

REGISTERED
Number 1

REGISTERED
\$

UNITED STATES OF AMERICA
STATE OF ARIZONA

TOWN OF JEROME
SEWER SYSTEM NOTE, SERIES 2026[A][B]

Interest Rate:
%

Dated Date:
September 30, 2026

Maturity Date:
_____, 20__

Registered Owner: Rural Water Financing Agency
1151 Old Porter Pike
Bowling Green, KY 42104
Tax ID No.: 87-2037605

KNOW ALL MEN BY THESE PRESENTS: That the Town of Jerome, Arizona (the "Town"), hereby acknowledges itself to owe and for value received hereby promises to pay to the registered owner hereof, or its registered assigns, the sum of \$_____.00, on or before____ 202_ (the "Maturity Date"), together with interest (computed on the basis of a 30-day month and 360-day year) on such amount at a fixed rate of interest equal to ____% per annum from the date hereof until maturity or earlier prepayment, said interest being payable on____ and on the __ day of each month thereafter until this Note matures or is prepaid. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft mailed to the registered owner at the address shown on the registration record, and such payments shall discharge the obligation of the Town to the extent of the payments so made, with the last payment on the maturity date hereof (unless earlier prepaid) to consist of all principal and accrued interest due. Upon final payment, this Note shall be submitted to the Town Clerk of the Town, as Registrar, for cancellation.

This Note is subject to redemption or prepayment prior to maturity at the option of the Town, in whole or in part, on any business day (the "Prepayment Date"), subject to fifteen (15) calendar days' notice to the registered owner hereof at a price equal to 100% of par plus accrued interest.

This Note is issued by the Town for the purpose of providing funds to finance the construction and improvements to the Town's Sewer Sysytem (the "Project") and related costs, and is issued under the authority of a resolution of the Mayor and Town Council of the Town, adopted September 28, 2026 (the "Resolution"), and the provisions of Title 9 and Title 35 of the Arizona Revised Statutes.

This Note is payable from the proceeds to be received from USDA-RD and, in the event such proceeds are unavailable, this Note is additionally secured by and payable from revenues of the Town's Sewer System.

Advances of Note proceeds shall be made upon completion of the form of requisition attached as Exhibit B to the Note Purchase Agreement, and as provided therein, any such requisition shall be approved by the United States of America, acting by and through Rural Utilities Service, United States Department of Agriculture.

This Note is transferable by the registered owner hereof, or by its attorney duly authorized in writing, on the registration records of the Town at the office of the Town Clerk of the Town, as Registrar,

and the notation of such transfer and registration by the Registrar on the registration records. All assignees shall take this Note subject to such condition. The Town may treat the registered owner as the absolute owner hereof for all purposes, and shall not be affected by any notice to the contrary whether or not any payments due on this Note shall be overdue.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and by the laws of the State of Arizona to exist or to be done precedent to and in the issuance of this Note, do exist and have been properly done and been performed in regular and due form and time as required by law; and that provision has been made to pay the principal and interest hereon as same falls due; and this Note, together with all other indebtedness of the Town, does not exceed any limitation prescribed by the Constitution or statutes of the State of Arizona. This Note is issued with the intent that the laws of the State of Arizona shall govern its construction.

(signature page follows)

IN WITNESS WHEREOF, the Town of Jerome, Arizona, through its governing body, has caused this Note to be signed by its Mayor and attested by its Town Clerk with the seal of the Town as of this 30th day of September, 2026.

(SEAL)

Mayor

ATTESTED:

Town Clerk

Transferable and payable at: Office of the Town Clerk
 Town of Jerome, Arizona

Date of Registration: September 30, 2026

This Note is issued pursuant to the Resolution hereinabove described.

TOWN CLERK
Registrar

By: _____
Town Clerk

(Assignment)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within Note of the Town of Jerome, Arizona, and does hereby irrevocably appoint _____ attorney to transfer the said Note on the registration records of the Town Clerk of the Town of Jerome, Arizona, as Registrar, with full power of substitution in the premises.

Dated: _____

Witness:
