

ORDINANCE 2024-001

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF
\$1,610,000 PRINCIPAL AMOUNT OF
GENERAL OBLIGATION WARRANTS, SERIES 2024**

Adopted by

the

Town Council of the Town of Ragland

on

January 23, 2024

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EXHIBIT A – Letter of Representations

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF
GENERAL OBLIGATION WARRANTS, SERIES 2024**

BE IT ORDAINED BY THE GOVERNING BODY OF THE TOWN OF RAGLAND, as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this ordinance, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

“**Acquisition Costs**” shall mean costs of acquiring, constructing and installing the Warrant-Financed Facilities, including the purchase of all easements, rights-of-way, and land and all engineering, legal and other expenses incidental to such acquisition, construction, and installation of the Warrant-Financed Facilities.

“**Acquisition Fund**” shall mean the fund by that name established by the Town pursuant to Article 8.

“**Annual Debt Service Requirement**” shall mean the amount of principal and interest having a stated maturity, or being subject to mandatory redemption, during a Fiscal Year; provided, that, for purposes of the foregoing formula, any Parity Obligations that are deemed paid under the provisions of the authorizing proceedings for such Parity Obligations shall not be deemed to be outstanding.

“**Authorized Town Representative**” shall mean the Mayor or the Town Clerk of the Town or any other officer or agent of the Town authorized by the Town’s governing body to act as “Authorized Town Representative”.

“**Business Day**” shall mean shall mean any day other than a Saturday, a Sunday or a day on which the Paying Agent is required or authorized to be closed under general law or regulation applicable in the in the place of the Principal Office of the Paying Agent.

“**Debt Service**” shall mean the principal, premium (if any) and interest payable on the Series 2024 Warrants.

“**Debt Service Fund**” shall mean the fund established pursuant to Article 6.

“**Defaulted Interest**” shall have the meaning stated in Section 3.8.

“**Enabling Law**” shall mean the Constitution and laws of the State of Alabama, including, without limitation, Section 11-47-2 of the Code of Alabama 1975.

“**Existing Parity Obligations**” shall mean the Town’s Parity Obligations currently outstanding, including the Town’s General Obligation Warrants, Series 2012, currently outstanding in the principal amount of \$515,000, which were issued under and pursuant to the Existing Parity Obligations Ordinances.

“**Existing Parity Obligations Ordinances**” shall mean, collectively, the respective ordinances of the governing body of the Town under which the Existing Parity Obligations were issued and are outstanding.

“**Favorable Tax Opinion**” shall mean an Opinion of Counsel stating in effect that the proposed action, together with any other changes with respect to the Series 2024 Warrants made or to be made in connection with such action, will not cause interest on the Series 2024 Warrants to become includible in gross income of the Holders for purposes of federal income taxation.

“**Federal Securities**” shall mean direct obligations of, or obligations the payment of which is guaranteed by, the United States of America.

“**Financing Documents**” shall mean this ordinance and the Series 2024 Warrants.

“**Financing Participants**” shall mean the Town and the Paying Agent.

“**Fiscal Year**” shall mean the fiscal year of the Town, as established from time to time by applicable law.

“**Holder**”, when used with respect to any Series 2024 Warrant, shall mean the person in whose name such Series 2024 Warrant is registered in the Warrant Register.

“**Interest Payment Date**”, when used with respect to any installment of interest on a Series 2024 Warrant, shall mean the date specified in such Series 2024 Warrant as the fixed date on which such installment of interest is due and payable.

“**Internal Revenue Code**” shall mean whichever of the following shall be applicable in the context: the Internal Revenue Code of 1986, as amended.

“**Opinion of Counsel**” shall mean an opinion from an attorney or firm of attorneys with experience in the matters to be covered in the opinion. Except as otherwise expressly provided in this ordinance, the attorney or attorneys rendering such opinion may be counsel for one or more of the Financing Participants.

“**Outstanding**”, when used with respect to Series 2024 Warrants, shall mean, as of the date of determination, all Series 2024 Warrants authenticated and delivered under this ordinance, except:

(1) Series 2024 Warrants cancelled by the Paying Agent or delivered to the Paying Agent for cancellation,

(2) Series 2024 Warrants for whose payment or redemption money in the necessary amount has been deposited with the Paying Agent for the Holders of such Series 2024 Warrants, provided that, if such Series 2024 Warrants are to be redeemed, notice of such redemption has been duly given pursuant to this ordinance or provision therefor satisfactory to the Paying Agent has been made; and

(3) Series 2024 Warrants in exchange for or in lieu of which other Series 2024 Warrants have been authenticated and delivered under this ordinance.

“**Parity Obligations**” shall mean bonds, warrants or other obligations of the Town secured by a pledge and assignment of all or a portion of the Pledged Tax Proceeds, as specified in the proceedings under which such obligations are issued, equally and ratably with the Existing Parity Obligations and the Series 2024 Warrants, in accordance with the provisions of Section 5.3.

“**Paying Agent**” shall mean the agent of the Town appointed as such pursuant to Section 3.10 for the purpose of paying Debt Service on the Series 2024 Warrants.

“**Pledged Tax Proceeds**” shall mean the proceeds of the Special Tax collected by the Town pursuant to the Special Tax Ordinance, less costs of collection, and to the extent that the said tax is levied with respect to business conducted within the corporate limits of the Town.

“**Policy**” shall have the meaning stated in Section 2.1.

“**Post-Default Rate**” shall mean the interest rates borne by the Series 2024 Warrants. Interest at the Post-Default Rate shall be computed on the basis of an assumed year of 360 days with 12 months of 30 days each.

“**Principal Office of the Paying Agent**” shall mean the office where the Paying Agent maintains its principal corporate trust office in the State of Alabama.

“**Principal Payment Date**”, when used with respect to any Series 2024 Warrant, shall mean the date specified in such Series 2024 Warrant as the fixed date on which the principal of such Series 2024 Warrant is due and payable.

“**Purchase Agreement**” shall mean the Warrant Purchase Agreement between the Town and the Underwriter in respect of the sale of the Series 2024 Warrants.

“**Qualified Investments**” shall mean:

- (1) Federal Securities,
- (2) An interest in any trust or fund that invests solely in Federal Securities or repurchase agreements with respect to Federal Securities, and
- (3) a certificate of deposit issued by, or other interest-bearing deposit with, any bank organized under the laws of the United States of America or any state thereof, provided that (i) such bank has capital, surplus and undivided profits of not less than \$50,000,000, (ii) such deposit is insured by the Federal Deposit Insurance Corporation or (iii) such deposit is secured by pledging Federal Securities having a market value (exclusive of accrued interest) not less than the face amount of such deposit (less the amount of such deposit insured by the Federal Deposit Insurance Corporation).

“**Regular Record Date**” for the interest payable on any Interest Payment Date on the Series 2024 Warrants shall mean the date specified in Section 3.8.

“**Series 2024 Warrants**” shall mean the General Obligation Warrants, Series 2024 , authenticated and delivered pursuant to this ordinance.

“**Special Record Date**” for the payment of any Defaulted Interest on Series 2024 Warrants shall mean the date fixed by the Paying Agent pursuant to Section 3.8.

“**Special Tax**” shall mean the privilege and license tax, in the nature of a sales and use tax, levied by the Town pursuant to the Special Tax Ordinance, together with any tax levied in substitution for, or replacement thereof.

“**Special Tax Ordinance**” shall mean Ordinance 89-4, as amended by Ordinance 91-2, Ordinance 91-3 and Ordinance 2012-002, as amended further from time to time.

“**Taxable**” shall mean that, for purposes of federal income taxation, interest on the Series 2024 Warrants is includible in the gross income of any Holder thereof for any reason. Interest on the Series 2024 Warrants shall not be deemed “Taxable” because interest is includible in any calculation of income for purposes of an alternative minimum tax, a foreign branch profits tax or any other type of taxation other than the regular tax imposed on gross income.

“**Tax Certificate and Agreement**” shall mean the Tax Certificate and Agreement to be executed and delivered by the Town in conjunction with the delivery of the Series 2024 Warrants.

“**Term Warrants**” shall have the meaning stated in Section 3.3.

“**Town**” shall mean the Town of Ragland, a municipal corporation organized under the laws of the State of Alabama.

“**Underwriter**” shall mean the original purchaser of the Series 2024 Warrants from the Town identified in Section 7.1.

“**Warrant-Financed Facilities**” shall mean the facilities and improvements being financed by the Series 2024 Warrants, including, without limitation, a municipal public safety building.

“**Warrant Payment Date**” shall mean each date (including any date fixed for redemption of Series 2024 Warrants) on which Debt Service is payable on the Series 2024 Warrants.

“**Warrant Register**” shall mean the register or registers for the registration and transfer of Series 2024 Warrants maintained pursuant to Section 3.6.

