

ST. TAMMANY PARISH COUNCIL

ORDINANCE

ORDINANCE CALENDAR NO. 7557

ORDINANCE COUNCIL SERIES NO. 24-

COUNCIL SPONSOR: LAUGHLIN/COOPER

PROVIDED BY: BOND COUNSEL

INTRODUCED BY: MR. IMPASTATO

SECONDED BY: MR. BURKE

ON THE 4TH DAY OF APRIL, 2024.

A FOURTH SUPPLEMENTAL BOND ORDINANCE AUTHORIZING THE ISSUANCE OF \$7,000,000 OF TAXABLE UTILITIES REVENUE BONDS, SERIES 2024, OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA, PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Parish of St. Tammany, State of Louisiana (the "Issuer") now owns and operates revenue-producing sewage collection, treatment and disposal systems and waterworks treatment and distribution systems, as said systems now exist, and as they may be hereafter improved, extended or supplemented from any source whatsoever, including specifically all properties of every nature owned, leased or operated by the Issuer and used or useful in the operation of the sewage collection, treatment and disposal systems and waterworks treatment and distribution systems, and including real estate, personal and intangible properties, contracts, franchises, leases and chooses in action, whether lying within or without the boundaries of the Issuer (collectively, the "System"); and

WHEREAS, on February 4, 2010, this Parish Council of the Parish of St. Tammany, State of Louisiana, acting as the governing authority thereof (the "Governing Authority") adopted a General Bond Ordinance entitled: "An Amended and Restated General Bond Ordinance authorizing the issuance from time to time of Utilities Revenue Bonds of the Parish of St. Tammany, State of Louisiana; prescribing the form, and certain terms and conditions of said bonds; providing for the payment thereof in principal and interest; and providing for other matters in connection therewith" (the "General Bond Ordinance"), which authorizes the issuance of bonds from time to time for the aforesaid purposes; and

WHEREAS, the Issuer has no outstanding bonds or other obligations of any kind or nature payable from or enjoying a lien on the revenues of the System herein pledged, except its outstanding (i) Utilities Revenue Bonds, Series 2010A, and (ii) Taxable Utilities Revenue Refunding Bonds, Series 2018; and

WHEREAS, the Governing Authority proposes that bonds be issued by the Issuer, in one or more series, to construct and acquire additions, improvements, extensions and replacements to the sewerage portion of the System, including the purchase of equipment therefor, all in the manner prescribed by and under the authority of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act"), to be payable solely from the income and revenues of the System, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System (the "Net Revenues of the System"); and

WHEREAS, pursuant to the authority of the Act the Issuer, by a resolution adopted by this Governing Authority, gave notice of its intention to issue revenue bonds of the Issuer in an amount not exceeding \$7,000,000, and the Issuer held a public hearing thereon on March 7, 2024, at which no objections were made to the issuance of such bonds and no petition was filed requesting an election thereon; and

WHEREAS, it is now the desire of this Governing Authority to adopt this Fourth Supplemental Bond Ordinance to authorize the issuance of Seven Million Dollars (\$7,000,000) of Taxable Utilities Revenue Bonds, Series 2024 of the Issuer (the "2024 Bonds"), to construct and

acquire additions, improvements, extensions and replacements to the sewerage portion of the System, which such Fourth Supplemental Bond Ordinance shall be considered a Series Ordinance pursuant to the General Bond Ordinance; and

WHEREAS, the State Bond Commission approved the issuance of the 2024 Bonds at its [April 18, 2024] meeting; and

WHEREAS, the United States of America, pursuant to the Clean Water Act of 1972, as amended by the Water Quality Act of 1987, specifically Subchapter VI, Chapter 26 of Title 33 of the United States Code (the "Federal Act"), is authorized to make capitalization grants to states to be used for the purpose of establishing a water pollution control revolving fund for providing assistance (i) for construction of treatment works (as defined in Section 1292 of the Federal Act) which are publicly owned, (ii) for implementing a management program under Section 1329 of the Federal Act and (iii) for developing and implementing a conservation and management plan under Section 1330 of the Federal Act; and

