Section 36-82-100, Official Code of Georgia Annotated, and hereby ratifies and/or authorizes the publication of the requisite public notice of the Authority’s waiver of public accountability in the legal organ of Whitfield County.

Section 10.09 Authorization of Contract.

The execution, delivery and performance of the Contract, a copy of which is attached hereto as Exhibit B, are hereby authorized. The Contract shall be in substantially the form attached hereto, with such changes, insertions or omissions as may be approved by the Chairman or Vice-

Chairman of the Authority, and the execution and delivery by the Chairman or Vice-Chairman as hereby authorized shall be conclusive evidence of the approval of any such changes, insertions or omissions.

Section 10.10 Notice of Sale of Series 2021 Bonds.

The Financial Advisor is requested to prepare and publish the appropriate notices of sale for the Series 2021 Bonds and to have the Chief Financial Officer of the City review all bids received in accordance with such notices. The Chief Financial Officer is authorized to award the sale of the Series 2021 Bonds to the bidder(s) submitting the best bid(s) with the lowest true interest costs to the Authority and the City.

Notwithstanding the foregoing, if the Financial Advisor determines advises that it is in the best interest of the Authority to issue the Series 2021 Bonds pursuant to a negotiated sale, the Chief Financial Officer of the City is hereby authorized to select an underwriter or bank for the sale of the Series 2021 Bonds.

[END OF ARTICLE X]

This Bond Resolution adopted by the Authority on the 26th day of February, 2021.

THE CITY OF DALTON BUILDING
AUTHORITY

By: _____
Chairman

(SEAL)

Attest:

Secretary

EXHIBIT A

[FORM OF BOND]

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to The City of Dalton Building Authority (the “Authority”) or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof Cede & Co., has an interest herein.

The Authority has established a Book-Entry System of registration for this Bond. Except as specifically provided otherwise in the hereinafter defined Resolution, Cede & Co., as nominee of The Depository Trust Company, will be the registered owner and will hold this Bond on behalf of each beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, each beneficial owner of this Bond shall be deemed to have agreed to such arrangement. Cede & Co., as registered owner of this Bond, will be treated as the owner of this Bond for all purposes.

DTC may discontinue providing its services as depository with respect to this Bond at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

No. R-_____ \$ _____

UNITED STATES OF AMERICA
STATE OF GEORGIA
THE CITY OF DALTON BUILDING AUTHORITY
REVENUE BONDS
(CITY OF DALTON PROJECTS),
SERIES 2021

BOND DATE: INTEREST RATE: MATURITY DATE: CUSIP:
April __, 2021 ____% February 1, 20__ _____

FOR VALUE RECEIVED, The City of Dalton Building Authority (the “Authority”), a public body corporate and politic duly created and validly existing pursuant to an amendment to the Constitution of the State of Georgia (1968 Ga. Laws, page 1466, *et seq.*), as continued (1986 Ga. Laws, p. 5547, *et seq.*), as hereafter amended (the “Amendment”), hereby promises to pay from the special fund provided therefor, as hereinafter set forth, to CEDE & CO., a nominee of The Depository Trust Company, or registered assigns, the principal sum of

_____ DOLLARS

in lawful money of the United States of America, on the date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, Atlanta, Georgia, as Paying Agent and Bond Registrar, and to pay to the registered owner hereof solely from said special fund interest (based on a 360-day year comprised of twelve thirty-day months) on the principal amount from the Interest Payment Date (hereinafter defined) next preceding the date of authentication hereof to which interest has been paid (unless the date of authentication hereof is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication hereof is after a Record date but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication hereof is before the first Interest Payment Date, in which case from April ___, 2021), at the rate per annum specified above, on August 1, 2021 and semiannually thereafter on the 1st days of February and August in each year (each an “Interest Payment Date”), until payment of the principal amount hereof. Payments of interest on this bond shall be made by check or draft payable to the registered owner as shown on the bond registration book kept by the Bond Registrar at the close of business on the fifteenth day of the calendar month next preceding each Interest Payment Date, and such interest payments shall be mailed by first class mail to the registered owner at the address shown on the bond registration book. Notwithstanding the foregoing, so long as this bond is registered in the name of the Securities Depository or the Securities Depository Nominee, payment of the principal of and interest on this bond shall be made by wire transfer to the Securities Depository, as more fully described herein.

This bond is one of a duly authorized issue of The City of Dalton Building Authority Revenue Bonds (City of Dalton Projects), Series 2021 in the aggregate principal amount \$ _____ (the “Series 2021 Bonds”), of like tenor, except as to designation, numbers, denominations, dates of maturities, interest rates and redemption provisions, issued under authority of the Constitution of the State of Georgia, the Revenue Bond Law (O.C.G.A. Section 36-82-60 *et seq.*, as amended) and the Amendment and was duly authorized by a resolution of the governing body of the Authority adopted on February 26, 2021, as supplemented on April ___, 2021 (collectively, the “Bond Resolution”). The Authority may, under certain terms and conditions as provided in the Bond Resolution, issue additional obligations on a parity with the Series 2021 Bonds. The Series 2021 Bonds were issued for the purpose of providing funds to finance, in whole or in part, the cost of (i) acquiring, constructing and installing certain projects for the benefit of the City of Dalton, Georgia (the “City”), (ii) refunding [all of the outstanding] The City of Dalton Building Authority (Georgia) Revenue Bonds (Taxable – Recovery Zone Economic Development Bonds – Direct Payment), Series 2010 and (iii) paying expenses necessary to accomplish the foregoing. The Series 2021 Bonds are secured by a first lien on the Contract, dated as of April 1, 2021 (the “Contract”), between the Authority and the City, and the City’s

payment obligations (the “Contract Payments”) thereunder. In addition to the Series 2021 Bonds, the Authority may issue, under certain terms and conditions as provided in the Bond Resolution, additional revenue bonds, and if issued such additional revenue bonds will rank on a parity as to lien on the Contract and the Contract Payments with the lien securing payment of the Series 2021 Bonds. Reference to the Bond Resolution is hereby made for a complete description of the fund charged with, and pledged to, the payment of the principal of and the interest on the Series 2021 Bonds, the nature and extent of the security, a statement of rights, duties and obligations of the Authority, the rights of the owners of the Series 2021 Bonds, and the terms and provisions under which additional revenue bonds may be issued, to all the provisions of which the owner hereof, by the acceptance of this bond, assents.

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

The Series 2021 Bonds are being issued by means of a Book-Entry System, with actual Series 2021 Bonds immobilized at The Depository Trust Company, New York, New York, or its successor as securities depository (the “Securities Depository”). Actual Series 2021 Bonds are not available for distribution to bondholders (the “Beneficial Owners”), except under the limited circumstances set forth in the Bond Resolution. The principal, redemption premium (if any) and interest on the Series 2021 Bonds are payable by the Paying Agent to Cede & Co., as nominee of the Securities Depository. Transfer of principal, redemption premium (if any) and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository; transfers of principal, redemption premium (if any) and interest to Beneficial Owners by participants of the Securities Depository will be the responsibility of such participants and other nominees of Beneficial Owners. The Authority and the Paying Agent are not responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants. So long as any Series 2021 Bonds are registered in Book-Entry Form, the Authority, the City and the Paying Agent may treat the Securities Depository as, and deem the Securities Depositor to be, the absolute owner of such Series 2021 Bonds for all purposes whatsoever, including without limitation: (a) the payment of principal of and interest on such series of Series 2021 Bonds; (b) giving notices of redemption and other matters with respect to such Series 2021 Bonds; (c) registering transfers with respect to such Series 2021 Bonds; (d) the selection of Series 2021 Bonds for redemption; and (e) voting and obtaining consents under the Bond Resolution.