SECTION 1.2 General Rules of Construction

For all purposes of this ordinance, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.
- (b) All accounting terms not otherwise defined herein have the meaning assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to “generally accepted accounting principles” refer to such principles as they exist at the date of application thereof.
- (c) All references in this ordinance to designated “Articles”, “Sections” and other subdivisions are to the designated articles, sections and subdivisions of this ordinance as originally executed.
- (d) The terms “herein”, “hereof” and “hereunder” and other words of similar import refer to this ordinance as a whole and not to any particular article, section or other subdivision.
- (e) The term “person” shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

(f) The term “including” means “including without limitation” and “including, but not limited to”.

ARTICLE 2

Representations and Warranties

SECTION 2.1 Findings, Representations and Warranties

The governing body of the Town makes the following findings, representations and warranties as the basis for the undertakings on its part herein contained:

(1) The governing body of the Town has determined that it is in the public interest that it acquire, construct and install the Warrant-Financed Facilities.

(2) The governing body of the Town has further determined that it is in the public interest to issue the Series 2024 Warrants for the purpose of (a) acquiring, constructing and installing the Warrant-Financed Facilities, and (b) paying the costs of issuing the Series 2024 Warrants.

(3) The Series 2024 Warrants will be chargeable against the Town’s debt limitation under Section 225 of the Constitution of Alabama. Immediately after the issuance of the Series 2024 Warrants the total indebtedness of the Town chargeable against the debt limitation for the Town prescribed by Section 225 of the Constitution of the State of Alabama will not be more than 20% of the assessed valuation of taxable property within the corporate limits of the Town for the last fiscal year (ended on the next preceding September 30).

(4) The Series 2024 Warrants are being issued as “Additional Parity Securities” as contemplated by the Existing Parity Obligations Ordinance and, therefore, the lien on the Pledged Tax Proceeds in favor of the Series 2024 Warrants will be on a parity with the lien thereon in favor of the Existing Parity Obligations. In accordance with the Existing Parity Obligations Ordinances, the Town hereby determines that: (i) the Town has fully complied with all provisions of the Existing Parity Obligations Ordinances then required to be performed and there exists no default thereunder; (ii) the Series 2024 Warrants are being issued for a lawful purpose; (iii) the Series 2024 Warrants are being issued as general obligations of the Town for the payment of the principal of and interest on which the full faith and credit of the Town shall be validly and irrevocably pledged; and (iv) the amount of Pledged Tax Proceeds received by the Town during the next preceding Fiscal Year is not less than 150% of the maximum Annual Debt Service Requirement during the then current or any then succeeding Fiscal Year with respect to the Series 2024 Warrants and all Existing Parity Obligations that will be outstanding immediately following the issuance of the Series 2024 Warrants.

ARTICLE 3

The Series 2024 Warrants

SECTION 3.1 Authorization of Series 2024 Warrants

Pursuant to the authority to do so contained in the applicable provisions of the constitution and laws of Alabama, including particularly the Enabling Law, there is hereby authorized to be issued a series of

warrants entitled “General Obligation Warrants, Series 2024” (herein called the “Series 2024 Warrants”). The Series 2024 Warrants shall be issued for the purposes specified in Article 2.

SECTION 3.2 Amount and Terms

(a) The aggregate principal amount of the Series 2024 Warrants that may be authenticated and delivered and Outstanding is limited to \$1,610,000.

(b) The Series 2024 Warrants shall be issuable as fully registered warrants without coupons in the denomination of \$5,000 or any multiple thereof. Each Series 2024 Warrant shall have a single principal maturity. The Series 2024 Warrants shall be numbered separately from 1 upward.

(c) The Series 2024 Warrants shall mature on January 1 in the years 2029, 2034, 2039 and 2044 (herein called a “Principal Payment Date”). All Series 2024 Warrants with the same maturity shall bear interest at the same rate. The principal amount and applicable interest rate of Series 2024 Warrants maturing on each Principal Payment Date (subject to adjustment as provided above) is as follows:

Year of Maturity	Principal Amount Maturing	Applicable Interest Rate
2029	\$300,000	3.250%
2034	355,000	3.500
2039	430,000	3.875
2044	525,000	4.125

(d) The Series 2024 Warrants shall be dated as of their date of delivery and shall bear interest from such date, or the most recent date to which interest has been paid or duly provided for, until the principal thereof shall become due and payable, at the applicable rate per annum set forth in subsection (c) above. Interest on the Series 2024 Warrants shall be payable on January 1 and July 1 in each year, beginning on July 1, 2024 (each such date being herein called an “Interest Payment Date”), and shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest on overdue principal and premium and (to the extent legally enforceable) on any overdue installment of interest on the Series 2024 Warrants shall be payable at the Post-Default Rate.

(e) Interest on the Series 2024 Warrants payable on any Interest Payment Date prior to the maturity or redemption thereof (in whole or in part) shall be payable by check or draft mailed by the Paying Agent to the registered Holders of the Series 2024 Warrants at their addresses appearing in the Warrant Register. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date. Payment of the principal of (and premium, if any, on) the Series 2024 Warrants and payment of accrued interest on the Series 2024 Warrants due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender thereof at the Principal Office of the Paying Agent. Debt Service on the Series 2024 Warrants payable at maturity shall be payable only upon surrender thereof at the Principal Office of the Paying Agent.

(f) Subsection (e) of this section to the contrary notwithstanding, upon the written request of the Holder of Series 2024 Warrants in an aggregate principal amount of not less than \$100,000, the Paying Agent will make payment of the Debt Service due on such Series 2024 Warrant on any Warrant Payment Date by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Paying Agent, provided that:

- (1) such written request contains adequate instructions for the method of payment,
- (2) the Holder agrees to pay the Paying Agent's customary charge for handling such wire transfer, and
- (3) payment of the principal of (and redemption premium, if any, on) such Series 2024 Warrant and payment of accrued interest on such Series 2024 Warrant due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2024 Warrant to the Paying Agent.

SECTION 3.3 Form of Series 2024 Warrant

The Series 2024 Warrants and the authentication certificate shall be substantially in the following form, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this ordinance:

[Form of Series 2024 Warrant]

NOTICE: Unless this warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to Town of Ragland or its agent for registration of transfer, exchange, or payment, and any warrant 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.

TOWN OF RAGLAND, ALABAMA

General Obligation Warrant, Series 2020

No. _____ \$ _____

Maturity Date: _____ Interest Rate: _____ CUSIP: _____

The **TOWN OF RAGLAND, ALABAMA**, an Alabama municipal corporation (the “Town”), for value received, hereby acknowledges that it is indebted in the principal sum of

_____ **DOLLARS**

and hereby directs its Town Clerk and Treasurer to pay (but solely out of the Debt Service Fund referred to below) such principal sum to

_____.

or registered assigns, on the maturity date specified above and to pay (but solely out of such Debt Service Fund) interest hereon from the date hereof, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the per annum rate of interest specified above. Interest shall be payable on January 1 and July 1 in each year, beginning on July 1, 2024 (each such date being herein called an “Interest Payment Date”), and shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest shall be payable (but solely out of such Debt Service Fund) on overdue principal (and premium, if any) on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the Post-Default Rate specified in the Warrant Ordinance referred to below.

The interest so payable on any Interest Payment Date will, as provided in the Warrant Ordinance, be paid to the person in whose name this warrant is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date, and shall be paid to the person in whose name this warrant is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Paying Agent, notice of such Special Record Date being given to Holders of the Series 2024 Warrants not less than 10 days prior to such Special Record Date.

Payment of interest on this warrant due on any Interest Payment Date shall be made by check or draft mailed by the Paying Agent to the person entitled thereto at his address appearing in the Warrant Register maintained by the Paying Agent. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) this warrant and payment of accrued interest on this warrant due upon redemption on any date

other than an Interest Payment Date shall be made only upon surrender of this warrant at the Principal Office of the Paying Agent. Upon the terms and conditions provided in the Warrant Ordinance, the Holder of Series 2024 Warrants in an aggregate principal amount of not less than \$100,000 may request that payment of Debt Service on such Series 2024 Warrant be made by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other method providing for same-day funds that is acceptable to the Paying Agent, provided that such Holder agrees to pay the Paying Agent's customary charge for handling such wire transfer. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This warrant is one of a duly authorized issue of warrants of the Town, aggregating \$1,610,000 in principal amount, entitled "General Obligation Warrants, Series 2024" (the "Series 2024 Warrants") and issued under and pursuant to an ordinance duly adopted by the governing body of the Town (the "Warrant Ordinance") and the constitution and laws of the State of Alabama, including Section 11-47-2, as amended. Capitalized terms not otherwise defined herein shall have the meanings assigned in the Warrant Ordinance.

