K&C Draft 3/9/26

FINANCING AGREEMENT

dated as of _____ 1, 2026

BETWEEN

VIRGINIA RESOURCES AUTHORITY,

as Administrator of the
Virginia Water Facilities Revolving Fund

AND

COUNTY OF GREENE, VIRGINIA

Virginia Resources Authority
Virginia Water Facilities Revolving Fund

Loan No. C-515859

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FINANCING AGREEMENT

THIS FINANCING AGREEMENT is made as of this first day of _____, 2026, between the **VIRGINIA RESOURCES AUTHORITY**, a public body corporate and a political subdivision of the Commonwealth of Virginia (the "Authority"), as Administrator of the **VIRGINIA WATER FACILITIES REVOLVING FUND**, and the **COUNTY OF GREENE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "Borrower").

Pursuant to Chapter 22, Title 62.1 of the Code of Virginia (1950), as amended (the "Act"), the General Assembly created a permanent and perpetual fund known as the "Virginia Water Facilities Revolving Fund" (the "Fund"). In conjunction with the State Water Control Board, the Authority administers and manages the Fund. From the Fund, the Authority from time to time makes loans to and acquires obligations of local governments in the Commonwealth of Virginia to finance or refinance the costs of wastewater treatment facilities within the meaning of Section 62.1-224 of the Act.

The Borrower has requested a loan from the Fund and will evidence its obligation to repay such loan by the Local Bond the Borrower will issue and sell to the Authority, as Administrator of the Fund. The Borrower will use the proceeds of the sale of the Local Bond to the Authority to finance that portion of the Project Costs not being paid from other sources, all as further set forth in the Project Budget.

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. The capitalized terms contained in this Agreement and not defined above shall have the meanings set forth below unless the context requires otherwise and any capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Act:

"Additional Payments" means the payments required by Section 6.2.

"Agreement" means this Financing Agreement between the Authority and the Borrower, together with any amendments or supplements hereto.

"Annual Administrative Fee" means the portion of the Cost of Funds specified in Section 6.1(a)(ii) payable as an annual fee for administrative and management services attributable to the Local Bond.

"Authorized Representative" means any member, official or employee of the Borrower authorized by ordinance or resolution of the Borrower to perform the act or sign the document in question.

"Board" means the State Water Control Board.

"Closing Date" means the date of the delivery of the Local Bond to the Authority.

"Commitment Letter" shall mean the commitment letter from the Authority to the Borrower dated _____, 2026 and all extensions and amendments thereto.

"Consulting Engineer" shall have the meaning given such term in the Local Master Indenture.

"Cost of Funds" means interest, including the part thereof allocable to the Annual Administrative Fee, payable as set forth in Section 6.1.

"Default" means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Department" means the Department of Environmental Quality, created and acting under Chapter 11.1, Title 10.1, of the Code of Virginia, as amended.

"Event of Default" shall have the meaning set forth in Section 11.1.

"Existing Parity Bonds" means any of the Borrower's bonds, notes or other evidences of indebtedness, as further described on Exhibit F, that on the date of the Local Bond's issuance and delivery were secured by or payable from a pledge of Net Revenues Available for Debt Service on a parity with the pledge of Net Revenues Available for Debt Service securing the Local Bond.

"Fiscal Year" shall have the meaning given such term in the Local Master Indenture.

"Local Bond" means the bond in substantially the form provided for in the _____ Supplemental Indenture of Trust, and attached to this Agreement as Exhibit A, issued by the Borrower under the _____ Supplemental Indenture of Trust and purchased by the Authority, as Administrator of the Fund, pursuant to this Agreement.

"Local Bond Proceeds" means the proceeds of the sale of the Local Bond to the Authority, as Administrator of the Fund, pursuant to this Agreement.

"Local Master Indenture" means the Master Indenture of Trust dated as of November 1, 2025, between the Borrower and the Local Trustee, as supplemented and amended by its terms from time to time, including but not limited to, pursuant to the terms of the _____ Supplemental Indenture of Trust.

"Local Resolution" means all resolutions or ordinances adopted by the governing body of the Borrower approving the transactions contemplated by and authorizing the execution and delivery of this Agreement and the execution, issuance and delivery of the Local Bond.

"Local Trustee" means U.S. Bank Trust Company, National Association, Richmond, Virginia, as trustee under the Local Master Indenture, or its successors serving in such capacity.

"Net Revenues Available for Debt Service" shall have the meaning given such term in the Local Master Indenture.