WHEREAS, the State of Louisiana (the "State"), pursuant to Subtitle II, Chapter 14 of Title 30 of the Louisiana Revised Statutes of 1950, as amended, specifically La. R.S. 30:2301, et seq.) (the "State Act"), has established a Clean Water State Revolving Fund (the "State Revolving Fund") in the custody of the Department of Environmental Quality (the "Department") to be used for the purpose of providing financial assistance for the improvement of wastewater treatment facilities in the State, as more fully described in Section 2302 of the State Act, and has authorized the Department to administer the State Revolving Fund in accordance with applicable federal and state law; and

WHEREAS, the Issuer has made application to the Department for a loan from the State Revolving Fund to finance a portion of the costs of the Project, and the Department has approved the Issuer's application for such loan; and

WHEREAS, the 2024 Bonds will be issued to represent the Issuer's obligation to repay the loan from the State Revolving Fund; and

WHEREAS, the Issuer desires to fix the details necessary with respect to the issuance, sale and delivery of the 2024 Bonds, and to provide for the authorization and issuance thereof, as hereinafter provided;

THE PARISH OF ST. TAMMANY HEREBY ORDAINS that:

SECTION 1. Definitions. In addition to words and terms defined in the General Bond Ordinance and elsewhere in this Fourth Supplemental Bond Ordinance, the following words and terms as used in this Fourth Supplemental Bond Ordinance shall have the following meanings, unless some other meaning is plainly intended:

"2024 Bond" or "2024 Bonds" means the Issuer's Taxable Utilities Revenue Bond, Series 2024, issued by this Fourth Supplemental Bond Ordinance in the total aggregate principal amount of not exceeding Seven Million Dollars (\$7,000,000), and any bond of said issue, whether initially delivered or issued in exchange for, upon transfer of, or *in lieu* of any previously issued.

"Act" means Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

"Administrative Fee" means the annual fee equal to one-half of one percent (0.50%) per annum of the outstanding principal amount of the 2024 Bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in two equal semi-annual installments on each Interest Payment Date.

"Business Day" means a day of the year on which banks located in the City of New Orleans are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

"Completion Date" means the earlier of (i) the date of the final disbursement of the purchase price of the 2024 Bonds to the Issuer, or (ii) the date the operation of the Project is initiated or capable of being initiated, as certified by an Authorized Officer in accordance with the Loan Agreement.

"Department" means the Louisiana Department of Environmental Quality, an executive department and agency of the State of Louisiana, and any successor to the duties and functions thereof.

"First Supplemental Bond Ordinance" means the supplemental ordinance authorizing the issuance of the 2010A Bonds.

"Fourth Supplemental Bond Ordinance" means the supplemental ordinance authorizing the issuance of the 2024 Bonds.

"General Bond Ordinance" means the General Bond Ordinance described in the preambles hereof.

"Loan" means the loan made by the Department from the Clean Water State Revolving Fund to the Issuer pursuant to the Loan Agreement, the obligation to repay which Loan is evidenced by the 2024 Bonds.

"Loan Agreement" means the Loan and Pledge Agreement to be entered into by and between the Department and the Issuer prior to the delivery of the 2024 Bonds, in substantially the form presented at this meeting, which will contain certain additional agreements relating to the 2024 Bonds and the Project, as it may be supplemented or amended from time to time in accordance with the provisions thereof.

"Paying Agent" with respect to the 2024 Bonds means the chief financial officer of the Issuer, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the General Bond Ordinance.

"Principal Payment Date" means each August 1, commencing not later than one year after the completion of the Project and the final payment date to fall not exceeding nineteen years from the first principal payment date thereafter for a total of twenty (20) consecutive annual payment dates, providing that in no event shall the final maturity of the 2024 Bonds be more than twenty-two (22) years from the date of the 2024 Bonds.

"Project" means the constructing, improving and extending the sewer portion of the System, including the purchase of equipment therefor, as described more specifically in the Loan Agreement.

"Purchaser" means the Department, being the original purchaser of the 2024 Bonds.

"Record Date" for the interest payable on any Interest Payment Date means the 15th calendar day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day.