If the Series 2021 Bonds are no longer registered to the Securities Depository or its nominee, this bond may be registered as transferred only upon the registration books kept for that purpose at the principal corporate trust office of the Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar of this bond duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered bond, in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor. In addition, if the bonds are no

longer registered to a Securities Depository, this bond may be exchanged by the registered owner hereof or his or her duly authorized attorney upon presentation at the principal corporate trust office of the Bond Registrar for an equal aggregate principal amount of bonds of the same maturity and in any authorized denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Resolution. No service charge shall be made for any registration of transfer or exchange hereinbefore referred to, but the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge as a condition precedent to the exercise of such privilege.

The Authority and the City have entered into the Contract. Pursuant to the Contract, the Authority has agreed to issue the Series 2021 Bonds, and the City has agreed to make Contract Payments to the Authority in amounts sufficient to enable the Authority to pay the principal of and interest on the Series 2021 Bonds as the same becomes due and payable. The Contract provides that the obligation of the City to make the Contract Payments is absolute and unconditional. The City is required to levy an ad valorem property tax, [at such rate or rates, not to exceed one per centum (or such greater amount as may hereafter be authorized through the passage of local legislation by the Georgia General Assembly or by the Mayor and Council through a hearing and notice procedure outlined in the Charter of the City)] on all property in the City subject to such tax in order to make the Contract Payments in the full amount required on the dates such payments are due. Such Contract Payments are to be paid by the City directly to the Sinking Fund Custodian designated in the Bond Resolution for the account of the Authority and deposited into the special fund created in the Bond Resolution and designated "The City of Dalton Building Authority Sinking Fund – City of Dalton Projects." The Contract and the Contract Payments have been pledged under the Bond Resolution to the payment of the principal of and interest on the Series 2021 Bonds.

This bond is a limited obligation of the Authority payable solely from the Contract Payments. This bond does not constitute a general obligation of the State of Georgia, the City, or any other political subdivision or municipal corporation of the State of Georgia within the meaning of any constitutional or statutory limitation upon indebtedness. Neither the State of Georgia, the City nor any other political subdivision or municipal corporation of the State of Georgia shall be subject to any pecuniary liability thereon. No owner of this bond shall ever have the right to compel the exercise of the taxing power of the State of Georgia, the City or any other political subdivision or municipal corporation of the State of Georgia to pay the same or the interest thereon, nor to enforce payment hereof against any property of the State of Georgia, the Authority or the City. The principal of and interest on the Series 2021 Bonds are payable solely from the Contract Payments.

[INSERT REDEMPTION PROVISIONS]

In the event any of the Series 2021 Bonds are called for redemption as aforesaid, notice thereof identifying the Series 2021 Bonds (or portions thereof) to be redeemed and specifying the terms of such redemption will be given by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Series 2021 Bond to be redeemed at the address shown on the books of the Registrar maintained pursuant to Section 2.06 of the Bond Resolution; provided, however, that

failure to give such notice by mailing, or any defect therein, shall not affect the validity of proceedings for the redemption of any Series 2021 Bond or portion thereof with respect to which no such failure has occurred. All Series 2021 Bonds so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at that time.

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

If the Series 2021 Bonds are called for redemption in part, the Series 2021 Bonds within each maturity so called for redemption shall be selected by lot or in such manner as may be designated by the Securities Depository, when in book-entry form and by the Bond Registrar, when not in book-entry form.

To the extent and in the manner permitted by the Bond Resolution, modifications, alterations, amendments, additions and deletions of the provisions of the Bond Resolution, or of any resolution supplemental thereto, the Series 2021 Bonds or the Contract, may be made by the Authority without the consent of the owners of the Bonds in certain circumstances and with the consent of fifty-one percent (51%) of the principal amount of the Bonds outstanding in other circumstances.

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

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

IN WITNESS WHEREOF, the governing body of The City of Dalton Building Authority has caused this Bond to be executed by the manual or facsimile signature of its Chairman and its official seal to be imprinted hereon and attested by the manual or facsimile signature of its Secretary as of April __, 2021.

THE CITY OF DALTON BUILDING
AUTHORITY

(S E A L)

By: _____
Chairman

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Revenue Bonds described in the Bond Resolution of The City of Dalton Building Authority adopted on February 26, 2021, as supplemented on April ____, 2021.

U.S. BANK NATIONAL ASSOCIATION,
ATLANTA, GEORGIA, as Bond Registrar

By: _____
Authorized Signatory

Date of Authentication and Registration: April ____, 2021

VALIDATION CERTIFICATE

STATE OF GEORGIA)

COUNTY OF WHITFIELD)

The undersigned Clerk of the Superior Court of Whitfield County, State of Georgia, HEREBY CERTIFIES that this Bond was validated and confirmed by judgment of the Superior Court of Whitfield County, Georgia, on _____, 2021, and that no intervention or objection was filed in the proceedings validating same and that no appeal from said judgment of validation has been taken.

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

(S E A L)

Clerk, Superior Court,
Whitfield County, Georgia

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____ [please print or typewrite name and address including postal zip code of assignee]

[Please insert Social Security or
Tax Identification Number of Assignee]

_____ the within Bond and all rights thereunder, hereby
constituting and appointing _____ attorney to transfer this
Bond on the bond registration book kept for such purpose by the Bond Registrar, with full power
of substitution in the premises.

DATED _____

Signature Guaranteed:

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

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

DTC FAST RIDER

Each such certificate shall remain in the Paying Agent's custody subject to the provisions of the FAST Balance Certificate Agreement currently in effect between the Paying Agent and DTC-FAST Agreement.

EXHIBIT B

FORM OF CONTRACT

[Attached.]

EXHIBIT C

PROJECT REPORT

2021 PROJECTS

The acquisition, construction and installation of certain land, public buildings, facilities and equipment necessary and convenient for the efficient operation of the City, consisting of the following:

- 1) *City Recreation Projects* including, but not limited to, an aquatics center, a soccer complex, Haig Mill trail, Heritage Point Park upgrades, Bur Park improvements, Haig Mill Lake improvements, and playground replacements and upgrades.
- 2) *City Economic Development Projects* including, but not limited to, a Market Street access road, downtown streetscape, and land purchases for future related municipal projects.
- 3) *City Stormwater Projects* including, but not limited to, mitigation of approximately 26 off right-of-way stormwater issues, Ridge Street basin improvements, regional detention ponds and related professional services and planning in connection with the stormwater projects.

2010 PROJECTS

The acquisition, construction and installation of certain land, public buildings, facilities and equipment necessary and convenient for the efficient operation of the City, consisting of the following:

- 1) Acquisition of property, demolition of old structures, construction, equipping and furnishing of a new Dalton Community Center, including outside areas not limited to parking, splash pad, concessions, bathrooms, a soccer field, outside lighting, and picnic shelters; and
- 2) Renovations and improvements at James Brown Park and other recreation facilities including landscaping, lighting, fencing, construction of new soccer/football fields, and resurfacing of exiting soccer fields.