"_____ Supplemental Indenture of Trust" means that _____ Supplemental Indenture of Trust dated as of _____ 1, 2026 between the Borrower and the Local Trustee, pursuant to and under which the Borrower is issuing the Local Bond to finance the Project.

"Opinion of Counsel" means a written opinion of recognized bond counsel, acceptable to the Authority.

"Prior Bonds" means any of the Borrower's bonds, notes or other evidences of indebtedness, as further described in Exhibit F, that on the date of the Local Bond's issuance and delivery are secured by or payable from a pledge of Net Revenues Available for Debt Service all or any portion of which is superior to the pledge of Net Revenues Available for Debt Service securing the Local Bond.

"Project" means the particular project described in Exhibit B, the costs of the construction, acquisition or equipping of which are to be financed or refinanced in whole or in part with the Local Bond Proceeds.

"Project Budget" means the budget for the financing or the refinancing of the Project, a copy of which is attached to this Agreement as Exhibit C, with such changes therein as may be approved in writing by the Authority.

"Project Costs" means the costs of the construction, acquisition or equipping of the Project, as further described in the Project Budget, and such other costs as may be approved in writing by the Authority, provided such costs are permitted by the Act.

"Qualified Independent Consultant" shall have the meaning given such term in the Local Master Indenture.

"Revenues" shall have the meaning given such term in the Local Master Indenture.

"System" shall have the meaning given such term in the Local Master Indenture, of which the Project constitutes a part.

Section 1.2. Rules of Construction. The following rules shall apply to the construction of this Agreement unless the context requires otherwise:

(a) Singular words shall connote the plural number as well as the singular and vice versa.

(b) All references in this Agreement to particular Sections or Exhibits are references to Sections or Exhibits of this Agreement unless otherwise indicated.

(c) The headings and table of contents as used in this Agreement are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

(d) References in this Agreement to sections and subsections in the Local Master Indenture shall be read to include the defined terms used in such sections and subsections.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by Borrower. The Borrower makes the following representations as the basis for its undertakings under this Agreement:

(a) The Borrower is a duly created and validly existing "local government" (as defined in Section 62.1-224 of the Act) of the Commonwealth of Virginia and is vested with the rights and powers conferred upon it by Virginia law.

(b) The Borrower has full right, power and authority to (i) adopt the Local Resolution and execute and deliver this Agreement, the _____ Supplemental Indenture of Trust and the other documents related thereto, (ii) issue, sell and deliver the Local Bond to the Authority, as Administrator of the Fund, (iii) own and operate the System, (iv) fix, charge and collect charges for the use of and for the services furnished by the System, (v) construct, acquire or equip the Project (as described in Exhibit B) and finance or refinance the Project Costs by borrowing money for such purpose pursuant to this Agreement and the issuance of the Local Bond, (vi) pledge the Net Revenues Available for Debt Service of the System to the payment of the Local Bond, and (vii) carry out and consummate all of the transactions contemplated by the Local Resolution, this Agreement, the _____ Supplemental Indenture of Trust and the Local Bond.

(c) This Agreement, the _____ Supplemental Indenture of Trust and the Local Bond were duly authorized by the Local Resolution and are in substantially the same form as presented to the governing body of the Borrower at its meeting at which the Local Resolution was adopted.

(d) All governmental permits, licenses, registrations, certificates, authorizations and approvals required to have been obtained as of the date of the delivery of this Agreement have been obtained for (i) the Borrower's adoption of the Local Resolution, (ii) the execution and delivery by the Borrower of this Agreement, the _____ Supplemental Indenture of Trust and the Local Bond, (iii) the performance and enforcement of the obligations

of the Borrower thereunder, (iv) the acquisition, construction, equipping, occupation, operation and use of the Project, and (v) the operation and use of the System and the performance by the Borrower of its obligations under the Local Master Indenture. The Borrower knows of no reason why any such required governmental permits, licenses, registrations, certificates, authorizations and approvals not obtained as of the date hereof cannot be obtained as needed.

(e) This Agreement, and the Local Master Indenture have been executed and delivered by duly authorized officials of the Borrower and constitute the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms.

(f) When executed and delivered in accordance with the Local Resolution, this Agreement and the Local Master Indenture, the Local Bond will have been executed and delivered by duly authorized officials of the Borrower and will constitute a legal, valid and binding limited obligation of the Borrower enforceable against the Borrower in accordance with its terms.