SECTION 2. Authorization of 2024 Bonds. In compliance with and under the authority of the Act, there is hereby authorized the incurring of an indebtedness of not exceeding Seven Million Dollars (\$7,000,000) for, on behalf of and in the name of the Issuer, for the purpose of financing the Project and for paying costs of issuance, as defined in the Act. To represent the said indebtedness, the Issuer does hereby authorize the issuance of its "Taxable Utilities Revenue Bond, Series 2024," in an amount not to exceed Seven Million Dollars (\$7,000,000). The 2024 Bonds shall be initially issued in the form of a single fully registered bond numbered R-1, shall be

dated the date of delivery thereof and shall be in substantially the form attached hereto as Exhibit A.

The Executive Officers may approve a different series designation if the 2024 Bonds are delivered after the end of 2024 or if it is in their sole judgment preferable to do so.

The 2024 Bonds shall mature in twenty (20) installments of principal, payable annually on each Principal Payment Date, and each annual installment shall be due as set forth in the Loan Agreement and the 2024 Bond.

The unpaid principal of the 2024 Bonds shall bear interest from the date thereof, or the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of forty-five hundredths of one percent (0.45%) per annum, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on each Interest Payment Date. Interest on the 2024 Bonds on any Interest Payment Date shall be payable only on the aggregate amount of the purchase price which shall have been paid theretofore to the Issuer and is outstanding and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

In addition to interest at the rate set forth above, at any time that the Department owns the 2024 Bonds the Issuer will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any 2024 Bonds or the Department has pledged or assigned any 2024 Bonds in connection with its Clean Water State Revolving Fund and (ii) the Administrative Fee payable by the Issuer to the Department under the terms of the Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the 2024 Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability. The Administrative Fee shall be calculated in the same manner as interest on the 2024 Bonds.

SECTION 3. Prepayment. The principal installments of the 2024 Bonds are subject to prepayment at the option of the Issuer at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date and in such case the remaining principal of the 2024 Bonds shall continue to mature in installments calculated using the percentages shown on the 2024 Bond.

Official notice of such call for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than twenty (20) days prior to the prepayment date addressed to the Owner of each 2024 Bond to be prepaid at his address as shown on the registration records of the Paying Agent. In the event a portion of the 2024 Bonds is to be prepaid, such 2024 Bonds shall be surrendered to the Paying Agent, who shall note the date and amount of such prepayment in the space provided therefor on the 2024 Bonds.

SECTION 4. Registration. The Issuer shall cause the Bond Register to be kept at the principal office of the Paying Agent in which registration of the 2024 Bonds and transfers of the 2024 Bonds shall be made as provided herein. The 2024 Bonds may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the Issuer. The 2024 Bonds may be assigned by the execution of an assignment form on the 2024 Bonds or by other instruments of transfer and assignment acceptable to the Paying Agent. A new 2024 Bond will be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned bond after receipt of the 2024 Bond to be transferred in proper form.

SECTION 5. Effect of Registration. The Issuer, the Paying Agent, and any agent of either of them may treat the Owner in whose name any 2024 Bond is registered as the Owner of such 2024 Bond for the purpose of receiving payment of the principal (and prepayment price) of and interest on such 2024 Bond and for all other purposes whatsoever, and to the extent

permitted by law, neither the Issuer, the Paying Agent, nor any agent of either of them shall be affected by notice to the contrary.

SECTION 6. Statutory Lien. As provided in R.S. 39:504, the 2024 Bonds shall be secured debt entitled to the highest possible protection and priority afforded by the bankruptcy laws of the United States and the State of Louisiana, and the Owners shall have a statutory lien on and a security interest in the Net Revenues pledged to the payment of the 2024 Bonds in this Fourth Supplemental Bond Ordinance, to the fullest extent and in the manner stated in the Act and this Fourth Supplemental Bond Ordinance, and any pledge or grant of a lien or security interest in such Net Revenues made by the Issuer in connection with the issuance of the 2024 Bonds shall be valid, binding and perfected from the time when the pledge or grant of lien or security interest is made. The Net Revenues shall immediately be subject to the lien of such pledge and security interest without any physical delivery therefor or further act and the lien of such pledge and security interest shall be first priority and valid and binding as against all parties having claims of any kind in tort, contract, bankruptcy or otherwise against the Issuer, whether or not such parties have notice thereof. The Owner or Owners shall be secured creditors with respect to such Net Revenues. As provided by R.S. 39:504(D), the statutory lien provided in the Act shall also apply to and secure the Administrative Fee.