EXHIBIT D

FORM OF PROJECT FUND REQUISITION

Requisition No. _____
_____, 20__

BANK OZK
Dalton, Georgia

Re: Disbursement from Project Fund Relating to The City of Dalton Building Authority
Revenue Bonds (City of Dalton Projects), Series 2021

To the Addressee:

The undersigned authorized representative of The City of Dalton Building Authority (the "Authority") does hereby submit a requisition for a disbursement from the Project Fund established under the Resolution adopted by the Authority on February 26, 2021, as supplemented on March __, 2021 (collectively, the "Resolution"), relating to the captioned bond. The amount to be paid, the circumstances of such obligation and the name of the person, firm or corporation to whom payment is due is shown on Schedule 1 attached hereto. In connection with this requisition, the undersigned hereby certifies, as follows:

1. An obligation in the stated amount has been incurred, is a proper charge against the Project Fund and has not been paid.
2. A bill or statement of account for such obligation, or a copy thereof, is attached hereto or is on file in the office of the Finance Director of the City of Dalton, Georgia (the "City").
3. The undersigned has no notice of any vendor's, mechanic's or other liens or rights to liens, security interests, chattel mortgages, or conditional sales contracts which should be satisfied or discharge before such payment is made.
4. This requisition contains no item representing payment on account or any retained percentages which the City is, as of the date of this certification, entitled to retain.
5. Insofar as such obligation was incurred for work, materials, supplies or equipment, such work was actually performed or such materials, supplies or equipment were actually installed in or about the construction or delivered at the site of the work for that purpose.

This _____ day of _____, 20____.

THE CITY OF DALTON BUILDING
AUTHORITY

By: _____
Authorized Representative

Approved by

CITY OF DALTON, GEORGIA

By: _____
Authorized Representative

SCHEDULE "1"

Payee

Amount

Purpose

SECRETARY'S CERTIFICATE

The undersigned Secretary of The City of Dalton Building Authority, DOES HEREBY CERTIFY that the foregoing pages constitute a true and correct copy of the resolution adopted by the Authority at an open public meeting duly called and lawfully assembled, on the 26th day of February, 2021, authorizing the issuance of not to exceed \$21,000,000 in aggregate principal amount of The City of Dalton Building Authority Revenue Bonds (City of Dalton Projects), Series 2021, the original of said resolution being duly recorded in the Minute Book of said Authority, which Minute Book is in my custody and control.

WITNESS my hand and the official seal of The City of Dalton Building Authority, this the 26th day of February, 2021.

Secretary

Exhibit B

Intergovernmental Contract

INTERGOVERNMENTAL CONTRACT

by and between

THE CITY OF DALTON BUILDING AUTHORITY

and

CITY OF DALTON, GEORGIA

Dated as of April 1, 2021

Relating to The City of Dalton Building Authority Revenue Bonds (City of Dalton Projects),
Series 2021

The rights and interest of The City of Dalton Building Authority (the “Authority”) in the revenues and receipts derived from this Intergovernmental Contract have been assigned and pledged under a Bond Resolution, adopted by the Authority on February 26, 2021, as supplemented.

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INTERGOVERNMENTAL CONTRACT

THIS INTERGOVERNMENTAL CONTRACT (this “Contract”) is entered into as of April 1, 2021, by and between THE CITY OF DALTON BUILDING AUTHORITY (the “Authority”), a public body corporate and politic of the State of Georgia, and CITY OF DALTON, GEORGIA (the “City”), a municipal corporation of the State of Georgia.

WITNESSETH:

WHEREAS, The City of Dalton Building Authority (the “Authority”) was duly created and is validly existing pursuant to the Constitution and Laws of the State of Georgia (the “State”), including an amendment to the Constitution of the State (1968 Ga. Laws, p. 1466, *et seq.*, as continued 1986 Ga. Laws, p. 5547, *et seq.*, as hereafter amended) (the “Amendment”); and

WHEREAS, under the Amendment and the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq.*, as amended), the Authority has the power (a) to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any “undertaking” (as defined in the Revenue Bond Law) or any “project” (as defined in the Amendment) including the acquisition, construction and improvement of buildings and facilities for use by the City of Dalton, Georgia (the “City”) for its governmental, proprietary and administrative functions, or for the purpose of refunding, as provided in the Amendment, any such bonds of the Authority previously issued to finance or refinance the cost of a project; and (b) to make and execute contracts and other instruments necessary to exercise the powers of the Authority; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political subdivision of the State of Georgia to contract, for a period not exceeding fifty (50) years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, including the Revenue Bond Law, and a resolution adopted by the Authority on April 8, 2010, the Authority issued its The City of Dalton Building Authority (Georgia) Revenue Bonds (Taxable – Recovery Zone Economic Development Bonds – Direct Payment), Series 2010, in the original aggregate principal amount of \$5,600,000 (the “Series 2010 Bonds”), for the purpose of providing funds to finance, in whole or in part, (a) the cost of the acquisition of property, construction and equipping of a new Community Center, and renovations and improvements to recreation facilities including James Brown Park for the citizens of the City (the “2010 Projects”) and (b) paying the costs of issuance thereof; and

WHEREAS, in connection with the issuance of the Series 2010 Bonds, the Authority and the City entered into an Intergovernmental Agreement, dated as of April 8, 2010 (the “2010 Contract”), pursuant to which the Authority agreed to issue the Series 2010 Bonds to finance the 2010 Projects, and the City, in consideration of the Authority’s doing so, agreed to pay

to the Authority amounts sufficient to pay the principal of and interest on the Series 2010 Bonds;
and

WHEREAS, because of present market conditions it is advisable, feasible and in the best interest of the Authority and the City that [all of the] Series 2010 Bonds (the “Refunded Bonds”) be refunded and called for redemption, in order to effect a savings in the debt service requirements on the City’s outstanding bonded indebtedness, and the Authority and the City have determined, after their own independent study and investigation, that it is in the best interest of the Authority and the City to refund the Refunded Bonds; and

WHEREAS, the Authority and the City desire to acquire, construct and install certain public buildings, facilities and equipment necessary and convenient for the efficient operation of the City (the “2021 Projects,” and, together with the 2010 Projects, the “Projects”), as more fully described in Exhibit A attached hereto; and

WHEREAS, after careful study and investigation, the Authority issued its Revenue Bonds (City of Dalton Projects), Series 2021, in the aggregate principal amount of \$ _____ (the “Series 2021 Bonds”) for the purpose of providing funds to (a) acquire, construct and install the 2021 Projects, (b) refund the Refunded Bonds and (c) pay the costs incident thereto; and

WHEREAS, the Series 2021 Bonds will be issued pursuant to the Amendment, the Revenue Bond Law, a resolution of the Authority adopted on February 26, 2021, as supplemented by the Authority’s Supplemental Bond Resolution, adopted on April __, 2021 (collectively, the “Bond Resolution”); and

WHEREAS, the Series 2021 Bonds shall contain such terms and provisions as provided in the Bond Resolution; and

WHEREAS, the Authority and the City propose to enter into this Contract, pursuant to which the Authority will agree to provide funds to finance the acquisition, construction and installation of the 2021 Project and refund the Refunded Bonds, and the City will agree to make contract payments in stated amounts which are sufficient to pay when due the principal of and interest on the Series 2021 Bonds; and

NOW, THEREFORE, in consideration of the premises and undertakings as hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1.