In accordance with the terms of the Warrant Ordinance, Synovus Bank, Birmingham, Alabama, has been appointed to serve as "Paying Agent" with respect to the Series 2024 Warrants unless and until a successor is appointed pursuant to the terms and conditions of the Warrant Ordinance.

The indebtedness evidenced by the Series 2024 Warrants is a general obligation of the Town for the payment of which the full faith and credit of the Town have been irrevocably pledged, pro rata and without preference or priority of one Series 2024 Warrant over another. In addition, the Town has pledged and assigned the Pledged Tax Proceeds (as defined in the Warrant Ordinance) to the payment of Debt Service on the Series 2024 Warrants. The lien on the Pledged Tax Proceeds in favor of the Series 2024 Warrants will be on parity with the lien thereon in favor of the other Series 2024 Warrants and certain Existing Parity Obligations more particularly described in the Warrant Ordinance. The Warrant Ordinance permits the issuance of additional obligations of the Town secured by a pledge and assignment of the Pledged Tax Proceeds equally and ratably with the pledge and assignment thereof for the benefit of the Series 2024 Warrants, subject to the terms and conditions of the Warrant Ordinance.

Pursuant to the Warrant Ordinance the Town has established a special fund for the payment of Debt Service on the Series 2024 Warrants (the "Debt Service Fund") that will be held by the Paying Agent. The Town has obligated itself to pay or cause to be paid into the Debt Service Fund from the taxes, revenues or other general funds of the Town sums sufficient to provide for the payment of Debt Service on the Series 2024 Warrants as the same becomes due and payable.

In the manner and with the effect provided in the Warrant Ordinance, the Series 2024 Warrants are subject to redemption prior to maturity as follows:

(1) ***Optional Redemption.*** Series 2024 Warrants maturing on January 1, 2039 or thereafter, or any smaller principal amount of such Series 2024 Warrants that is a multiple of the smallest authorized denomination, may be redeemed at the option of the Town on January 1, 2034 or any date thereafter at a redemption price equal to 100% of the principal amount to be redeemed, without premium or penalty, plus accrued interest thereon to the redemption date.

(2) ***Mandatory Redemption of 2029 Term Warrants.*** The Series 2024 Warrants maturing on January 1, 2029 (the "2029 Term Warrants") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus

accrued interest thereon to the redemption date, on January 1 in years and principal amounts (after credits as provided below) as follows:

Year	Amount
2025	\$55,000
2026	60,000
2027	60,000
2028	60,000

\$65,000 of the 2029 Term Warrants will be retired at maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to 2029 Term Warrants, the Paying Agent shall proceed to select for redemption, by lot, 2029 Term Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 2029 Term Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In connection with any such redemption prior to maturity, the Paying Agent shall make appropriate entries in the Warrant Register to reflect a portion of any 2029 Term Warrant so redeemed and the amount of the principal remaining Outstanding. The Paying Agent’s notation in the Warrant Register shall be conclusive as to the principal amount of any Outstanding 2029 Term Warrant at any time. The Town may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 2029 Term Warrants scheduled for redemption on such date: (i) the principal amount of 2029 Term Warrants delivered by the Town to the Paying Agent for cancellation and not previously claimed as a credit; (ii) the principal amount of 2029 Term Warrants previously redeemed (other than 2029 Term Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit; and (iii) the principal amount of 2029 Term Warrants otherwise deemed paid in full and not previously claimed as a credit.

(3) **Mandatory Redemption of 2034 Term Warrants.** The Series 2024 Warrants maturing on January 1, 2034 (the “2034 Term Warrants”) are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest thereon to the redemption date, on January 1 in years and principal amounts (after credits as provided below) as follows:

Year	Amount
2030	\$65,000
2031	70,000
2032	70,000
2033	75,000

\$75,000 of the 2034 Term Warrants will be retired at maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to 2034 Term Warrants, the Paying Agent shall proceed to select for redemption, by lot, 2034 Term Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 2034 Term Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In connection with any such redemption prior to maturity, the Paying Agent shall make appropriate entries in the Warrant Register to reflect a

portion of any 2034 Term Warrant so redeemed and the amount of the principal remaining Outstanding. The Paying Agent’s notation in the Warrant Register shall be conclusive as to the principal amount of any Outstanding 2034 Term Warrant at any time. The Town may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 2034 Term Warrants scheduled for redemption on such date: (i) the principal amount of 2034 Term Warrants delivered by the Town to the Paying Agent for cancellation and not previously claimed as a credit; (ii) the principal amount of 2034 Term Warrants previously redeemed (other than 2034 Term Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit; and (iii) the principal amount of 2034 Term Warrants otherwise deemed paid in full and not previously claimed as a credit.

(4) ***Mandatory Redemption of 2039 Term Warrants.*** The Series 2024 Warrants maturing on January 1, 2039 (the “2039 Term Warrants”) are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest thereon to the redemption date, on January 1 in years and principal amounts (after credits as provided below) as follows:

Year	Amount
2035	\$80,000
2036	80,000
2037	85,000
2038	90,000

\$95,000 of the 2039 Term Warrants will be
retired at maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to 2039 Term Warrants, the Paying Agent shall proceed to select for redemption, by lot, 2039 Term Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 2039 Term Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In connection with any such redemption prior to maturity, the Paying Agent shall make appropriate entries in the Warrant Register to reflect a portion of any 2039 Term Warrant so redeemed and the amount of the principal remaining Outstanding. The Paying Agent’s notation in the Warrant Register shall be conclusive as to the principal amount of any Outstanding 2039 Term Warrant at any time. The Town may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 2039 Term Warrants scheduled for redemption on such date: (i) the principal amount of 2039 Term Warrants delivered by the Town to the Paying Agent for cancellation and not previously claimed as a credit; (ii) the principal amount of 2039 Term Warrants previously redeemed (other than 2039 Term Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit; and (iii) the principal amount of 2039 Term Warrants otherwise deemed paid in full and not previously claimed as a credit.

(5) **Mandatory Redemption of 2044 Term Warrants.** The Series 2024 Warrants maturing on January 1, 2044 (the “2044 Term Warrants”) are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest thereon to the redemption date, on January 1 in years and principal amounts (after credits as provided below) as follows:

Year	Amount
2040	\$95,000
2041	100,000
2042	105,000
2043	110,000

\$115,000 of the 2044 Term Warrants will be retired at maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to 2044 Term Warrants, the Paying Agent shall proceed to select for redemption, by lot, 2044 Term Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 2044 Term Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In connection with any such redemption prior to maturity, the Paying Agent shall make appropriate entries in the Warrant Register to reflect a portion of any 2044 Term Warrant so redeemed and the amount of the principal remaining Outstanding. The Paying Agent’s notation in the Warrant Register shall be conclusive as to the principal amount of any Outstanding 2044 Term Warrant at any time. The Town may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 2044 Term Warrants scheduled for redemption on such date: (i) the principal amount of 2044 Term Warrants delivered by the Town to the Paying Agent for cancellation and not previously claimed as a credit; (ii) the principal amount of 2044 Term Warrants previously redeemed (other than 2044 Term Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit; and (iii) the principal amount of 2044 Term Warrants otherwise deemed paid in full and not previously claimed as a credit.

Except in the case of mandatory redemption of the Term Warrants, if less than all Series 2024 Warrants Outstanding are to be redeemed, the particular Series 2024 Warrants to be redeemed may be specified by the Town by written notice to the Paying Agent, or, in the absence of timely receipt by the Paying Agent of such notice, shall be selected by the Paying Agent by lot or by such other method as the Paying Agent shall deem fair and appropriate; provided, however, that (i) the principal amount of Series 2024 Warrants of each maturity to be redeemed must be a multiple of the smallest authorized denomination of Series 2024 Warrants, and (ii) if less than all Series 2024 Warrants with the same stated maturity are to be redeemed, the Series 2024 Warrants of such maturity to be redeemed shall be selected by lot by the Paying Agent.

Any redemption shall be made upon at least 30 days’ notice in the manner and upon the terms and conditions provided in the Warrant Ordinance.

If less than all Series 2024 Warrants Outstanding with the same maturity are to be redeemed, the particular Series 2024 Warrants to be redeemed shall be selected not less than 30 nor more than 60 days prior to the redemption date (except as noted below) by the Paying Agent from the Outstanding Series 2024 Warrants of such maturity which have not previously been called for redemption.

If a trust is established for payment of less than all Series 2024 Warrants of the same maturity, the Series 2024 Warrants of such maturity to be paid from the trust shall be selected by the Paying Agent within 7 days after such trust is established and shall be identified by a separate CUSIP number or other designation satisfactory to the Paying Agent. The Paying Agent shall notify Holders whose Series 2024 Warrants (or portions thereof) have been selected for payment from such trust and shall direct such Holders to surrender their Series 2024 Warrants to the Paying Agent in exchange for Series 2024 Warrants with the appropriate designation.