(g) The issuance of the Local Bond and the execution and delivery of this Agreement and the _____ Supplemental Indenture of Trust and the performance by the Borrower of its obligations thereunder are within the powers of the Borrower and will not conflict with, or constitute a breach or result in a violation of, (i) to the best of the Borrower's knowledge, any Federal, or Virginia constitutional or statutory provision, including the Borrower's charter or articles of incorporation, if any, (ii) any agreement or other instrument to which the Borrower is a party or by which it is bound or (iii) any order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Borrower or its property.

(h) The Borrower is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money and is not in default under any instrument under and subject to which any indebtedness for borrowed money has been incurred. No event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including but not limited to this Agreement, and the Local Master Indenture, which constitutes, or which, with notice or lapse of time, or both, would constitute an event of default thereunder.

(i) The Borrower (i) to the best of the Borrower's knowledge, is not in violation of any existing law, rule or regulation applicable to it in any way which would have a material adverse effect on its financial condition or its ability to perform its obligations under this Agreement, the Local Master Indenture or the Local Bond and (ii) is not in default under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the Borrower is a party or by which it is bound or to which any of its assets is subject, which would have a material adverse effect on its financial condition or its ability to perform its obligations under this Agreement, the Local Master Indenture or the Local Bond. The execution and delivery by the Borrower of this Agreement or the Local Bond and the compliance with the terms and conditions thereof will not conflict with or result in a breach of or constitute a default under any of the foregoing.

(j) There are not pending nor, to the best of the Borrower's knowledge, threatened against the Borrower, any actions, suits, proceedings or investigations of a legal, equitable, regulatory, administrative or legislative nature, (i) affecting the creation, organization or existence of the Borrower or the title of its officers to their respective offices, (ii) seeking to prohibit, restrain or enjoin the approval, execution, delivery or performance of the Local Resolution, this Agreement, the Local Master Indenture or the Local Bond or the issuance or delivery of the Local Bond, (iii) in any way contesting or affecting the validity or enforceability of the Local Resolution, this Agreement, the Local Master Indenture, the Local Bond or any agreement or instrument relating to any of the foregoing, (iv) in which a judgment, order or resolution may have a material adverse effect on the Borrower or its business, assets, condition (financial or otherwise), operations or prospects or on its ability to perform its obligations under the Local Resolution, this Agreement, the Local Master Indenture or the Local Bond, (v) in any way affecting or contesting the undertaking of the Project, or (vi) contesting or challenging the power of the Borrower to pledge the Net Revenues Available for Debt Service to the payment of the Local Bond.

(k) The Borrower is in compliance with the insurance provisions set forth in Section 808 of the Local Master Indenture.

(l) There have been no defaults by any contractor or subcontractor under any contract made by the Borrower in connection with the construction or equipping of the Project.

(m) No material adverse change has occurred in the financial condition of the Borrower as indicated in the financial statements, applications and other information furnished to the Authority.

(n) Except as may otherwise be approved by the Authority or permitted by the terms of this Agreement, the System at all times is and will be owned by the Borrower and will not be operated or controlled by any other entity or person.

(o) There is no indebtedness of the Borrower secured by or payable from a pledge of Net Revenues Available for Debt Service on a parity with or prior to the lien of the pledge of Net Revenues Available for Debt Service securing the Local Bond except any Existing Parity Bonds or Prior Bonds set forth on Exhibit F.

(p) No Event of Default or Default has occurred and is continuing.

ARTICLE III

ISSUANCE AND DELIVERY OF THE LOCAL BOND

Section 3.1. Loan to Borrower and Purchase of the Local Bond. The Borrower agrees to borrow from the Authority and the Authority agrees to lend to the Borrower, from the Fund, the principal amount equal to the sum of the principal disbursements made pursuant to

Section 4.1, but not to exceed $_____ for the purposes herein set forth. The Borrower's obligation shall be evidenced by the Local Bond, which shall be in substantially the form of Exhibit A attached hereto and made a part hereof and delivered to the Authority on the Closing Date. The Local Bond shall be in the original principal amount of the loan, bear a Cost of Funds, and shall mature and be payable as hereinafter provided.

Section 3.2. Conditions Precedent to Purchase of the Local Bond. The Authority shall not be required to make the loan to the Borrower and purchase the Local Bond unless the Authority shall have received the following, all in form and substance satisfactory to the Authority:

(a) The Local Bond and the _____ Supplemental Indenture of Trust.