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Definitions.

In addition to the words and terms elsewhere defined in this Contract and the Bond Resolution, the following words and terms as used in this Contract shall have the following meanings unless the context or use indicates another or different meaning or intent and such definitions shall be equally applicable to both the singular and plural forms of the words and terms herein defined:

“Bond Resolution” shall mean the resolution of the Authority, adopted on February 26, 2021, as supplemented by the supplemental resolution adopted by the Authority on April ____, 2021, authorizing the issuance of the Series 2021 Bonds.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Term” shall mean the term of this Contract as specified in Section 5.1 hereof.

“Permitted Encumbrances” shall mean, as of any particular time, (i) liens for taxes and assessments not then delinquent, (ii) this Contract, (iii) utility access and other easements and rights of way, restrictions and exceptions that an authorized representative of the Authority certifies will not interfere with or impair the Projects, and (iv) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property similar in character to the Projects and as do not materially impair the property affected thereby for the purpose for which it was acquired or held by the Authority.

“State” shall mean the State of Georgia.

Section 1.2. Rules of Construction.

The definitions referred to in Section 1.1 shall be equally applicable to both the singular and the plural forms of the terms therein defined and shall cover all genders. “Herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter,” “this Contract” and other equivalent words refer to this Contract and not solely to the particular portion thereof in which any such word is used. All references herein to particular Articles or Sections are references to Articles or Sections of this Contract unless otherwise specified.

[END OF ARTICLE I]

ARTICLE 2.

REPRESENTATIONS, WARRANTIES AND AGREEMENTS

Section 2.1. Representations, Warranties and Agreements of the Authority.

The Authority makes the following representations, warranties and agreements as the basis for the undertakings on its part herein contained:

(a) The Authority is a public body corporate and politic duly created, organized and existing under the Constitution and laws of the State, including the Amendment, and, unless otherwise required by law, shall maintain its corporate existence so long as the Series 2021 Bonds are outstanding. Under the provisions of the Amendment, the Authority is authorized to (i) adopt the Bond Resolution and perform its obligations thereunder, (ii) issue, execute, deliver and perform its obligations under the Series 2021 Bonds, (iii) refund the Refunded Bonds, and (iv) execute, deliver and perform its obligations under this Contract. The Bond Resolution has been duly adopted and has not been modified or repealed. The Authority has duly authorized (i) the issuance, execution, delivery and performance of the Series 2021 Bonds, (ii) the refunding of the Refunded Bonds, and (iii) the execution, delivery and performance of this Contract. The Bond Resolution, the Series 2021 Bonds and this Contract are valid, binding and enforceable obligations of the Authority.

(b) In connection with the issuance of the Series 2010 Bonds, the Authority has previously determined that the 2010 Projects were projects in furtherance of the Authority's purpose and mission under the Amendment.

(c) The Authority has determined that the 2021 Projects are projects in furtherance of the Authority's purpose and mission under the Amendment.

(d) No approval or other action by any governmental authority or agency or other person is required in connection with the (i) acquisition, construction or installation of the 2021 Projects, (ii) issuance of the Series 2021 Bonds, (iii) refunding the Refunded Bonds, or (iv) execution, delivery and performance of this Contract by the Authority, except as shall have been obtained as of the date hereof; provided, however, no representation is given with respect to any "blue sky" laws.

(e) The adoption of the Bond Resolution, the issuance of the Series 2021 Bonds and the authorization, execution, delivery and performance by the Authority of this Contract do not violate the Amendment, the Authority's bylaws, any resolutions or ordinances of the City, Whitfield County or the laws or Constitution of the State and do not constitute a breach of or a default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(f) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Authority, threatened against or affecting the Authority (or, to the knowledge of the

Authority, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the Authority from issuing the Series 2021 Bonds, pledging the Contract Payments and this Contract to the payment of the Series 2021 Bonds of financing of the Projects, or refunding the Refunded Bonds, (ii) contesting or questioning the existence of the Authority or the titles of the present officers of the Authority to their offices or (iii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the enforceability of the Series 2021 Bonds, the Bond Resolution or this Contract or (B) materially adversely affect the transactions contemplated by this Contract.

(g) The Authority is not in violation of the Amendment, its bylaws, any resolutions or ordinances of the City, Whitfield County or the laws or Constitution of the State and is not in default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(h) The Authority has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer any act or thing whereby the City's interest in the Projects will or may be, impaired or encumbered in any manner except as permitted herein and the Bond Resolution and except for acts or things done or permitted by the City.

(i) Except as herein and in the Bond Resolution provided, the Authority will not encumber any part of its interest in the Contract Payments or its rights under this Contract. The pledge made of the Contract Payments constitutes a first and prior pledge of and lien on said Contract Payments and said pledge shall at no time be impaired by the Authority and the Contract Payments shall not otherwise be pledged.

(j) The Authority makes no representation as to the financial position or business condition of the City and does not represent or warrant as to any of the statements, materials (financial or otherwise), representations or certifications with respect to the City in connection with the sales of the Series 2021 Bonds, or as to the correctness, completeness or accuracy of such statements.

Section 2.2. Representations, Warranties and Agreements of the City.

The City makes the following representations, warranties and agreements as the basis for the undertaking on its part herein contained:

(a) The City is a municipal corporation duly created and organized under the Constitution and laws of the State. Under the Constitution and laws of the State, the City is authorized to execute, deliver and perform its obligations under this Contract. The City has duly authorized the execution, delivery and performance of this Contract. This Contract is a valid, binding and enforceable obligation of the City.

(b) In connection with the issuance of the Series 2010 Bonds, the City determined that the 2010 Projects are in the public interest.

(c) The City has determined that the 2021 Projects are in the public interest.

(d) No approval or other action by any governmental authority or agency or other person is required in connection with the (i) acquisition, construction or installation of the Projects, (ii) refunding the Refunded Bonds, or (iii) execution, delivery and performance of this Contract by the City, except as shall have been obtained as of the date hereof.

(e) The authorization, execution, delivery and performance by the City of this Contract do not violate the laws or Constitution of the State and do not constitute a breach of or a default under any existing resolution or ordinance, court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(f) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the City, threatened against or affecting the City (or, to the knowledge of the City, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the City from (A) collecting ad valorem taxes and using it to make the Contract Payments, (B) acquiring, constructing and installing the 2021 Projects, or (C) refunding the Refunded Bonds, (ii) contesting or questioning the existence of the City or the titles of the present officers of the City to their offices or (iii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the enforceability of this Contract or (B) materially adversely affect (1) the financial condition or results of operations of the City or (2) the transactions contemplated by this Contract.

(g) The City is not in violation of the laws or the Constitution of the State and is not in default under any existing resolution or ordinance, court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

[END OF ARTICLE II]

ARTICLE 3.

ISSUANCE OF SERIES 2021 BONDS; APPLICATION OF BONDS PROCEEDS; COMMENCEMENT AND COMPLETION OF PROJECTS

Section 3.1. Agreement to Issue the Series 2021 Bonds.