SECTION 7. Sale and Delivery of 2024 Bonds. The 2024 Bonds are hereby awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution the 2024 Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the Issuer of the agreed first advance of the purchase price of the 2024 Bonds. Pursuant to R.S. 39:505(B), the Issuer has determined to sell the 2024 Bonds at a private sale without necessity of publication of a notice of sale. It is understood that the purchase price of the 2024 Bonds will be paid by the Department to the Issuer in installments, in the manner and under the terms and conditions set forth in the Loan Agreement.

SECTION 8. Manner of Payment. The principal and interest on the 2024 Bonds will be payable by check mailed by the Paying Agent to the Owner (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent for such purpose, provided that payment of the final installment of principal on the 2024 Bonds shall be made only upon presentation and surrender of the 2024 Bonds to the Paying Agent.

SECTION 9. Execution of Bonds and Documents. The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of this Fourth Supplemental Bond Ordinance, to execute and deliver the Loan Agreement, and to cause the 2024 Bonds to be prepared and/or printed, to issue, execute and seal the 2024 Bonds and to effect delivery thereof as hereinafter provided.

In connection with the issuance and sale of the 2024 Bonds, the Executive Officers are each authorized, empowered and directed to execute on behalf of the Issuer such additional documents, certificates and instruments as they may deem necessary, upon the advice of counsel, to effect the transactions contemplated by this Fourth Supplemental Bond Ordinance, including a Commitment Agreement with the Department. The signatures of said officers on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 10. Reserve Fund Requirement. There is hereby established and shall be maintained as part of the Reserve Fund the "Series 2024 Account" in the Reserve Fund, the amounts in or available to said Series 2024 Account to solely benefit the 2024 Bonds. The Reserve Fund Requirement with respect to the Series 2024 Account shall mean, as of any date of calculation, a sum equal to 50% of the highest combined principal and interest requirements for any succeeding calendar year on the 2024 Bonds.

SECTION 11. Parity Findings. The Issuer hereby finds and determines that the parity requirements of Section 6.01 of the General Bond Ordinance will have been met with respect to the 2024 Bonds upon their issuance.

The Issuer shall ensure that the Series 2024 Account in the Reserve Fund is funded to an amount not less than the Reserve Fund Requirement set forth in this paragraph not later than the 5th anniversary of the delivery of the 2024 Bonds.

SECTION 12. Deposit of Bond Proceeds. The proceeds derived from the sale of the 2024 Bonds shall constitute a trust fund to be used exclusively for the purposes for which the 2024 Bonds are herein authorized to be issued, but the purchaser of the 2024 Bonds shall not be obliged to see to the application thereof. All of the proceeds derived from the sale of the 2024 Bonds, which shall be paid in installments by the Department in the manner set forth in the Loan Agreement, shall be deposited by the Issuer in a Construction Fund (the "Construction Fund"). The funds in the Construction Fund shall be used solely for the purpose of paying costs of the Project, in the manner set forth in the Loan Agreement, and costs of issuance, as defined in the Act.

SECTION 13. Davis-Bacon Wage Rate Requirements. The Issuer agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the project that is funded in whole or in part with the 2024 Bonds purchased by the Department shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the Issuer as determined by the Clerk of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code. DOL provides all pertinent information related to compliance with the foregoing requirements, including prevailing wage rates and instructions for reporting. The Issuer will ensure that all construction contracts relating to the portion of the Project that is funded in whole or in part with Bonds purchased by the Department will require that the contractor comply with the aforesaid wage and reporting requirements. This section shall not apply to situations where the Issuer may perform construction work using its own employees rather than any contractor or subcontractor.

SECTION 14. Contingency Fund Requirement. The aggregate amount required to be accumulated in the Contingency Fund established pursuant to Section 5.01(d) of the General Bond Ordinance and then maintained therein shall be the amount established for such fund in Section 2(i) of the First Supplemental Bond Ordinance. Such amount shall be cumulative with and not in addition to any other amount required to be deposited in the Contingency Fund.