Upon any partial redemption of any Series 2024 Warrant, the same shall, except as otherwise permitted by the Warrant Ordinance, be surrendered in exchange for one or more new Series 2024 Warrants of the same maturity and in authorized form for the unredeemed portion of principal. Series 2024 Warrants (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Warrant Ordinance shall thereupon cease to be entitled to the benefits of the Warrant Ordinance and shall cease to bear interest from and after the date fixed for redemption.

As provided in the Warrant Ordinance and subject to certain limitations therein set forth, this warrant is transferable on the Warrant Register maintained at the Principal Office of the Paying Agent, upon surrender of this warrant for transfer at such office, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Town and the Paying Agent duly executed by, the registered Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Series 2024 Warrants of authorized denominations and of the same maturity and aggregate principal amount will be issued to the designated transferee or transferees.

The Series 2024 Warrants are issuable as fully registered, book-entry only warrants in the denomination of \$5,000 each or any integral multiple thereof. The Series 2024 Warrants are registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. As provided in the Warrant Ordinance and subject to certain limitations therein set forth, Series 2024 Warrants are exchangeable for a like aggregate principal amount of Series 2024 Warrants, of any authorized denominations and of the same maturity, as requested by the Holder surrendering the same.

For so long as the Series 2024 Warrants are registered in the name of DTC or its nominee, the Paying Agent shall transfer and exchange Series 2024 Warrants only on behalf of DTC or its nominee, in accordance with the Warrant Ordinance. Neither the Town nor the Paying Agent shall have any responsibility for transferring or exchanging any Beneficial Owner’s (as defined in the Letter of Representations between the Town and DTC) interest in any Series 2024 Warrants.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the Town may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Town, the Paying Agent and any agent of the Town or the Paying Agent may treat the person in whose name this warrant is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this warrant is overdue, and neither the Town, the Paying Agent nor any agent shall be affected by notice to the contrary.

It is hereby certified, recited and declared that the indebtedness evidenced and ordered paid by this warrant is lawfully due without condition, abatement or offset of any description; that this warrant has been registered as a claim against the Debt Service Fund in the manner provided by law; that all acts, conditions and things required by the constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the issuance of this warrant have happened, do exist and have been performed; and that

the indebtedness evidenced and ordered paid by this warrant, together with all other indebtedness of the Town, is within every debt and other limit prescribed in the constitution and laws of the State of Alabama.

It is hereby certified, recited and declared that unless the certificate of authentication hereon has been executed by the Paying Agent by manual signature, this warrant shall not be entitled to any benefit under the Warrant Ordinance or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Town has caused this warrant to be duly executed under its official seal.

Dated: January 23, 2024.

TOWN OF RAGLAND, ALABAMA

By: \s\ Richard Bunt
Its Mayor

[SEAL]

Attest:

\s\ Penny Owens
Its Town Clerk

**Registration As Claim Against
Debt Service Fund and Pledged Tax Proceeds**

I hereby certify that this warrant has been registered by me as a claim against the Debt Service Fund and Pledged Tax Proceeds referred to in this warrant.

\s\ Penny Owens
Town Clerk

Certificate of Authentication

This warrant is one of the Series 2024 Warrants issued pursuant to the within-mentioned Warrant Ordinance.

Date of Authentication: _____

SYNOVUS BANK, Birmingham, Alabama, as Paying Agent

By: _____
Its Authorized Officer

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named Town at the office of the within named Paying Agent, with full power of substitution in the premises.

Dated: _____.

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

Medallion Number: _____

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

SECTION 3.4 Execution and Authentication

(a) The Series 2024 Warrants shall be executed on behalf of the Town by its Mayor under its seal reproduced thereon and attested by its Town Clerk, and the certification of registration of each Series 2024 Warrant as a claim against the Debt Service Fund and Pledged Tax Proceeds shall be executed by the Town Clerk of the Town. The signature of any of these officers on the Series 2024 Warrants may be manual or, to the extent permitted by law, facsimile. Series 2024 Warrants bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Town shall bind the Town, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2024 Warrants or shall not have held such offices at the date of such Series 2024 Warrants.

(b) No Series 2024 Warrants shall be secured by, or be entitled to any lien, right or benefit under, this ordinance or be valid or obligatory for any purpose, unless there appears on such Series 2024 Warrant a certificate of authentication substantially in the form provided for herein, executed by the Paying Agent by manual signature, and such certificate upon any Series 2024 Warrant shall be conclusive evidence, and the only evidence, that such Series 2024 Warrant has been duly authenticated and delivered hereunder.

SECTION 3.5 Temporary Series 2024 Warrants

(a) Pending the preparation of definitive Series 2024 Warrants, the Town may execute, and upon request of the Town, the Paying Agent shall authenticate and deliver, temporary Series 2024 Warrants which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Series 2024 Warrants in lieu of which they are issued, with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Series 2024 Warrants may determine, as evidenced by their execution of such Series 2024 Warrants.

(b) If temporary Series 2024 Warrants are issued, the Town will cause definitive Series 2024 Warrants to be prepared without unreasonable delay. After the preparation of definitive Series 2024 Warrants, the temporary Series 2024 Warrants shall be exchangeable for definitive Series 2024 Warrants upon surrender of the temporary Series 2024 Warrants at the Principal Office of the Paying Agent, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Series 2024 Warrants, the Town shall execute and the Paying Agent shall authenticate and deliver in exchange therefor a like principal amount of definitive Series 2024 Warrants of authorized denominations. Until so exchanged, temporary Series 2024 Warrants shall in all respects be entitled to the security and benefits of this ordinance.

SECTION 3.6 Registration, Transfer and Exchange

(a) The Town shall cause to be kept at the Principal Office of the Paying Agent a register (herein referred to as the "Warrant Register") in which, subject to such reasonable regulations as it may prescribe, the Town shall provide for the registration of Series 2024 Warrants and registration of transfers of Series 2024 Warrants entitled to be registered or transferred as herein provided. The Paying Agent is hereby appointed "Warrant Registrar" for the purpose of registering Series 2024 Warrants and transfers of Series 2024 Warrants as herein provided.

(b) Upon surrender for transfer of any Series 2024 Warrant at the Principal Office of the Paying Agent, the Town shall execute, and the Paying Agent shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2024 Warrants of any authorized denominations and of the same maturity and aggregate principal amount.

(c) At the option of the Holder, Series 2024 Warrants may be exchanged for a like aggregate principal amount of Series 2024 Warrants, of any authorized denominations and of the same maturity, upon surrender of the Series 2024 Warrants to be exchanged at the Principal Office of the Paying Agent. Whenever any Series 2024 Warrants are so to be surrendered for exchange, the Town shall execute, and the Paying Agent shall authenticate and deliver, the Series 2024 Warrants which the Holder making the exchange is entitled to receive.

(d) All Series 2024 Warrants surrendered upon any exchange or transfer provided for in this ordinance shall be promptly cancelled by the Paying Agent.

(e) All Series 2024 Warrants issued upon any transfer or exchange of Series 2024 Warrants shall be the valid obligations of the Town and entitled to the same security and benefits under this ordinance as the Series 2024 Warrants surrendered upon such transfer or exchange.

(f) Every Series 2024 Warrant presented or surrendered for transfer or exchange shall (if so required by the Town or the Paying Agent) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Town and the Paying Agent duly executed, by the Holder thereof or his attorney duly authorized in writing.

(g) No service charge shall be made for any transfer or exchange of Series 2024 Warrants, but the Town may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2024 Warrants.

(h) The Town shall not be required (i) to transfer or exchange any Series 2024 Warrant during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Series 2024 Warrants and ending at the close of business on the day of such mailing, (ii) to transfer or exchange any Series 2024 Warrant so selected for redemption in whole or in part, or (iii) to exchange any Series 2024 Warrant during a period beginning at the opening of business on any Regular Record Date and ending at the close of business on the relevant Interest Payment Date therefor.

SECTION 3.7 Mutilated, Destroyed, Lost and Stolen Series 2024 Warrants

(a) If (i) any mutilated Series 2024 Warrant is surrendered to the Paying Agent, or the Town and the Paying Agent receive evidence to their satisfaction of the destruction, loss or theft of any Series 2024 Warrant, and (ii) there is delivered to the Town and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Town or the Paying Agent that such Series 2024 Warrant has been acquired by a bona fide purchaser, the Town shall execute and upon its request the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Series 2024 Warrant, a new Series 2024 Warrant of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

(b) Upon the issuance of any new Series 2024 Warrant under this section, the Town may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

(c) Every new Series 2024 Warrant issued pursuant to this section in lieu of any destroyed, lost or stolen Series 2024 Warrant shall constitute an original additional contractual obligation of the Town, whether or not the destroyed, lost or stolen Series 2024 Warrant shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this ordinance equally and ratably with all other Outstanding Series 2024 Warrants.