In order to provide funds, as provided in the Bond Resolution, to acquire, construct and install the 2021 Projects, refund the Refunded Bonds and pay the costs incident thereto, the Authority, in accordance with the Amendment, will issue the Series 2021 Bonds, and all of the covenants, agreements and provisions hereof shall, to the extent provided herein and in the Bond Resolution, be for the benefit and security of the Bondholders. The Authority has delivered a certified copy of the Bond Resolution to the City.

Section 3.2. Date, Denomination, and Maturities.

The Series 2021 Bonds will be issued in one or more series to be issued, in fully registered form and will mature and be paid pursuant to the provisions of Article II of the Bond Resolution. Interest on the Series 2021 Bonds will be paid to the person or persons and in the manner stated in the Series 2021 Bonds and in the Bond Resolution, until the obligation of the Authority with respect to the payment of the principal of the Series 2021 Bonds shall be discharged in accordance therewith.

Section 3.3. Obligations Relating to the Series 2021 Bonds.

The City agrees to perform all such obligations as are contemplated by the Bond Resolution to be performed by the City.

Section 3.4. Application of Bond Proceeds.

At and upon the delivery of and payment for the Series 2021 Bonds, the proceeds received therefrom shall be applied in the manner set forth in the Bond Resolution.

Section 3.5. Agreement to Acquire, Construct and Install the 2021 Projects.

(a) The Authority hereby appoints the City as its sole and exclusive agent to proceed forthwith with acquiring, constructing and equipping the 2021 Projects in accordance with the Project Report as defined in the Bond Resolution. The City shall obtain or cause to be obtained all necessary approvals from any and all governmental agencies requisite to undertaking the acquisition, construction and equipping of the 2021 Projects. The 2021 Projects shall be acquired, constructed and installed in compliance with all federal, state and local laws, ordinances and regulations applicable thereto. The City will take or cause to be taken such action and institute or cause to be instituted such proceedings as it shall deem appropriate to cause and require all contractors and suppliers of materials to complete their contracts, including the correcting of any defective work. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing shall (i) if the City has corrected at its own expense the matter which

gave rise to such default or breach, be paid to the City or (ii) if the City has not corrected at its own expense the matter which gave rise to such default or breach, be paid into the Project Fund.

(b) The City, as the sole and exclusive agent of the Authority, shall acquire, construct and install, or cause to be acquired, constructed and installed, the 2021 Projects substantially as described in the Project Report with such change orders as may be approved by the City and the Authority.

(c) The moneys credited to the Project Fund from the sale of the Series 2021 Bonds shall be used and applied only for the purpose of paying the cost of the 2021 Projects described in the Project Report and otherwise disbursed as provided in the Bond Resolution.

(d) All payments from the Project Fund shall be made upon the terms and conditions set forth in the Bond Resolution. The City shall prepare the requisitions and certificates required by the Bond Resolution, a form of such requisition being attached as Exhibit D to the Bond Resolution.

(e) All real or tangible personal property acquired with the proceeds of the Series 2021 Bonds shall be titled in the name of the City. All such property shall be free of any liens and encumbrances and the same shall constitute part of the 2021 Projects.

Section 3.6. Establishment of Completion Date.

The Completion Date shall be evidenced to the Project Fund Depository by a certificate signed by a duly authorized representative of the City stating that, except for amounts retained by the Project Fund Depository at the City's direction to pay any cost of the 2021 Projects not then due and payable, (a) the 2021 Projects have been completed and all costs of labor, services, materials and supplies have been paid, and (b) all other facilities necessary in connection with the 2021 Projects have been acquired, constructed and equipped and all costs and expenses incurred in connection therewith have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. Upon receipt of such certificate, the Project Fund Depository shall retain in the Project Fund a sum equal to the amounts necessary for payment of the costs of the 2021 Projects not then due and payable according to such certificate. If any such amounts so retained are not subsequently used, prior to any transfer of such amounts to the Sinking Fund, the Project Fund Depository shall give notice to the Authority and the City of the failure to apply such funds for payment of the costs of the 2021 Projects. Any amount not to be retained in the Project Fund for payment of the costs of the 2021 Projects, and all amounts so retained but not subsequently used, shall be transferred by the Project Fund Depository into the Sinking Fund and shall be used to pay the next occurring principal amount due on the Series 2021 Bonds.

[END OF ARTICLE III]

ARTICLE 4.

EFFECTIVE DATE OF THIS CONTRACT; DURATION OF TERM;
contract PAYMENT PROVISIONS;

Section 4.1. Effective Date of this Contract; Duration of Term.

This Contract shall become effective as of April 1, 2021, and term of the Contract shall then begin, and, subject to the other provisions of this Contract, shall expire on the later of (a) February 1, 20__, or if at said time and on said date the Series 2021 Bonds have not been paid in full as to principal and interest then on such date as such payment shall have been made or (b) the date the Series 2021 Bonds have been paid in full, but in no event in excess of fifty (50) years from the date hereof. Notwithstanding the foregoing, the provisions of Section 10.9 hereof shall expire fifty (50) years from the date hereof.

Section 4.2. Contract Payments.

On or prior to each February 1 and August 1 of each year (each a “Contract Payment Date”), commencing August 1, 2021, the City shall make the Contract Payments to the Authority as set forth on Schedule 1 attached hereto. In addition to the foregoing, each Contract Payment shall include the charges as billed specified in subparagraphs (e) and (f) of Section 5.03 of the Bond Resolution. Notwithstanding anything in the Bond Resolution or herein to the contrary, if such date is on or prior to February 1, the City shall pay an amount sufficient to enable the Authority to pay in full the principal and interest on the Series 2021 Bonds coming due on February 1, and if such date is on or prior to August 1, the City shall pay an amount sufficient to enable the Authority to pay in full the interest on the Series 2021 Bonds coming due on August 1, and such Contract Payments shall continue and recontinue until provision has been made for the payment in full of the Series 2021 Bonds as to principal, interest and premium, if any. In addition to the foregoing, the Contract Payments provided for herein shall be made by payment directly to the Sinking Fund Custodian for deposit into the Sinking Fund (except the amounts billed which are specified in subparagraphs (e) and (f) of Section 5.03 of the Bond Resolution).

Section 4.3. Optional Redemption and Optional Prepayment of Contract Payments.

(a) The Series 2021 Bonds shall be subject to optional redemption, in whole or in part, as provided in the Bond Resolution, as supplemented, and the Contract Payments due under Section 4.2 shall be subject to prepayment, both at the option of the City.

(b) No prepayment of any Contract Payment in accordance with the provisions of the preceding sentence shall relieve the City to any extent from its obligations thereafter to make Contract Payments required by the provisions hereof until the Series 2021 Bonds and interest thereon has been paid in full. Upon the prepayment of the Contract Payments in whole, the amount of such prepayment shall be used to retire the Series 2021 Bonds, in the manner provided in, and subject to, the Bond Resolution.

Section 4.4. Budget and Tax Levy to Pay Contract Payments; Charter Limitation.