(b) A certified copy of the Local Resolution.

(c) A certificate of appropriate officials of the Borrower as to the matters set forth in Section 2.1 and such other matters as the Authority may reasonably require.

(d) A closing certificate from the Department certifying that the Project is in compliance with all federal and state laws and project requirements applicable to the Fund and evidencing the Board's concurrence in the closing of the loan with the Borrower.

(e) A certificate of the Consulting Engineer estimating the total Project Costs to be financed with the Local Bond Proceeds, which estimate is in an amount and otherwise compatible with the financing plan described in the Project Budget.

(f) A certificate of the Consulting Engineer to the effect that in the opinion of the Consulting Engineer the Local Bond Proceeds and funds available from the other sources specified in the Project Budget will be sufficient to pay the estimated Project Costs.

(g) A certificate, including supporting documentation, of the Director of Finance that in the opinion of the Director of Finance, during the first two complete Fiscal Years of the Borrower following completion of the Project, the projected Net Revenues Available for Debt Service will satisfy the rate covenant made by the Borrower in Section 5.1. In providing this certificate, the Director of Finance may take into consideration future System rate increases, provided that such rate increases have been duly approved by the governing body of the Borrower and any other person or entity required to give approval for the rate increase to become effective. In addition, the Director of Finance may take into consideration additional future revenues to be derived under existing contractual arrangements entered into by the Borrower and from reasonable estimates of growth in the consumer base of the Borrower.

(h) A certificate of the Consulting Engineer as to the date the Borrower is expected to complete the acquisition, construction and equipping of the Project.

(i) Evidence satisfactory to the Authority that all governmental permits, licenses, registrations, certificates, authorizations and approvals for the Project required to have

been obtained as of the date of the delivery of this Agreement have been obtained and a statement of the Consulting Engineer that he knows of no reason why any future required governmental permits, licenses, registrations, certificates, authorizations and approvals cannot be obtained as needed.

(j) Evidence satisfactory to the Authority that the Borrower has obtained or has made arrangements satisfactory to the Authority to obtain any funds or other financing for the Project as contemplated in the Project Budget.

(k) Evidence satisfactory to the Authority that the Borrower has performed and satisfied all of the terms and conditions contained in this Agreement to be performed and satisfied by it as of such date.

(l) An Opinion of Counsel, substantially in the form of Exhibit D, addressed to the Fund and the Authority.

(m) An opinion of counsel to the Borrower in form and substance reasonably satisfactory to the Authority.

(n) Evidence satisfactory to the Authority that the Borrower has complied with the insurance provisions set forth in Section 9.1 hereof.

(o) A copy of each certificate, document or other item required to be deposited with the Local Trustee under the Local Master Indenture for the issuance of the Local Bond as a "Bond" under the Local Master Indenture.

(p) Such other documentation, certificates and opinions as the Authority, the Board or the Department may reasonably require.

ARTICLE IV

USE OF LOCAL BOND PROCEEDS AND CONSTRUCTION OF PROJECT

Section 4.1. Application of Proceeds.

(a) The Borrower agrees to apply the Local Bond Proceeds solely and exclusively to the payment, or to the reimbursement of the Borrower for the payment, of Project Costs and further agrees to exhibit to the Department or the Authority receipts, vouchers, statements, bills of sale or other evidence of the actual payment of such Project Costs. The Authority shall disburse money from the Fund to the Borrower not more frequently than once each calendar month (unless otherwise agreed by the Authority and the Borrower) upon receipt by the Authority (with a copy to be furnished to the Department) of the following:

(1) A requisition (upon which the Authority, the Board and the Department shall be entitled to rely) signed by an Authorized Representative and containing all information called for by, and otherwise being in the form of, Exhibit E to this Agreement;

(2) If any requisition includes an item for payment for labor or to contractors, builders or materialmen,

(i) a certificate, signed by the Consulting Engineer, stating that such work was actually performed or such materials, supplies or equipment were actually furnished or installed in or about the construction of the Project; and

(ii) a certificate, signed by an Authorized Representative, stating either that such materials, supplies or equipment are not subject to any lien or security interest or that such lien or security interest will be released or discharged upon payment of the requisition.