(d) The provisions of this section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Series 2024 Warrants.

SECTION 3.8 Payment of Interest on Series 2024 Warrants; Interest Rights Preserved

(a) Interest on any Series 2024 Warrant which is payable on any Interest Payment Date shall be paid to the person in whose name that Series 2024 Warrant is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date. Payment of the principal of (and premium, if any, on) the Series 2024 Warrants and payment of accrued interest due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of the Series 2024 Warrants at the Principal Office of the Paying Agent.

(b) Any interest on any Series 2024 Warrant which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the Town to the persons in whose names such Series 2024 Warrants are registered at the close of business on a special record date (herein called a

“Special Record Date”) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Town shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Series 2024 Warrant and the date of the proposed payment (which date shall be such as will enable the Paying Agent to comply with the next sentence hereof), and at the same time the Town shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held solely for the benefit of the persons entitled to such Defaulted Interest as in this subsection provided. Thereupon, the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Paying Agent of the notice of the proposed payment. The Paying Agent shall promptly notify the Town of such Special Record Date and, in the name and at the expense of the Town, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of a Series 2024 Warrant at his address as it appears in the Warrant Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Series 2024 Warrants are registered on such Special Record Date.

(c) Subject to the foregoing provisions of this section, each Series 2024 Warrant delivered under this ordinance upon transfer of or in exchange for or in lieu of any other Series 2024 Warrant shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2024 Warrant and each such Series 2024 Warrant shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

SECTION 3.9 Persons Deemed Owners

The Town, the Paying Agent and any agent of the Town or the Paying Agent may treat the person in whose name any Series 2024 Warrant is registered as the owner of such Series 2024 Warrant for the purpose of receiving payment of Debt Service on such Series 2024 Warrant (subject to Section 3.8) and for all other purposes whatsoever whether or not such Series 2024 Warrant is overdue, and, to the extent permitted by law, neither the Town, the Paying Agent nor any such agent shall be affected by notice to the contrary.

SECTION 3.10 Paying Agent

(a) Synovus Bank, Birmingham, Alabama, is hereby appointed “Paying Agent” for the purpose of paying Debt Service on the Series 2024 Warrants on behalf of the Town.

(b) The Debt Service on the Series 2024 Warrants shall, except as otherwise provided herein, be payable at the Principal Office of the Paying Agent.

(c) If the bank designated as Paying Agent pursuant to subsection (a) of this section shall resign or shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of it or of its property shall be appointed or any public officer shall take charge or control of it or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, the Town shall appoint a successor Paying Agent. Any successor Paying Agent must have capital and surplus of not less than \$50,000,000, must be subject to supervision or examination by federal or State of Alabama authority, and must have a corporate trust office within the State of Alabama. The Town shall give notice of the appointment of any such successor Paying Agent by first-class mail, postage prepaid, to the Holders of Series 2024 Warrants as their names or addresses appear in the Warrant Register.

SECTION 3.11 Book Entry Only System

(a) The registration and payment of Series 2024 Warrants shall be made pursuant to the Book-Entry Only System (the “Book-Entry Only System”) administered by The Depository Trust Company (“DTC”) in accordance with the Letter of Representations attached to and incorporated by reference in this ordinance as Exhibit A (the “Letter of Representations”) until such System is terminated pursuant to Section 3.11(c).

(b) While Series 2024 Warrants are in the Book-Entry Only System the following provisions shall apply for purposes of this ordinance and shall supersede any contrary provisions of this ordinance:

(1) Notwithstanding the fact that DTC may hold a single physical certificate for each stated maturity for purposes of the Book-Entry Only System, the term “Series 2024 Warrants” shall mean each separate Security (as defined in the Letter of Representations) issued pursuant to the Book-Entry Only System, and the term “Holder” shall mean the person identified on the records of DTC as the owner of the related Security.

(2) The terms and limitations of this ordinance with respect to each separate Series 2024 Warrant shall be applicable to each separate Security registered under the Book-Entry Only System.

(3) All notices under this ordinance to Holders of Series 2024 Warrants from either the Town or the Paying Agent shall be delivered by the Town or the Paying Agent, as the case may be, to DTC for distribution by DTC in accordance with the Letter of Representations. All notices under this ordinance to or from persons other than a Holder of a Series 2024 Warrant shall be delivered directly to such person as provided in this ordinance and shall not be delivered through DTC or the Book-Entry Only System.

(4) All payments of Debt Service on the Series 2024 Warrants shall be made by the Paying Agent to DTC and shall be made by DTC to the Participants (as such term is defined in the Letter of Representations) as provided in the Letter of Representations. All such payments shall be valid and effective fully to satisfy and discharge the Town’s obligations with respect to such payments.

(5) The Beneficial Owners (as such term is defined in the Letter of Representations) of the Series 2024 Warrants, by their acquisition of any beneficial interest in a Series 2024 Warrant or Series 2024 Warrants, and the Participants severally agree that the Town and the Paying Agent shall not have any responsibility or obligation to any Participant or any Beneficial Owner with respect to (1) the accuracy of any records maintained by DTC or any Participant; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal of, purchase price of, premium (if any) and interest on the Series 2024 Warrants; (3) the delivery or timeliness of delivery by DTC or any Participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this ordinance to be given to Beneficial Owners; or (4) any consent given or other action taken by DTC or its nominee, as owner.

(c) If the Town and the Paying Agent concur that it would be in the best interests of the Holders of the Series 2024 Warrants for the Book-Entry Only System to be discontinued (in whole or in part), such Book-Entry Only System shall be discontinued (in whole or in part) in accordance with the provisions of the Letter of Representations. In addition, the Book-Entry Only System may be discontinued (in whole or in part) at any time by the Town or the Paying Agent acting alone in accordance with the Letter of Representations.

SECTION 3.12 Payments Due on a Day Other Than a Business Day

If any payment on the Series 2024 Warrants is due on a day which is not a Business Day, such payment shall be made on the first succeeding day which is a Business Day with the same effect as if made on the day such payment was due.

SECTION 3.13 Cancellation

All Series 2024 Warrants surrendered for payment, redemption, transfer or exchange shall be promptly cancelled by the Paying Agent. No Series 2024 Warrants shall be registered in lieu of or in exchange for any Series 2024 Warrant cancelled as provided in this section, except as expressly provided by this ordinance.

ARTICLE 4

Redemption of Series 2024 Warrants

SECTION 4.1 General Applicability of Article

(a) The Series 2024 Warrants shall be redeemable in accordance with the redemption provisions set forth in the form of the Series 2024 Warrants contained in Section 3.3 and the provisions of this article.

(b) The Series 2024 Warrants shall be redeemed in accordance with the mandatory redemption provisions of the Series 2024 Warrants without any direction from or consent by the Town. The Series 2024 Warrants shall be redeemed in accordance with the optional redemption provisions of the Series 2024 Warrants only upon direction of the Town.

SECTION 4.2 Election to Redeem; Notice to Paying Agent

The election of the Town to exercise any right of optional redemption shall be evidenced by a certified ordinance of the governing body of the Town delivered to the Paying Agent. In case of any redemption at the option of the Town of less than all the Outstanding Series 2024 Warrants, the Town shall, at least 60 days prior to the date fixed by the Town for redemption of Series 2024 Warrants (unless a shorter notice shall be satisfactory to the Paying Agent), notify the Paying Agent of such redemption date and of the principal amount and maturities of Series 2024 Warrants to be redeemed.

SECTION 4.3 Selection by Paying Agent of Series 2024 Warrants to be Redeemed

(a) If less than all Series 2024 Warrants Outstanding are to be redeemed, the particular Series 2024 Warrants to be redeemed may be specified by the Town by written notice to the Paying Agent, or, in the absence of timely receipt by the Paying Agent of such notice, shall be selected by the Paying Agent by lot or by such other method as the Paying Agent shall deem fair and appropriate; provided, however, that (i) the principal amount of Series 2024 Warrants of each maturity to be redeemed must be a multiple of the smallest authorized denomination of Series 2024 Warrants, and (ii) if less than all Series 2024 Warrants with the same stated maturity are to be redeemed, the Series 2024 Warrants of such maturity to be redeemed shall be selected by lot by the Paying Agent.

(b) The Paying Agent shall promptly confirm to the Town in writing the Series 2024 Warrants selected for redemption and, in the case of any Series 2024 Warrant selected for partial redemption, the principal amount thereof to be redeemed.

(c) For all purposes of this ordinance, unless the context otherwise requires, all provisions relating to the redemption of Series 2024 Warrants shall relate, in the case of any Series 2024 Warrant redeemed or to be redeemed only in part, to the portion of the principal of such Series 2024 Warrant which has been or is to be redeemed.