SECTION 15. Parties Interested Herein. Nothing in this Fourth Supplemental Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Issuer, the Paying Agent and the Owners any right, remedy or claim under or by reason of this Fourth Supplemental Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Fourth Supplemental Bond Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent and the Owners.

SECTION 16. No Recourse on the 2024 Bonds. No recourse shall be had for the payment of the principal of or interest on the 2024 Bonds or for any claim based thereon or on this Fourth Supplemental Bond Ordinance against any member of the Governing Authority or officer of the Issuer or any person executing the 2024 Bonds.

SECTION 17. Successors and Assigns. Whenever in this Fourth Supplemental Bond Ordinance the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Fourth Supplemental Bond Ordinance contained by or on behalf of the Issuer shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

SECTION 18. General Tax Covenants. The provisions of Section 8.01 ("General Tax Covenants") in the General Bond Ordinance are not applicable to the 2024 Bonds.

SECTION 19. Cancellation of Bonds. All 2024 Bonds paid or prepaid either at or before maturity, together with all bonds purchased by the Issuer, shall thereupon be promptly cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the Chief Financial Officer of the Issuer an appropriate certificate of cancellation.

SECTION 20. Lost, Destroyed or Improperly Cancelled 2024 Bonds. Lost, destroyed or improperly cancelled 2024 Bonds may be replaced in the manner set forth in La. R.S. 39:515. In case any such lost, destroyed or improperly cancelled 2024 Bond has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a new 2024 Bond, pay such 2024 Bond.

SECTION 21. Disclosure Under SEC Rule 15c2-12. The Issuer is not required at this time to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)].

SECTION 22. Publication. This Fourth Supplemental Bond Ordinance shall be published one time in the official journal of the Issuer, or if there is none, in a newspaper having general circulation in the Issuer. It shall not be necessary to publish the exhibits to this Fourth Supplemental Bond Ordinance but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal.

SECTION 23. Effective Date. This Fourth Supplemental Bond Ordinance shall become effective immediately.

MOVED FOR ADOPTION BY: _____

SECONDED BY: _____

WHEREUPON, THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS:

NAYS:

ABSTAIN:

ABSENT:

THIS ORDINANCE WAS DECLARED ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE 2ND DAY OF MAY, 2024, AND BECOMES ORDINANCE COUNCIL SERIES NO. 24-____.

ARTHUR LAUGHLIN, COUNCIL CHAIR

ATTEST:

KATRINA L. BUCKLEY, COUNCIL CLERK

MICHAEL B. COOPER, PARISH PRESIDENT

Published introduction: MARCH 27, 2024

Published adoption on: _____, 2024

Delivered to Parish President: _____, 2024 at _____

Returned to Council Clerk: _____, 2024 at _____

[FORM OF BOND]

**INTEREST ON THIS BOND WILL BE INCLUDED IN GROSS INCOME
FOR FEDERAL INCOME TAX PURPOSES AND IS NOT
EXEMPT FROM FEDERAL INCOME TAXATION.**

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ST. TAMMANY

TAXABLE UTILITIES REVENUE BOND, SERIES 2024
OF THE
PARISH OF ST. TAMMANY, STATE OF LOUISIANA

| Bond Number | Bond Date | Interest Rate | Principal Amount |
|-------------|-------------|---------------|------------------|
| R-1 | _____, 2024 | 0.45% | \$7,000,000 |

FOR VALUE RECEIVED, the Parish of St. Tammany, State of Louisiana (the "Issuer"), hereby promises to pay (but only from the sources hereinafter described) to:

REGISTERED OWNER: Department of Environmental Quality (the "Department")
Attn: Financial Services Division, Accounts Receivable
P. O. Box 4311
Baton Rouge, Louisiana 70821-4311

or registered assigns noted on the registration record attached hereto, the Principal Amount set forth above (unless a lower Principal Amount applies, as set forth below), together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, unless this Bond shall have been previously called for prepayment and payment shall have been duly made or provided for.