Upon receipt of each such requisition and accompanying certificate or certificates and approval thereof by the Department, the Authority shall disburse Local Bond Proceeds hereunder to the Borrower (for deposit in the Project Fund, as defined in the Local Master Indenture, to be utilized as described herein and therein) in accordance with such requisition in an amount and to the extent approved by the Department and shall note the date and amount of each such disbursement on a schedule of principal disbursements to be included on the Local Bond. The Authority shall have no obligation to disburse any such Local Bond Proceeds if the Borrower is in Default hereunder nor shall the Department have any obligation to approve any requisition if the Borrower is not in compliance with the terms of this Agreement.

(b) The Borrower shall comply with all applicable laws of the Commonwealth of Virginia, including but not limited to, the Virginia Public Procurement Act, as amended, regarding the awarding and performance of public construction contracts related to the Project. Except as may otherwise be approved by the Department, disbursements shall be held at ninety-five percent (95%) of the maximum authorized amount of the Local Bond to ensure satisfactory completion of the Project. Disbursements of Local Bond Proceeds shall also be held if the Borrower does not timely provide a draft FSP and final FSP to the Department as set forth in Section 10.12 herein. Upon receipt from the Borrower of the certificate specified in Section 4.2 and a final requisition detailing all retainages to which the Borrower is then entitled, the Authority, to the extent approved by the Department and subject to the provisions of this Section and Section 4.2, will disburse to or for the account of the Borrower Local Bond Proceeds to the extent of such approval

The Authority shall have no obligation to disburse Local Bond Proceeds in excess of the amount necessary to pay for approved Project Costs. If principal disbursements up to the maximum authorized amount of the Local Bond are not made, installments due on the Local Bond shall only be reduced in accordance with Section 6.1.

Section 4.2. Agreement to Accomplish Project. The Borrower agrees to cause the Project to be acquired, constructed, expanded, renovated or equipped as described in Exhibit B

and in accordance with the Project Budget and the plans, specifications and designs prepared by the Consulting Engineer and approved by the Department. The Borrower shall use its best efforts to complete the Project by the date set forth in the certificate provided to the Authority pursuant to Section 3.2(h). All plans, specifications and designs shall be approved by all applicable regulatory agencies. The Borrower agrees to maintain complete and accurate books and records of the Project Costs and permit the Authority and the Department through their duly authorized representatives to inspect such books and records at any reasonable time. The Borrower and the Authority, with the consent of the Department, may amend the description of the Project set forth in Exhibit B.

When the Project has been completed, the Borrower shall promptly deliver to the Authority and the Department a certificate signed by an Authorized Representative of the Borrower and by the Consulting Engineer stating (i) that the Project has been completed substantially in accordance with this Section, the plans and specifications as amended from time to time, as approved by the Department, and in substantial compliance with all material applicable laws, ordinances, rules and regulations, (ii) the date of such completion, (iii) that all certificates of occupancy or other material permits necessary for the Project's use, occupancy and operation have been issued or obtained, and (iv) the amount, if any, to be reserved for payment of the Project Costs.

Section 4.3. Permits. The Borrower, at its sole cost and expense, shall comply with, and shall obtain all permits, consents and approvals required by local, state or federal laws, ordinances, rules, regulations or requirements in connection with the acquisition, construction, equipping, occupation, operation or use of the Project. The Borrower shall, upon request, promptly furnish to the Authority and the Department copies of all such permits, consents and approvals. The Borrower shall also comply with all lawful program or procedural guidelines or requirements duly promulgated and amended from time to time by the Department in connection with the acquisition, construction, equipping, occupation, operation or use of projects financed by the Fund under the Act. The Borrower shall also comply in all respects with all applicable federal laws, regulations and other requirements relating to or arising out of or in connection with the Project and the funding thereof by the Fund. Where noncompliance with such requirements is determined by the Authority or the Board, the issue may be referred to the proper Federal authority or agency for consultation or enforcement action.

Section 4.4. Construction Contractors. Each construction contractor employed in the accomplishment of the Project shall be required in the construction contract to furnish a performance bond and a payment bond each in an amount equal to one hundred percent (100%) of the particular contract price. Such bonds shall list the Borrower, the Fund, the Authority, the Department and the Board as beneficiaries. Each contractor shall be required to maintain during the construction period covered by the particular construction contract builder's risk insurance, workers' compensation insurance, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Consulting Engineer. Upon request of the Authority, the Department or the Board, the Borrower shall cause each contractor to furnish evidence of such bonds and insurance to the Authority, the Department or the Board.