SECTION 4.4 Notice of Redemption

(a) Unless waived by the Holders of all Series 2024 Warrants then Outstanding, notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the redemption date, to each Holder of Series 2024 Warrants to be redeemed at his address appearing in the Warrant Register.

(b) All notices of redemption shall state:

(1) the redemption date,

(2) the redemption price,

(3) the principal amount of Series 2024 Warrants to be redeemed, and, if less than all Outstanding Series 2024 Warrants are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2024 Warrants to be redeemed,

(4) that on the redemption date the redemption price of each of the Series 2024 Warrants to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said date, and

(5) the place or places where the Series 2024 Warrants to be redeemed are to be surrendered for payment of the redemption price.

(c) Notice of redemption of Series 2024 Warrants to be redeemed at the option of the Town shall be given by the Town or, at the Town's request, by the Paying Agent in the name and at the expense of the Town. Notice of redemption of Series 2024 Warrants in accordance with the mandatory redemption provisions of the Series 2024 Warrants shall be given by the Paying Agent in the name and at the expense of the Town.

(d) The Town and the Paying Agent shall, to the extent practical under the circumstances, comply with the standards set forth in the United States Securities and Exchange Commission's Exchange Act Release No. 23856 dated December 3, 1986, regarding redemption notices, but their failure to do so shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in this section.

SECTION 4.5 Deposit of Redemption Price

Prior to any redemption date, the Town shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Series 2024 Warrants which are to be redeemed on that date. Such money shall be held solely for the benefit of the persons entitled to such redemption price.

SECTION 4.6 Series 2024 Warrants Payable on Redemption Date

(a) Notice of redemption having been given as aforesaid, the Series 2024 Warrants so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Town shall default in the payment of the redemption price) such

Series 2024 Warrants shall cease to bear interest. Upon surrender of any such Series 2024 Warrant for redemption in accordance with said notice, such Series 2024 Warrant shall be paid by the Town at the redemption price. Installments of interest due prior to the redemption date shall be payable to the Holders of the Series 2024 Warrants registered as such on the relevant Record Dates according to the terms of such Series 2024 Warrants and the provisions of Section 3.8.

(b) If any Series 2024 Warrant called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the redemption date at the Post-Default Rate.

SECTION 4.7 Series 2024 Warrants Redeemed in Part

Any Series 2024 Warrant which is to be redeemed only in part shall be surrendered at the Principal Office of the Paying Agent (with, if the Town or the Paying Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Town and the Paying Agent duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Town shall execute and the Paying Agent shall authenticate and deliver to the Holder of such Series 2024 Warrant, without service charge, a new Series 2024 Warrant or Series 2024 Warrants, of the same maturity and of any authorized denomination or denominations, as requested by such Holder in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2024 Warrant so surrendered.

ARTICLE 5

Source of Payment, Etc.

SECTION 5.1 General Obligation

The indebtedness evidenced and ordered paid by the Series 2024 Warrants shall be a general obligation of the Town for the payment of Debt Service on which the full faith and credit of the Town are hereby irrevocably pledged, pro rata and without preference or priority of one Series 2024 Warrant over another. The Town hereby covenants and agrees to levy and collect taxes, to the maximum extent permitted by law, at such rate or rates as shall make available tax proceeds which, when added to the revenues of the Town from other sources available for such purposes, will be sufficient to pay reasonable expenses of carrying on the necessary governmental functions of the Town and to pay Debt Service on the Series 2024 Warrants as the same shall become due and payable.

SECTION 5.2 The Pledged Tax Proceeds

(a) The Town hereby irrevocably pledges and assigns the Pledged Tax Proceeds to the payment of Debt Service on the Series 2024 Warrants. The pledge of the Pledged Tax Proceeds shall be on parity with the pledge thereof in favor of the Existing Parity Obligations. Any Parity Obligations issued in accordance with the terms of Section 5.3 shall be secured with the pledge and assignment of the portion of the Pledged Tax Proceeds specified in the proceedings under which such obligations are issued equally and ratably with the Series 2024 Warrants and the Existing Parity Obligations.

(b) The pledge and assignment of the Pledged Tax Proceeds made herein shall be and remain prior and superior to any and all pledges, assignments and other agreements respecting the Pledged Tax Proceeds that may hereafter be made by the Town, other than a pledge and assignment of the Pledged Tax Proceeds for the benefit of Parity Obligations in accordance with the provisions of Section 5.3 and other than the pledge and assignment of the Pledged Tax Proceeds made for the benefit of the Existing Parity Obligations as described in Section 5.2(a).

(c) The Town shall use the Pledged Tax Proceeds received by it during each calendar month to make the deposits to the Debt Service Fund required by Section 6.1 and the deposits required by the Existing Parity Obligations Ordinances; provided, however, that after all deposits to the Debt Service Fund due in such month and any prior month have been made, the remaining Pledged Tax Proceeds may be used by the Town for any lawful purpose.

(d) So long as any Series 2024 Warrant is Outstanding,

(1) the Town will levy and collect the Special Tax, to the maximum extent permitted by law, at such rate or rates as shall make available Pledged Tax Proceeds which, when added to the revenues of the Town from other sources available for such purposes, will be sufficient to pay the reasonable expenses of carrying on the necessary governmental functions of the Town and to pay Debt Service on the Series 2024 Warrants, the Existing Parity Obligations, and any other Parity Obligations as the same shall become due and payable; and

(2) the Town will not reduce any rate or rates at which the Special Tax is levied, or create any exemption therefrom, or otherwise amend or change the ordinances levying the Special Tax, if as a result of such amendment or change the amount of Pledged Tax Proceeds received by the Town during the then current or any subsequent fiscal year shall be reduced below (i) the amount specified in paragraph (1) of this subsection or (ii) the amount of Pledged Tax Proceeds collected by the Town during the last fiscal year preceding the effective date of such amendment or change.

SECTION 5.3 Parity Obligations

While no default exists hereunder, the Town may issue bonds, warrants or other obligations for any lawful purpose, without limit as to aggregate principal amount, payable from and secured by a pledge and assignment of the Pledged Tax Proceeds equally and ratably with the Series 2024 Warrants, the Existing Parity Obligations and any other Parity Obligations then outstanding, upon satisfaction of the following conditions:

(1) The governing body of the Town shall have adopted an ordinance or ordinances authorizing the issuance, execution, sale and delivery of such Parity Obligations, and setting forth the date thereof, the date or dates of maturity, the rate or rates of interest and the dates of payment thereof, the maximum aggregate principal amount of such Parity Obligations, the redemption provisions, if any, with respect thereto, the text of the form of the Parity Obligations, and a brief description of the facilities that will be constructed or acquired with the proceeds thereof or that have been financed by other obligations of the Town being refunded by the Parity Obligations proposed to be issued. Any such ordinance or ordinances may contain any other or additional statements, provisions, covenants and agreements that the governing body of the Town shall elect to include therein.

(2) Prior to the issuance of any such Parity Obligations, the Town shall have filed with the Paying Agent and with the Town Clerk of the Town a certificate of the Mayor and Town Clerk of the Town stating that the amount of Pledged Tax Proceeds received by the Town during the Fiscal Year next preceding the Fiscal Year during which such Parity Obligations are proposed to be issued was not less than 150% of the maximum Annual Debt Service Requirement payable in the then current or any subsequent Fiscal Year of the Town on the Series 2024 Warrants, the Existing Parity Obligations, any other Parity Obligations then outstanding and secured by a pledge and assignment of the Pledged Tax Proceeds, and the Parity Obligations proposed to be issued; provided, however, if the rate at which the Special Tax is levied is or has been increased since the

end of the next preceding Fiscal Year, then the Town shall be entitled to measure the coverage test prescribed herein by assuming that the increased tax rate had been in effect for the entirety of the next preceding Fiscal Year. In such case, it will be a condition precedent to the issuance of Parity Obligations that the Town furnish to the Paying Agent a certificate executed by an independent certified accountant stating that the coverage test prescribed herein has been satisfied after taking into account the assumption permitted by the next preceding sentence.

(3) There has been deposited with the Town an opinion of nationally recognized bond counsel to the effect that the Parity Obligations proposed to be issued, when issued, will be secured by a valid pledge of the Pledged Tax Proceeds equally and ratably and on a parity of lien with the pledge of the Pledged Tax Proceeds herein made for the benefit of the Series 2024 Warrants.

SECTION 5.4 Provision for Payment of Series 2024 Warrants

(a) If Debt Service on the Series 2024 Warrants is paid in accordance with the terms of the Series 2024 Warrants and this ordinance, then all covenants, agreements and other obligations of the Town to the Holders of the Series 2024 Warrants shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agent shall pay to the Town any surplus remaining in the Debt Service Fund.