This Bond shall bear interest, payable semi-annually on February 1 and August 1 of each year, commencing February 1, 2025 (each, an "Interest Payment Date"), at the Interest Rate shown above, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on this Bond on any Interest Payment Date shall be payable only on the aggregate outstanding amount of the purchase price which shall have been paid theretofore, as noted on Schedule A hereto, and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

If the Department is the registered owner of this Bond, the Issuer will additionally pay an Administrative Fee to the Department at the annual rate of one-half of one percent (0.50%) on the outstanding principal amount of the Bond, payable on each Interest Payment Date. In the event (i) the Department owns this Bond or the Department has pledged or assigned this Bond in connection with its Clean Water State Revolving Fund Program and (ii) the Administrative Fee payable to the Department is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, then the "Interest Rate" shown above and borne by this Bond shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

This Bond shall mature in twenty (20) installments of principal, payable annually on each December 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest One Thousand Dollars (\$1,000), of the outstanding principal amount of this Bond on the day before the applicable Principal Payment Date:

| <u>Date (August 1)</u> | <u>Percentage of Principal</u> | <u>Date (August 1)</u> | <u>Percentage of Principal</u> |
|----------------------------|------------------------------------|----------------------------|------------------------------------|
| _____ | 4.564% | _____ | 9.580% |
| _____ | 4.827 | _____ | 10.696 |
| _____ | 5.120 | _____ | 12.090 |
| _____ | 5.448 | _____ | 13.884 |
| _____ | 5.817 | _____ | 16.275 |
| _____ | 6.235 | _____ | 19.624 |
| _____ | 6.712 | _____ | 24.647 |
| _____ | 7.264 | _____ | 33.019 |
| _____ | 7.907 | _____ | 49.764 |
| _____ | 8.667 | _____ | 100.000 |

In the event that the Completion Date of the Project being financed with this Bond is on or after August 1, _____, the principal payment schedule set forth above may be adjusted so that each payment shall be due on the August 1 that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Delivery Date. To exercise the option to defer the principal repayment schedule, the Issuer must so notify the Department in writing prior to February 1, _____, and certify that the Completion Date will not have occurred prior to August 1, _____.

The principal and interest on this Bond shall be payable by check mailed to the registered owner of this Bond (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent (hereinafter defined) for such purpose, provided that payment of the final installment of principal on this Bond shall be made only upon presentation and surrender of this Bond to the Paying Agent.

The principal installments of this Bond are subject to prepayment at the option of the Issuer at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date. In such case, the remaining principal shall continue to mature in annual installments calculated using the percentages shown above.

In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered to the Chief Financial Officer of the Issuer, as initial Paying Agent for the 2024 Bonds (the "Paying Agent"), who shall note the amount of such prepayment in the space provided therefor on the schedule attached to this Bond. Official notice of such call of this Bond for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than twenty (20) days prior to the prepayment date addressed to the registered owner of this Bond to be prepaid at his address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner. The Issuer shall cause to be kept at the office of the Paying Agent a register in which registration of this Bond and of transfer of this Bond shall be made as provided herein and in the Bond Ordinance (hereinafter defined). This Bond may be transferred, registered and assigned only on such registration records of the Paying Agent, and such registration shall be at the expense of the Issuer.

This Bond represents the entire issue of bonds of the Issuer designated "Taxable Utilities Revenue Bond, Series 2024" aggregating in principal the sum of Seven Million Dollars (\$7,000,000) (the "Bonds"), having been issued by the Issuer pursuant to ordinances adopted by its governing authority on February 4, 2010 and May 2, 2024 (collectively, the "Bond Ordinance"), to construct and acquire additions, improvements, extensions and replacements to the sewerage portion of the System (the "Project"), and for paying costs of issuance, under the authority conferred by Part II, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto, pursuant to all requirements therein specified.