(a) Article XI, Section 11-1 of the Charter of the City provides that the Mayor and Council shall have the power to levy an ad valorem tax, not to exceed one per centum, upon all taxable property, both real and personal, within the corporate limits of the City, for ordinary current expenses. Subject to the provisions of the Charter of the City, the obligations of the City to make the Contract Payments when due under Section 4.2 hereof, and to perform its other obligations hereunder, are absolute and unconditional general obligations of the City as herein provided, and the City hereby pledges its full faith and credit and taxing power to such payment and performance. In the event the amount of funds lawfully available to the City is not sufficient to pay the Contract Payments when due in any year, the City shall levy an ad valorem tax on all taxable property located within the limits of the City subject to taxation for such purposes, as now existent and as same may hereafter be extended, at such rate or rates, not to exceed one per centum (or such greater amount as may hereafter be authorized through the passage of local legislation by the Georgia General Assembly or by the Mayor and Council through a hearing and notice procedure outlined in the Charter of the City), as may be necessary to produce in each calendar year revenues which shall be sufficient to fulfill the City's obligations hereunder, from which revenues there shall be appropriated sums sufficient to pay in full when due the obligations herein contracted to be paid by the City including specifically the obligation to make the Contract Payments as provided herein. The City hereby creates a lien on any and all revenues realized by it pursuant to the provisions of this subparagraph to enable it to make the Contract Payments required pursuant to Section 4.2 hereof and such lien is superior to any that can hereafter be made; provided, however, the City may create a lien on a parity with the lien created herein in connection with the issuance of Additional Bonds.

(b) The City further covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy any such Contract Payments that may be required to be made, whether or not any other sums are included in such measure, until all payments so required to be made shall have been made in full. The obligation of the City to make the Contract Payments shall constitute a general obligation of the City and a pledge of the full faith and credit of the City to provide the funds required to fulfill such obligation; provided, however, nothing herein contained shall be construed as limiting the right of the City to pay the obligations hereunder assumed out of its general funds or from other sources lawfully available to it for such purpose.

(c) In the event for any reason any such provision or appropriation is not made as provided in the preceding subsection (b), then the fiscal officers of the City are hereby authorized and directed to set up as an appropriation on their accounts in the appropriate fiscal year the amounts required to pay the obligations which may be due from the general funds of the City. The amount of such appropriation shall be due and payable and shall be expended for the purpose of paying any such obligations, and such appropriation shall have the same legal status as if the City had included the amount of the appropriation in its general revenue, appropriation and budgetary measures, and the fiscal officers of the City shall make such Contract Payments to the Sinking Fund Custodian for deposit to the Sinking Fund if for any reason the payment of such obligations shall not otherwise have been made.

Section 4.5. Obligations of City Hereunder Absolute and Unconditional.

The obligations of the City to make the payments required in Section 4.2 hereof and to perform and observe any and all of the other covenants and agreements on its part contained herein shall be absolute and unconditional irrespective of any defense or any rights of set off, recoupment, or counterclaim it may otherwise have against the Authority. Until such time as all amounts owing hereunder have been paid or provision for the payment thereof shall have been made in accordance with the Bond Resolution and hereof, the City (a) will not suspend, abate, reduce, abrogate, diminish, postpone, modify or discontinue the Contract Payments provided for herein, (b) will perform and observe all of its other agreements contained in this Contract, and (c) will not terminate the Term of this Contract or its obligations hereunder for any contingency, act of God, event, or cause whatsoever, including, without limiting the generality of the foregoing, failure of title in and to the Projects or any part thereof, any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Projects, the taking by eminent domain of title to or the use of all or any part of the Projects, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either, any declaration or finding that the Series 2021 Bonds are unenforceable or invalid, the invalidity of any provision of this Contract, or any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Contract, or the Bond Resolution. Nothing contained in this Section shall be construed to release the Authority from the performance of any of the agreements on its part contained herein or in the Bond Resolution; and if the Authority should fail to perform any such agreement, the City may institute such action against the Authority as the City may deem necessary to compel performance or recover its damages for nonperformance as long as such action shall not do violence to or adversely affect the agreements on the part of the City contained in this Contract and to make the Contract Payments specified herein. The City may, however, at its own cost and expense and in its own name, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect its rights hereunder, and in such event the Authority hereby agrees to cooperate to the extent required.

Section 4.6. Enforcement of Obligations.

The obligation of the City to make Contract Payments under this Article may be enforced by (a) the Authority, (b) the Bondholders, in accordance with the applicable provisions of the Bond Resolution and independently of the Authority or (c) such receiver or receivers as may be appointed pursuant to the Bond Resolution or applicable law. The covenants and agreements hereunder, including specifically the obligation to make the Contract Payments, shall be enforceable by specific performance; it being acknowledged and agreed by the Authority and the City that no other remedy at law is adequate to protect the interests of the parties hereto or the Bondholders.

[END OF ARTICLE V]

ARTICLE 5.

OWNERSHIP; MAINTENANCE AND OPERATION COVENANTS OF THE CITY; CITY'S OWN PERSONAL PROPERTY

Section 5.1. Ownership of Projects.

The Projects shall be titled in the name of the City.

Section 5.2. Maintenance and Operation of the Projects.

The City shall operate and maintain the Projects or cause the Projects to be operated and maintained economically, efficiently and in accordance with good business practices and in compliance with the terms of the laws, regulations and ordinances of any federal, state or county government having jurisdiction over the operation of such facilities. All compensation, salaries, fees and wages paid or caused to be paid by the City shall be reasonable, and no more persons will be employed to operate the Projects than are necessary. The City shall at all times maintain the Projects or cause the Projects to be maintained in good condition and repair and shall promptly repair, replace or restore any damage to the Projects or cause the proceeds from insurance from such damage or destruction to be applied in accordance with the terms hereof.

Section 5.3. Operating Expenses.

The City shall pay or cause to be paid the reasonable and necessary costs of operating, maintaining and repairing the Projects, including salaries, wages, employee benefits, the payment of any contractual obligations incurred pertaining to the operation of the Projects, cost of materials and supplies, rentals of leased property, real or personal, insurance premiums, audit fees, any incidental expenses and such other charges as may properly be made for the purpose of operating, maintaining and repairing the Projects in accordance with sound business practice.

Section 5.4. Liens; Easements; Leases; Sale of Assets.

The City shall not create or suffer to be created, any lien, security interest or charge on the Projects, or any part thereof, and it shall pay, or cause to be discharged, or it shall make adequate provisions to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects, which, if unpaid, might by law become a lien upon the Projects, or any part thereof; provided, however, that nothing contained in this Contract shall require the City to pay, or cause to be discharged, or make provision for, any such lien, security interest or charge, so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

The City may grant or cause to be granted easements, licenses, rights-of-way (temporary or perpetual and including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Projects, or the City may cause to be released existing easements, licenses, rights-of-way and other rights or privileges in the nature of easements, held with respect to any property included in the Projects with or without consideration.

The City may sell, lease or give away all or a portion of the Projects. Prior to such conveyance, the City shall obtain an opinion of nationally recognized bond counsel to the effect that such sale or lease will not adversely affect the tax-exempt status of the Series 2021 Bonds as provided in Section 7.05 of the Bond Resolution.

Section 5.5. Removal of Equipment.