(b) Series 2024 Warrants shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this section if the Paying Agent is provided with the following:

(1) a trust agreement between the Town and any bank or other financial institution having corporate trust powers making provision for the retirement of such Series 2024 Warrants by creating for that purpose an irrevocable trust fund sufficient to provide for payment and retirement of such Series 2024 Warrants (including payment of the interest that will accrue thereon until and on the date they are retired, as such interest becomes due and payable), either by redemption prior to their respective maturities, by payment at their respective maturities or by payment of part thereof at their respective maturities and redemption of the remainder prior to their respective maturities, which said trust fund shall consist of (i) Federal Securities which are not subject to redemption prior to their respective maturities at the option of the issuer and which, if the principal thereof and the interest thereon are paid at their respective maturities, will produce funds sufficient so to provide for payment and retirement of all such Series 2024 Warrants or (ii) both cash and such Federal Securities (or a combination thereof) which together will produce funds sufficient for such purpose, or (iii) cash sufficient for such purpose; provided, however, that said trust agreement shall require all cash held on deposit in such trust to be kept continuously secured by holding on deposit as collateral security therefor Federal Securities having a market value at least equal at all times to the amount to be secured thereby, unless such cash is kept on deposit in U.S. dollar denominated deposit accounts and certificates of deposit with banks or savings associations that are qualified public depositories under Chapter 14A of Title 41 of the Code of Alabama 1975;

(2) a certified copy of a duly adopted ordinance or ordinance of the governing body of the Town calling for redemption those of such Series 2024 Warrants that, according to said trust agreement, are to be redeemed prior to their respective maturities;

(3) evidence satisfactory to the Paying Agent that, if the principal of and the interest on the investments (if any) forming part of the trust fund provided for in the preceding subparagraph

(1) are paid on the respective due dates of such principal and interest, said trust fund will produce funds sufficient to provide for the full payment and retirement of such Series 2024 Warrants; and

(4) a Favorable Tax Opinion.

(c) Any trust established pursuant to this section may provide for payment of less than all Series 2024 Warrants Outstanding or less than all Series 2024 Warrants of any remaining maturity.

(d) If any trust provides for payment of less than all Series 2024 Warrants with the same maturity, the Series 2024 Warrants of such maturity to be paid from the trust shall be selected by the Paying Agent by lot by such method as shall provide for the selection of portions (in authorized denominations) of the principal of Series 2024 Warrants of such maturity of a denomination larger than the smallest authorized denomination. Such selection shall be made within 7 days after such trust is established. This selection process shall be in lieu of the selection process provided for in Section 4.3 if and to the extent that Series 2024 Warrants payable from such trust are to be redeemed prior to maturity. After such selection is made, the Series 2024 Warrants that are to be paid from such trust (including the Series 2024 Warrants issued in exchange for such Series 2024 Warrants pursuant to the transfer or exchange provisions of this ordinance) shall be identified by a separate CUSIP number or other designation satisfactory to the Paying Agent. The Paying Agent shall notify Holders whose Series 2024 Warrants (or portions thereof) have been selected for payment from such trust and shall direct such Holders to surrender their Series 2024 Warrants to the Paying Agent in exchange for the Series 2024 Warrants with the appropriate designation. The selection of the Series 2024 Warrants for payment from such trust pursuant to this section shall be conclusive and binding on the Holders, the Town and the Paying Agent.

SECTION 5.5 Officers, Etc. Exempt from Individual Liability

No recourse under or upon any covenant or agreement of this ordinance, or of any Series 2024 Warrants, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future officer or member of the governing body of the Town, or of any successor, either directly or through the Town, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this ordinance and the Series 2024 Warrants issued hereunder are solely corporate obligations, and that no personal liability whatever shall attach to, or is or shall be incurred by, any officer or member of the governing body of the Town or any successor, or any of them, because of the issuance of the Series 2024 Warrants, or under or by reason of the covenants or agreements contained in this ordinance or in any Series 2024 Warrants or implied therefrom.

ARTICLE 6

The Debt Service Fund

SECTION 6.1 The Debt Service Fund

(a) There is hereby established a special fund with the Paying Agent entitled “General Obligation Warrants, Series 2024 Debt Service Fund” (herein called the “Debt Service Fund”). Money in the Debt Service Fund shall be used solely for the payment of Debt Service on the Series 2024 Warrants as the same shall become due and payable.

(b) The Town shall deposit into the Debt Service Account the following amounts on or before the following dates:

(1) on or before the 25th day of each month, beginning in the first full month following the date of delivery of the Series 2024 Warrants, 1/6 of the aggregate amount of interest on the Series 2024 Warrants becoming due and payable on the next Interest Payment Date; provided that from the date of delivery of the Series 2024 Warrants until the first Interest Payment Date, such deposits shall be sufficient on a monthly pro rata basis to pay the amount of interest becoming due and payable on such first Interest Payment Date (after crediting the amount of any accrued interest deposited in the Debt Service Fund pursuant to Section 7.3);

(2) on or before the 25th day of each month, beginning in the first full month following the date of delivery of the Series 2024 Warrants, 1/12 of the aggregate amount of principal on the Series 2024 Warrants becoming due and payable on the next Principal Payment Date or mandatory redemption date, as the case may be; provided that from the date of delivery of the Series 2024 Warrants until the first Principal Payment Date with respect to the Series 2024 Warrants, such deposits shall be sufficient on a monthly pro rata basis to pay the amount of principal becoming due and payable on such first Principal Payment Date; provided further that no payment under this subsection shall be required more than 13 months prior to a Principal Payment Date.

If, on any Warrant Payment Date, the balance in the Debt Service Fund is insufficient to pay the Debt Service on the Series 2024 Warrants due and payable on such date, the Town shall forthwith pay any such deficiency into the Debt Service Fund out of the Town's general revenues.

SECTION 6.2 Transfer of Funds

The Town Clerk and Treasurer for the Town shall collect taxes, revenues and other general funds of the Town available for the payment of Debt Service on the Series 2024 Warrants, including, without limitation, the Pledged Tax Proceeds, and shall deposit the same in the Debt Service Fund in the amounts and at the times required by Section 6.1

SECTION 6.3 Security for Debt Service Fund

Any money on deposit in the Debt Service Fund or otherwise held by the Paying Agent pursuant to this ordinance shall be impressed with a trust for the purpose for which the Debt Service Fund is created and shall, unless invested as provided herein or secured by the Federal Deposit Insurance Corporation (or any successor agency of the United States of America), be secured for the benefit of the Town and the Holders of the Series 2024 Warrants either

(1) by holding on deposit as collateral security Federal Securities, or other marketable securities eligible as security for the deposit of public funds under regulations of the Comptroller of the Currency, having a market value (exclusive of accrued interest) not less than the amount of money being secured, or

(2) if the furnishing of security in the manner provided in the foregoing paragraph (1) is not permitted by the then applicable laws and regulations, then in such manner as may be required or permitted by the applicable State of Alabama and Federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds.

SECTION 6.4 Investment of Debt Service Fund

(a) The Paying Agent shall invest or reinvest any money on deposit in the Debt Service Fund not then needed for the payment of Debt Service on the Series 2024 Warrants in Qualified Investments upon receipt of written direction from the Town. All such investments must mature or be subject to

redemption at the option of the Holder on or prior to the respective date or dates when cash funds will be required for purposes of the Debt Service Fund. Any investment made with money on deposit in the Debt Service Fund shall be held by or under control of the Paying Agent and shall be deemed at all times a part of the Debt Service Fund.

(b) All interest accruing on such investments and any profit realized therefrom shall be deposited in the Debt Service Fund and shall be credited to the deposits required by Section 6.1. Any losses resulting from liquidation of investments shall be charged to the Debt Service Fund and shall be added to the next ensuing deposit specified in Section 6.1. The Paying Agent shall sell and reduce to cash a sufficient portion of such investments whenever the cash balance in the Debt Service Fund is insufficient to pay Debt Service on the Series 2024 Warrants when due.

(c) Any investment of money in the Debt Service Fund may be made by the Paying Agent through its own bond department or investment department, and any certificates of deposit issued by the Paying Agent shall be deemed investments rather than deposits.

ARTICLE 7

Sale and Delivery of Series 2024 Warrants

SECTION 7.1 Sale of Series 2024 Warrants

(a) The Series 2024 Warrants are hereby authorized to be sold to Joe Jolly & Co., Inc. (the “Underwriter”) or a purchase price of \$1,551,286.10 (which represents the face amount of the Series 2024 Warrants less underwriter’s discount of \$35,420.00 and original issue discount of \$23,293.90).

(b) The Underwriter shall be under no duty to inquire as to the application of the proceeds of the Series 2024 Warrants. Nevertheless, such proceeds shall be held and applied solely for the purposes specified in this resolution.