This Bond is secured by and payable as to principal and interest solely from the income and revenues derived or to be derived from the operation of the revenue-producing sewage collection, treatment and disposal systems and waterworks treatment and distribution systems, as said systems now exist, and as they may be hereafter improved, extended or supplemented

from any source whatsoever while the 2024 Bonds remain outstanding, including specifically all properties of every nature owned, leased or operated by the Issuer and used or useful in the operation of the sewage collection, treatment and disposal systems and waterworks treatment and distribution systems, and including real estate, personal and intangible properties, contracts, franchises, leases and choses in action, whether lying within or without the boundaries of the Issuer (collectively, the "System"), after provision has been made for payment therefrom of the reasonable and necessary expenses of operating and maintaining the System. Neither this Bond nor the debt it represents constitutes an indebtedness or pledge of the general credit of the Issuer, within the meaning of any constitutional or statutory limitation of indebtedness.

The Issuer has obligated itself pursuant to the Bond Ordinance and by this Bond declares that all of the income and revenues to be derived from the operation of the System shall be deposited promptly as the same may be collected in a separate and special bank account known and designated as the "Utilities Revenue Fund." The Issuer has duly covenanted and obligated itself pursuant to the Bond Ordinance and by this Bond declares that it will fix and maintain rates and collect charges for all services and facilities to be rendered by the System sufficient to provide for the payment of the reasonable and necessary expenses of operating and maintaining the System, to provide for the payment of principal and interest falling due on this Bond and all other obligations or indebtedness payable out of the revenues of the System, to provide a reserve for the payment of principal and interest on this Bond and to provide a reasonable depreciation and contingency fund to care for depreciation, extensions, additions, improvements and replacements necessary to properly operate the System.

For a complete statement of the manner in which said fund shall be maintained and administered, the provisions for payment of this Bond and the general covenants and provisions governing the issuance of this Bond, reference is hereby made to the Bond Ordinance.

It is certified that this indebtedness is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond necessary to constitute the same a legal, binding and valid obligation of the Issuer have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the Issuer, including this Bond, does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana, and that this Bond shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parish Council of the Parish of St. Tammany, State of Louisiana, acting as the governing authority of the Issuer, has caused this Bond to be signed by its Parish President and the Chief Financial Officer of said Issuer, and the Council Clerk of said governing authority, the corporate seal of the Issuer to be hereon impressed and this Bond to be dated as of the Dated Date set forth above.

PARISH OF ST. TAMMANY, STATE OF LOUISIANA

(manual)
Council Clerk

(manual)
Parish President

(manual)
Chief Financial Officer

(SEAL)

* * * * *

REGISTRATION RECORD

**TAXABLE UTILITIES REVENUE BOND, SERIES 2024
OF THE
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

| Name and Address Of Registered Owner | Date of Registration | Signature of Chief Financial Officer As Paying Agent |
|---|-------------------------|--|
| Department of Environmental Quality Clean Water State Revolving Fund P.O. Box 4311 Baton Rouge, La. 70821-4311 | | |
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SCHEDULE OF PREPAYMENTS

**TAXABLE UTILITIES REVENUE BOND, SERIES 2024
OF THE
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

| Prepayment Date | Prepayment Amount | Remaining Balance Due |
|--------------------|----------------------|--------------------------|
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**SCHEDULE A
SCHEDULE OF PURCHASE PRICE PAYMENTS**

**TAXABLE UTILITIES REVENUE BOND, SERIES 2024
OF THE
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

| No. | Date of Payment | Amount of Payment | Pursuant to Requisition No. | Cumulative Outstanding Principal Amount |
|-----|-----------------|-------------------|-----------------------------|---|
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STATE OF LOUISIANA

PARISH OF ST. TAMMANY

I, the undersigned Council Clerk of the Parish of St. Tammany, State of Louisiana, do hereby certify that the foregoing pages constitute a true and correct copy of proceedings adopted by the Parish Council of said Issuer on May 2, 2024, authorizing the issuance by the Parish of St. Tammany, State of Louisiana of its Taxable Utilities Revenue Bond, Series 2024, in an amount not to exceed Seven Million Dollars (\$7,000,000), prescribing the form, terms and conditions of said Bond; providing for the payment thereof; entering into certain other covenants and agreements in connection with the security and payment of said Bond; selling said Bond to the Clean Water State Revolving Fund; authorizing the execution of a Loan and Pledge Agreement and other loan documents with the Louisiana Department of Environmental Quality; providing for the delivery of the Bond to said Department; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said Issuer, on this, the 2nd day of May, 2024.

Council Clerk