Section 4.5. Engineering Services. The Borrower shall retain a Consulting Engineer to provide engineering services covering the operation of the System and the supervision and inspection of the construction of the Project. The Borrower shall provide written notice to the Authority of the designation of such Consulting Engineer. The Consulting Engineer shall certify to the Authority and the Department as to the various stages of the completion of the Project as disbursements of Local Bond Proceeds are requested and shall upon completion of the Project provide to the Authority and the Board the certificates required by Sections 4.1 and 4.2.

Section 4.6. Borrower Required to Complete Project. If the Local Bond Proceeds are not sufficient to pay in full the cost of the Project, the Borrower will complete the Project at its own expense and shall not be entitled to any reimbursement therefor from the Fund, the Authority, the Department or the Board or any abatement, diminution or postponement of the Borrower's payments under the Local Bond or this Agreement.

ARTICLE V

PLEDGE, NET REVENUES AND RATES

Section 5.1. Pledge of Net Revenues; Rate Covenant.

(a) The Net Revenues Available for Debt Service are hereby pledged to the Authority, as Administrator of the Fund, to secure the payment of the principal of and Cost of Funds on the Local Bond and the payment and performance of the Borrower's obligations under this Agreement, as set forth in Section 5.2 of the Local Master Indenture. This pledge shall be valid and binding from and after the execution and delivery of this Agreement. The lien of this pledge of the Net Revenues Available for Debt Service is on a parity with the lien of the pledge securing the Existing Parity Bonds, and shall have priority over all other obligations and liabilities of the Borrower. The lien of this pledge shall be valid and binding against all parties having claims of any kind against the Borrower regardless of whether such parties have notice of this pledge.

(b) The Borrower covenants and agrees that it will fix, charge and collect rates, fees and other charges for the use of and for services furnished by the System and shall, from time to time and as often as shall appear necessary, revise such rates, fees and other charges so as to satisfy the rate covenant provisions set forth in Section 9.4 of the Local Master Indenture. The Borrower shall furnish to the Authority a copy of any report prepared by a Qualified Independent Consultant (as described in Section 9.4 of the Local Master Indenture), and any amendments or supplements thereto, at the same time such information is filed with the Trustee, and shall otherwise comply with the provisions of Section 9.4 of the Local Master Indenture.

Section 5.2. Annual Budget. The Borrower shall furnish, or cause the Trustee to furnish, to the Authority a copy of the Annual Budget (as described in Section 9.3 of the Local Master Indenture) and any amendments or supplements thereto at the same time such information is filed with the Trustee, and shall otherwise comply with the provisions of Section 9.3 of the Local Master Indenture.

Section 5.3. Moral Obligation. (a) No later than May 15 of each year beginning May 15, 20[__] the County Administrator of the Borrower (the "County Administrator") shall notify the Authority in writing of the amount by which Net Revenues Available for Debt Service (calculated by excluding from Revenues any amounts to be or expected to be appropriated or paid pursuant to this Section 5.3) is expected in the next ensuing Fiscal Year to be insufficient to pay any amounts due under this Agreement, the Local Bond or the Existing Parity Bonds (collectively, the "Annual Deficiency Amount").

(b) The Borrower hereby directs the County Administrator to include the Annual Deficiency Amount in the budget submitted to the governing body of the Borrower (the "County Board") for the next ensuing Fiscal Year. The County Administrator shall deliver to the Authority within ten days after the adoption of the Borrower's budget for each Fiscal Year, but not later than July 15 of each year, a certificate stating whether the County Board has approved and included an amount equal to the Annual Deficiency Amount in the adopted Borrower budget for such Fiscal Year.

(c) If the Borrower fails to make any payment due on the Local Bond within ten days of its due date or any other payment required hereunder within fifteen (15) days of demand therefor, the Authority shall promptly notify the Borrower of such fact and the amount of any deficiency due hereunder. In such event, the County Administrator of the Borrower shall, on or before the fifth day of the month following the month in which the Borrower shall have been notified of the deficiency, deliver to the County Board a certificate stating the amount of the deficiency on the Local Bond, as well as the amount of any deficiency on the Existing Parity Bonds, accompanied by a request that the County Board appropriate and pay to the holders of the Local Bond and Existing Parity Bonds, as appropriate, from general funds of the Borrower an amount sufficient to cure the deficiency.