SECTION 7.2 Purchase Agreement, Sale of Series 2024 Warrants, and Other Documents

(a) The governing body of the Town does hereby approve and authorize the Purchase Agreement and the Preliminary Official Statement dated January 5, 2024 (the “Preliminary Official Statement”) and the Official Statement dated January 9, 2024 (the “Official Statement”). Additionally, the governing body of the Town does hereby deem each of the Preliminary Official Statement and the Official Statement as “final” as of their dated dates within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, and hereby approves, authorizes, ratifies and confirms the distribution, prior to and on and after the date hereof, by the Underwriter of the Preliminary Official Statement and the Official Statement to prospective purchasers of the Series 2024 Warrants. The prior execution and delivery by the Mayor of the Town of the Purchase Agreement is hereby authorized, ratified, approved and directed. The Continuing Disclosure Agreement is hereby authorized and approved, and the Mayor of the Town is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in the name and on behalf of the Town. The Continuing Disclosure Agreement shall be in such form as the Mayor of the Town, acting with the advice and recommendation of the employees of and advisors to the Town, shall determine to be necessary or desirable in order to consummate the transactions authorized by this ordinance, the determination of the definitive form of the Continuing Disclosure Agreement by the Mayor of the Town to be conclusively established by his execution of the same. The Mayor of the Town is hereby authorized and directed to execute and deliver the Official Statement in the name and on behalf of the Town in substantially the form made available at this meeting, with such changes or additions thereto or deletions

therefrom as the Mayor shall approve, which approval shall be conclusively evidenced by his or her execution of such instrument.

(b) The Mayor of the Town or the Town Clerk of the Town and any person or persons designated and authorized by either of such officers to act in the name and on behalf of the Town, or any one or more of them, are authorized to do and perform or cause to be done and performed in the name and on behalf of the Town such other acts, to pay or cause to be paid on behalf of the Town such related costs and expenses, and to execute and deliver or cause to be executed and delivered in the name and on behalf of the Town such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates, agreements, further assurances or other instruments or communications, under the seal of the Town or otherwise, as they or any of them may deem necessary, advisable, or appropriate in order to carry into effect the intent of the provisions of this ordinance and to demonstrate the validity of the Series 2024 Warrants, the absence of any pending or threatened litigation with respect to the Series 2024 Warrants and the transactions contemplated by this ordinance, and the exemption of interest on the Series 2024 Warrants from federal and State of Alabama income taxation.

(c) Each act of any officer or officers of the Town or any person or persons designated and authorized to act by any officer of the Town, which act would have been authorized by the foregoing provisions of this ordinance except that such action was taken prior to the adoption of this ordinance, is hereby ratified, confirmed, approved and adopted...

SECTION 7.3 Application of Proceeds

The proceeds from the sale of the Series 2024 Warrants shall be delivered to the Paying Agent for deposit in a clearance account (the "Clearance Account") and shall be applied by the Paying Agent for the following purposes and in the following order:

(1) an amount specified on the closing statement (the "Closing Statement") executed and delivered by an Authorized Town Representative at closing shall be wire transferred to the Acquisition Fund pursuant to instructions set forth on the Closing Statement; and

(3) the issuance expenses specified on the Closing Statement shall be paid by the Paying Agent as provided in such Closing Statement from funds deposited in the Clearance Account.

ARTICLE 8

The Acquisition Fund

SECTION 8.1 Acquisition Fund

(a) The Town has established with Metro Bank in Pell City, Alabama a bank account that shall be designated the "General Obligation Warrants, Series 2024 Acquisition Fund" (herein called the "Acquisition Fund"). A deposit to the Acquisition Fund is to be made pursuant to Section 7.3.

(b) The money in the Acquisition Fund shall be paid out by the Town from time to time solely for the purposes of paying the costs of issuance of the Series 2024 Warrants and Acquisition Costs. The Town shall keep records of each payment from the account including an invoice or invoices from the payee showing that the amount requested to be paid is or was due and payable.

(c) Payment of the reasonable expenses and charges of Metro Bank in connection with the administration of the Acquisition Fund shall be paid by the Town out of the Acquisition Fund.

SECTION 8.2 Surplus Acquisition Fund Money

Whenever an Authorized Town Representative shall have filed with the Paying Agent a certificate stating (i) that acquisition, construction and equipping of the Warrant-Financed Facilities have been completed and (ii) that all issuance expenses and the Acquisition Costs have been paid in full, any money then remaining in the Acquisition Fund shall be deposited by the Town in the Debt Service Fund for payment of Debt Service on the next ensuing Interest Payment Date.

SECTION 8.3 Investment of Money in the Acquisition Fund

The Town shall invest or reinvest any money on deposit in the Acquisition Fund not then needed for the payment of the Acquisition Costs in Qualified Investments in the same manner and subject to the same conditions as money on deposit in the Debt Service Fund is invested in accordance with Section 6.4 of this ordinance.

ARTICLE 9

Miscellaneous

SECTION 9.1 Agreement to Pay Attorneys' Fees

If the Town should default under any of the provisions of this ordinance and the Holder of any Series 2024 Warrant should employ attorneys or incur other expenses for the collection of any payments due hereunder or the enforcement of performance or observance of any agreement or covenant on the part of the Town herein contained, the Town will (to the extent legally enforceable) on demand therefor pay to such Holder the reasonable fees of such attorneys and such other expenses so incurred.

SECTION 9.2 Provisions of Ordinance a Contract

The terms, provisions and conditions set forth in this ordinance constitute a contract between the Town and the Holders of the Series 2024 Warrants and shall remain in effect until the Debt Service on the Series 2024 Warrants shall have been paid in full or provision for such payment has been made in accordance with Section 5.4.

SECTION 9.3 Separability Clause

If any provision in this ordinance or in the Series 2024 Warrants shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 9.4 Governing Law

This ordinance shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 9.5 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this ordinance to the time of day shall mean the time of day in the city of the Principal Office of the Paying Agent.

SECTION 9.6 Notices to Holders of the Series 2024 Warrants; Waiver

(a) Where this ordinance provides for notice to any Holder of a Series 2024 Warrant of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to such Holder at the address of such Holder as it appears in the Warrant Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice.

(b) In any case where notice to Holders of the Series 2024 Warrants is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders of the Series 2024 Warrants. Where this ordinance provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of the Series 2024 Warrants shall be filed with the Town and the Paying Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 9.7 Tax Certificate and Agreement

(a) The Town agrees that it will comply with the covenants and agreements to be made by it in the Tax Certificate and Agreement, to be executed and delivered in conjunction with the delivery of the Series 2024 Warrants.

(b) The Town hereby designates the Series 2024 Warrants as “qualified tax-exempt obligations” for purposes of the provisions of Section 265 of the Code. The Town does not reasonably anticipate that the amount of tax-exempt obligations issued by it or its subordinate governmental entities will exceed \$10,000,000 during the calendar year 2020.

SECTION 9.8 Amendment of Description of Warrant-Financed Facilities or Uses of Series 2024 Warrant Proceeds

The Town may amend or change the description of the Warrant-Financed Facilities or the uses of Series 2024 Warrant proceeds contained in this ordinance, provided that: (1) the governing body of the Town adopts an ordinance setting forth such amendment or change and (2) the uses, as so amended or changed, are eligible for financing with proceeds of warrants issued pursuant to the Enabling Law, (3) such amendment or change will not cause the Town to exceed its constitutional limitation on indebtedness, and (4) the Town delivers to the Paying Agent a Favorable Tax Opinion.

SECTION 9.9 Inspection of Records

The Town will at any and all times, upon the request of the Paying Agent, afford and procure a reasonable opportunity for the Paying Agent by its representatives to inspect any books, records, reports and other papers of the Town relating to the performance by the Town of its covenants in this ordinance, and the Town will furnish to the Paying Agent any and all information as the Paying Agent may reasonably request with respect to the performance by the Town of its covenants in this ordinance.

SECTION 9.10 Amendments to Ordinance Not to Affect Tax Exemption

No amendment may be made to this ordinance or the Series 2024 Warrants unless the Paying Agent receives a Favorable Tax Opinion.

SECTION 9.11 Repeal of Conflicting Provisions

All ordinances and orders or parts thereof in conflict with this ordinance are, to the extent of such conflict, hereby repealed.

SECTION 9.12 Effect of Headings and Table of Contents

The article and section headings herein and in the table of contents are for convenience only and shall not affect the construction hereof.

SECTION 9.13 Remedies

In the event that the Town should default in the payment of the principal of or interest on the Series 2024 Warrants, or should fail to comply with any of the other covenants and agreements contained in this ordinance, the Holders of the Series 2024 Warrants shall be entitled to exercise all available remedies under the laws of the State of Alabama, whether in law or at equity.

Adopted this 23rd day of January, 2024.

[S E A L]

\s\ Richard Bunt

Its Mayor

Attest: \s\ Penny Owens

Its Town Clerk

EXHIBIT A

Letter of Representations

The Letter of Representations is on file with the Depository Trust Company.