Neither the Authority nor the City is under any obligation to renew, repair or replace any inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary equipment or other personalty forming a part of the Projects. In any instance where the City in its discretion determines that any items of such equipment or personalty have become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the City may remove such items of such equipment or personalty, in which event title to the same shall thereupon vest in the City, and the City may sell, trade, exchange or otherwise dispose thereof, as a whole or in part, without any responsibility or accountability to the Authority, and upon such determination said equipment or personalty shall no longer be a part of the Projects. Prior to such conveyance, the Authority and the City shall obtain an opinion of nationally recognized bond counsel to the effect that such sale or lease will not adversely affect the tax-exempt status of the Series 2021 Bonds as provided in Section 7.05 of the Bond Resolution.

Section 5.6. Alterations and Improvements to Projects.

The City, from time to time, in its sole discretion and at its own expense, may make any additions, deletions, alterations, modifications or improvements to the Projects, or to any buildings or other facilities constituting any part thereof, which it may deem desirable for its governmental or proprietary purposes. Portions of the real property constituting part of the Projects may be deleted from the Projects description in the event that the final plans and specifications for the Projects do not use all of the real property or portions of the Projects are located on other parcels which are added to the description of the Projects.

Section 5.7. Installation of City's Own Personal Property.

The City may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in the Projects or on the real property comprising the Projects. All such machinery, equipment and other tangible property shall remain the sole property of the City in which the Authority shall have no interest.

Section 5.8. Use of Proceeds and Specific Tax Covenants.

The Series 2021 Bonds are being issued by the Authority in compliance with the conditions necessary for interest income on the Series 2021 Bonds to be excluded from gross income for federal income tax purposes pursuant to the provisions of Section 103(a) of the Code relating to obligations of the State or political subdivisions thereof. It is the intention of the Authority and the City that the interest on the Series 2021 Bonds be and remain excludable from gross income for federal income tax purposes, and, to that end, the Authority and the City hereby covenants with the Bondholders as follows:

(a) That they will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the tax exempt status of interest on the Series 2021 Bonds under Section 103 of the Code.

(b) That they will not directly or indirectly use or permit the use of any of the proceeds of the Series 2021 Bonds or take or omit to take any action in a way that would cause the Series 2021 Bonds to be (i) “private activity bonds” within the meaning of Section 141 of the Code or (ii) obligations which are “federally guaranteed” within the meaning of Section 149(b) of the Code.

(c) That they will not directly or indirectly use or permit the use of any proceeds of the Series 2021 Bonds or any other funds of the Authority or the City or take or omit to take any action that would cause the Series 2021 Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the Authority and the City will comply with all requirements of Section 148 of the Code and any regulations promulgated thereunder to the extent applicable to the Authority or the City. In the event that at any time the Authority or the City is of the opinion that for purposes of this Section it is necessary to restrict or limit the yield on the investment of any moneys held under the Bond Resolution, the Authority and the City shall take such action as may be necessary to effect the same.

Section 5.9. Arbitrage Covenants.

Neither the Authority nor the City shall, subsequent to the date of the issuance and delivery of the Series 2021 Bonds, intentionally use any portions of the proceeds of the Series 2021 Bonds to acquire higher yielding investments, or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as may otherwise be permitted by the Code, including, but not limited to, complying with the requirements of Section 148(f) of the Code and the payment of rebate, if any, required to be made by the Authority, and that they will expend the proceeds of the Series 2021 Bonds in compliance with the applicable provisions of Section 141 to 149, inclusive, of the Code.

[END OF ARTICLE VI]

ARTICLE 6.

SPECIAL COVENANTS AND AGREEMENTS

Section 6.1. No Warranty of Condition or Suitability by the Authority.

THE AUTHORITY MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE CONDITION OR WORKMANSHIP OF ANY PART OF THE PROJECTS OR ITS SUITABILITY.

Section 6.2. Further Assurances and Corrective Instruments, Recordings and Filings.

The Authority and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required to facilitate the performance of this Contract.

Section 6.3. Bonds Made Subject to this Contract.

No Additional Bonds shall be subject to this Contract unless and until the City and the Authority shall execute an amendment or supplement to this Contract specifically incorporating such Additional Bonds.

Section 6.4. Continuing Disclosure Certificate.

The City hereby covenants for the benefit of the owners of the Series 2021 Bonds and the initial purchaser of the Series 2021 Bonds to comply with its obligations under a Continuing Disclosure Certificate, to be entered into in connection with the issuance of the Series 2021 Bonds, to assist the initial purchaser of the Series 2021 Bonds in complying with its obligations under Rule 15c2-12 of the Securities Exchange Act of 1934, as amended. A breach of this covenant shall not be deemed to be an event of default hereunder, and the sole remedy under this Contract shall be an action to compel performance.

[END OF ARTICLE VII]

ARTICLE 7.

EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default Defined.

The following shall be “events of default” under this Contract and the term “event of default” shall mean, whenever used in this Contract, any one or more of the following events:

(a) Failure by the City to pay when due any amount required to be paid under Section 4.2 hereof;

(b) The City shall fail to perform any of the other agreements, conditions, covenants or terms herein required to be performed by the City and such default shall continue for a period of 30 days after written notice has been given to the City by the Authority, the Paying Agent or the Bondholders specifying such default and requesting that it be remedied, or within a greater number of days if such remedy has been undertaken and is being diligently pursued and more than 30 days is required for its completion; provided, however, that if, by reason of force majeure, the City is unable, in whole or in part, to perform the obligations on its part herein undertaken (other than the obligations relating to the payments to be made under Section 4.2 hereof), the City shall not be deemed in default during the continuance of such inability to perform. The term force majeure shall mean, without limitation, acts of God; strikes; work stoppages or similar disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes, fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery or equipment; partial or entire failure of utilities, or any other cause or event not reasonably within the control of the City. The City will use its best efforts, however, to remedy, with all reasonable dispatch, the cause or causes preventing the City from carrying out such obligation; provided, that the settlement of strikes, work stoppages and similar disturbances shall be entirely within the discretion of the City and the City shall not be required to make settlement of such disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City; or

(c) An “event of default” shall have occurred under the Bond Resolution.

Notwithstanding the foregoing, a breach of the covenant contained in Section 6.4 hereof shall not be deemed an event of default hereunder, and the sole remedy shall be an action to compel performance.

Section 7.2. Remedies on Default.

Whenever any event of default referred to in Section 7.1 hereof shall have happened and be subsisting, the nondefaulting party, or the Bondholder as provided in the Bond Resolution, may take any one or more of the following remedial steps:

- (a) The Authority or the Bondholders may seek the appointment of a receiver for the Projects;
- (b) The Authority or the Bondholders may require the City to furnish copies of all books and records of the City pertaining to the Projects;
- (c) The Authority or the Bondholders may required any depository under the Bond Resolution to turn over to the Sinking Fund Custodian any moneys held in any of the funds created pursuant to the Bond Resolution;
- (d) The Authority or the Bondholders may take whatever action at law or in equity may appear necessary or desirable to collect the Contract Payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City under this Contract; and
- (e) The bondholders may exercise any remedies provided for in the Bond Resolution.

Any amounts collected pursuant to action taken under this Section 7.2 shall be applied in accordance with the Bond Resolution to the extent the provisions of the Bond Resolution relate to such amounts.

Section 7.3. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Authority or the Bondholders is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Contract or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority or the Bondholders to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice or notices as may be herein expressly required. Such rights and remedies as are given to the Authority hereunder shall also extend to the Bondholders, and the Bondholders shall be deemed third party beneficiaries of all covenants and agreements herein contained.