(d) The Borrower agrees that the County Board will consider each request for appropriation made pursuant to subsection (c) above at its next regularly scheduled meeting at which it is possible to satisfy any applicable notification requirement. The Borrower shall notify the Authority promptly after such meeting as to whether the amount so required was appropriated. If the County Board shall fail to make such appropriation, the County Administrator shall add the amount of such requested appropriation to the Annual Deficiency Amount reported to the County Board for the next Fiscal Year.

(e) The Borrower shall pay to the holders of the Local Bond or Existing Parity Bonds, as appropriate, the amount of any appropriation made pursuant to this Section 5.3. The Borrower and the Authority acknowledge that any amounts appropriated pursuant to this Section 5.4 are pledged to secure the payment of principal of and Costs of Funds or interest on the Local Bond and Existing Parity Bonds and amounts due under this Agreement, as the case may be.

(f) The County Board hereby undertakes a non-binding obligation to appropriate such amounts as may be requested from time to time pursuant to subsections (b) and (c) above, to the fullest degree and in such manner as is consistent with the Constitution and laws

of the Commonwealth of Virginia. The County Board, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future Fiscal Years, hereby states its intent to make such appropriations in future Fiscal Years, and hereby recommends that future County Boards do likewise.

(g) Nothing contained in this Section 5.3 is or shall be deemed to be a lending of the credit of the Borrower to the Authority or to any other person, and nothing herein contained is or shall be deemed to be a pledge of the faith and credit or the taxing power of the Borrower. Nothing contained in this Section shall bind or obligate the County Board to appropriate funds for the purposes described herein.

ARTICLE VI

PAYMENTS

Section 6.1. Payment of Local Bond. (a) The Local Bond shall be dated the date of its delivery to the Authority. The Cost of Funds on the Local Bond shall be computed on the disbursed principal balance thereof from the date of each disbursement at the rate of _____ one-hundredths percent (___%) per annum, consisting of the following:

(i) interest of _____ one-hundredths percent (___%) per annum payable for the benefit of the Fund, and

(ii) twenty one-hundredths percent (___%) per annum payable as an Annual Administrative Fee.

(b) The Cost of Funds only on all amounts disbursed under the Local Bond shall be due and payable on _____, 20__. Commencing _____, 20__, and continuing semi-annually thereafter on _____ and _____ in each year, principal and Cost of Funds due under the Local Bond shall be payable in equal installments of $_____ with a final installment of $_____ due and payable on _____, 20__, when, if not sooner paid, all amounts due hereunder and under the Local Bond shall be due and payable in full. Each installment shall be applied first to payment of the Cost of Funds accrued and unpaid to the payment date and then to principal. If principal disbursements up to the maximum authorized amount of the Local Bond are not made, the principal amount due on the Local Bond shall not include such undisbursed amount. However, unless the Borrower and the Authority agree otherwise in writing, until all amounts due hereunder and under the Local Bond shall have been paid in full, less than full disbursement of the maximum authorized amount of the Local Bond shall not postpone the due date of any semi-annual installment due on the Local Bond, or change the amount of such installment unless the principal amount due under the Local Bond is less than the amount of such installment. If any installment of principal of or Cost of Funds on the Local Bond is not paid within ten (10) days after its due date, the Borrower agrees to pay to the Authority a late payment charge in an amount equal to five percent (5.0%) per annum of the overdue installment.

Section 6.2. **Payment of Additional Payments**. In addition to the payments of principal of and Cost of Funds on the Local Bond, the Borrower agrees to pay on demand of the Authority the following Additional Payments:

(1) The costs of the Fund, the Authority, the Department or the Board in connection with the enforcement of this Agreement, including the reasonable fees and expenses of any attorneys used by any of them; and

(2) All expenses, including reasonable attorneys' fees, relating to any amendments, waivers, consents or collection or enforcement proceedings pursuant to the provisions hereof.

The Borrower agrees to pay interest on any Additional Payments enumerated in (1) above not received by the Authority within ten (10) days after demand therefor at a rate of five percent (5.0%) per annum of the overdue installment from its due date until the date it is paid.

ARTICLE VII

PREPAYMENTS

Section 7.1. **Prepayment of Local Bond**. Upon completion of the Project and after giving at least ten (10) days' written notice to the Authority, the Borrower may prepay the Local Bond at any time, in whole or in part and without penalty. Such written notice shall specify the date on which the Borrower will make such prepayment and whether the Local Bond will be prepaid in full or in part, and if in part, the principal amount to be prepaid. Any such partial prepayment shall be applied against the principal amount outstanding under the Local Bond but shall not postpone the due date of any subsequent payment on the Local Bond, or change the amount of such installment, unless the Borrower and the Authority agree otherwise in writing.