Section 7.4. No Waiver of Breach.

In the event any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived

and shall not be deemed to waive any other breach hereunder.

Section 7.5. City Authorized to Cure Default of Authority.

With regard to any default on the part of the Authority under this Contract or under the Bond Resolution, the Authority hereby vests the City, with full power, for the account of the Authority, to perform any obligation in remedy of such default in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such acts.

Section 7.6. Failure to Enforce Agreement Not a Waiver.

The failure of the Authority or the Bondholders to enforce any agreement, condition, covenant or term by reason of any default or breach by the City shall not be deemed to void or affect the right to enforce the same agreement, condition, covenant or term on the occasion of any subsequent default or breach.

[END OF ARTICLE IX]

ARTICLE 8.

INDEMNITY

Section 8.1. Authority Indemnified; Immunity of Members of Authority.

(a) During the term of this Contract, the City, at its own expense, shall handle to conclusion all claims and pay all judgments obtained against the Authority by reason of (i) any injury to or death of any person or damage to property occurring on or about any portion of the Projects occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the City, its agents or employees in connection with the operation, management, or maintenance of any part of the Projects, (ii) any use, non-use, condition of or defect in any part of the Projects, and (iii) any failure, breach, or default on the part of the City in the performance of or compliance with any of the obligations of the City under the terms of this Contract, provided, however, that the indemnity provided by this Section shall be effective only to the extent that the amount of liability arising from any such loss shall exceed the proceeds available therefor obtained for insurance carried with respect to such loss.

(b) Notwithstanding the fact that it is the intention of the parties that the Authority shall not incur any pecuniary liability by reason of the terms of this Contract or the undertakings required of the Authority hereunder by reason of the issuance of the Bonds, the adoption of the Bond Resolution, or the performance of any act requested of the Authority by the City, nevertheless, if the Authority should incur any such pecuniary liability, then at that event, the City shall indemnify and hold the Authority harmless against all claims, demands, or causes of action arising therefrom and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and, upon notice from the Authority, the City shall defend the Authority in any such action or proceeding.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Authority contained in this Contract or in the Bonds or the Bond Resolution for any claim based hereon or thereon against any member, officer, or employee, of the Authority or of any successor thereto, in his individual capacity, either directly or through the Authority whether by virtue of any constitutional provision, statute, or rule of law. This Contract, the Bonds, and the Bond Resolution are solely corporate obligations, and no personal liability shall attach to, or be incurred by, any member, officer, or employee of the Authority or of any successor thereto, either directly or by reason of the obligations, covenants, or agreements entered into between the Authority and the City, and all personal liability of any character against every such member, officer, and employee is, by the execution of this Contract, expressly waived and released. The immunity of members, officers, and employees of the Authority under the provisions contained in this Section shall survive the completion of the acquisition, construction, and equipping of the Projects and the termination of this Contract.

[END OF ARTICLE X]

in this Contract. The City hereby acknowledges and agrees that the Authority has pledged its rights, title and interests (but not its obligations) under this Contract as security for the payment of the principal or, premium, if any, and interest on the Series 2021 Bonds. The City hereby consents to such pledge and the Authority and the City agree that the Bondholders are third-party beneficiaries of this Contract, and may enforce the terms and provisions hereof. There are no other third-party beneficiaries.

Section 9.4. Severability.

If any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.5. Amounts Remaining in Sinking Fund.

It is agreed by the parties hereto that, subject to and in accordance with the terms and conditions of the Bond Resolution certain surplus moneys remaining in the Sinking Fund after payment of the Series 2021 Bonds shall belong to and be paid to the City.

Section 9.6. Amendments, Changes and Modifications.

This Contract may be amended, changed and modified (a) to cure any ambiguity or formal defect or omission in this Contract; (b) to provide for the issuance of Additional Bonds in accordance with the terms of this Contract (including, without limitation, the addition of events of default and remedies relating to any Additional Bonds hereafter incurred by the City); (c) to grant any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders by the City; (d) to further expand or clarify the amounts required to be paid into the Sinking Fund and the timing thereof; (e) to conform to supplements to the Bond Resolution; (f) to make any other amendments, changes and modifications that in the opinion of counsel are not materially adverse to the interests of the Bondholders. Any other amendments, changes and modification in this Contract will become effective only with the consent of the owners of fifty-one (51%) in aggregate principal amount of the Bonds secured hereby. In no event, however, may any such amendments, changes and modifications permit (a) the reduction of Contract Payments required to be made to ensure the payment of the Bonds and the other obligations secured by the Bond Resolution; or (b) the reduction of the percentage of the principal amount of the Bonds required to consent to any such amendment, change or modification.

Section 9.7. Execution Counterparts.

This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.8. Captions.

The captions and headings in this Contract are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Contract.

Section 9.9. Law Governing Contract.

This Contract shall be governed by, and construed in accordance with, the laws of the State of Georgia.

[END OF ARTICLE XI]

IN WITNESS WHEREOF, the Authority and the City have caused this Contract to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

THE CITY OF DALTON BUILDING
AUTHORITY

(SEAL)

By: _____
Chairman

Attest:

Secretary

[Intergovernmental Contract]

CITY OF DALTON, GEORGIA

(SEAL)

By: _____
Mayor

Attest:

Clerk

SCHEDULE 1

CONTRACT PAYMENTS

[ATTACHED.]

EXHIBIT A

DESCRIPTION OF PROJECT

2021 PROJECTS

The acquisition, construction and installation of certain land, public buildings, facilities and equipment necessary and convenient for the efficient operation of the City, consisting of the following:

- 1) *City Recreation Projects* including, but not limited to, an aquatics center, a soccer complex, Haig Mill trail, Heritage Point Park upgrades, Bur Park improvements, Haig Mill Lake improvements, and playground replacements and upgrades.
- 2) *City Economic Development Projects* including, but not limited to, a Market Street access road, downtown streetscape, and land purchases for future related municipal projects.
- 3) *City Stormwater Projects* including, but not limited to, mitigation of approximately 26 off right-of-way stormwater issues, Ridge Street basin improvements, regional detention ponds and related professional services and planning in connection with the stormwater projects.

2010 PROJECTS

The acquisition, construction and installation of certain land, public buildings, facilities and equipment necessary and convenient for the efficient operation of the City, consisting of the following:

- 1) Acquisition of property, demolition of old structures, construction, equipping and furnishing of a new Dalton Community Center, including outside areas not limited to parking, splash pad, concessions, bathrooms, a soccer field, outside lighting, and picnic shelters; and
- 2) Renovations and improvements at James Brown Park and other recreation facilities including landscaping, lighting, fencing, construction of new soccer/football fields, and resurfacing of exiting soccer fields.

CLERK'S CERTIFICATE

The undersigned does hereby certify that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution pertaining to the City of Dalton, Georgia (the "City"), which resolution was duly adopted at a meeting of the Mayor and Council of the City duly called and assembled on March 1, 2021, and at which a quorum was present and acting throughout and that the original of said resolution appears of record in the minute book of the Mayor and Council of the City which is in my custody and control, and that said resolution has not been amended, repealed, revoked or rescinded as of the date hereof.

Given under my hand and the seal of the City this 1st day of March, 2021.

(S E A L)

Clerk