ARTICLE VIII

OPERATION AND USE OF SYSTEM

Section 8.1. Ownership and Operation of Project and System. Except as may otherwise be approved by the Authority or permitted by the terms hereof and the Local Master Indenture, the Project and the System at all times shall be owned by the Borrower and shall not be operated or controlled by any other entity or person.

Section 8.2. Maintenance. At its own cost and expense, the Borrower shall operate the System in a proper, sound and economical manner and in compliance with all legal requirements, shall maintain the System in good repair and operating condition and from time to time shall make all necessary repairs, renewals and replacements, and shall otherwise comply with Section 9.13 of the Local Master Indenture.

Section 8.3. Additions and Modifications. At its own expense, the Borrower from time to time may make any renewals, replacements, additions, modifications or improvements to the System which it deems desirable and which do not materially reduce the value of the System or the structural or operational integrity of any part of the System, provided that all such renewals, replacements, additions, modifications or improvements comply with all applicable federal, state and local laws, rules, regulations, orders, permits, authorizations and requirements. All such renewals, replacements, additions, modifications and improvements shall become part of the System.

Section 8.4. Use of System. The Borrower shall comply with all lawful requirements of any governmental authority regarding the System, whether now existing or subsequently enacted, whether foreseen or unforeseen or whether involving any change in governmental policy or requiring structural, operational and other changes to the System, irrespective of the cost of making the same.

Section 8.5. Inspection of System and Borrower's Books and Records. The Authority and the Department and their duly authorized representatives and agents shall have such reasonable rights of access to the System as may be necessary to determine whether the Borrower is in compliance with the requirements of this Agreement and shall have the right at all reasonable times and upon reasonable prior notice to the Borrower to examine and copy the books and records of the Borrower insofar as such books and records relate to the System.

Section 8.6. Ownership of Land. The Borrower shall not construct, reconstruct or install any part of the System on lands other than those which the Borrower owns or can acquire title to or a perpetual easement over, in either case sufficient for the Borrower's purposes, unless such part of the System is lawfully located in a public street or highway or is a main, conduit, pipeline, main connection or facility located on land in which the Borrower has acquired a right or interest less than a fee simple or perpetual easement and such lesser right or interest has been approved by written opinion of counsel to the Borrower as sufficient for the Borrower's purposes.

Section 8.7. Sale or Encumbrance. No part of the System shall be sold, exchanged, leased, mortgaged, encumbered or otherwise disposed of except as provided in Section 9.9 of the Local Master Indenture.

Section 8.8. Collection of Revenues. The Borrower shall use its best efforts to collect all rates, fees and other charges due to it and shall perfect liens on premises served by the System for the amount of all delinquent rates, fees and other charges where such action is permitted by law. The Borrower shall, to the full extent permitted by law and in accordance with Section 9.5 of the Local Master Indenture, discontinue and shut off, or cause to be discontinued and shut off, services and facilities of the System, and use its best efforts to cause to be shut off water service furnished otherwise than through the System, to customers of the System who are delinquent beyond any customary grace periods in the payment of rates, fees and other charges due to the Borrower.

Section 8.9. No Free Service. The Borrower shall not permit connections with or the use of the System, or furnish any services afforded by the System, without making a charge therefor based on the Borrower's uniform schedule of rates, fees and charges.

Section 8.10. No Competing Service. The Borrower shall not provide, grant any franchise to provide or give consent for anyone else to provide, any services which would compete with the System.

Section 8.11. Mandatory Connection. The Borrower shall adopt and enforce rules and regulations, consistent with applicable laws, requiring the owner, tenant or occupant of each lot or parcel of land which is served or may reasonably be served by the System and upon which lot or parcel a building shall have been constructed for residential, commercial or industrial use, to connect such building to the System; provided, however, such rules and regulations may permit and provide that any such building already in existence at the time the services of the System became available to the applicable lot or parcel may continue to use a private sewage disposal system approved by the applicable board of health or health officer until such approved private sewage disposal system shall cease to be approved or shall require major repairs to continue to be approved, at which time such building shall be required to connect to the System.

Section 8.12. Lawful Charges. The Borrower shall pay when due all lawful taxes, fees, assessments, levies and other governmental charges of any kind whatsoever (collectively, the "Governmental Charges") which are (i) assessed, levied or imposed against the System or the Borrower's interest in it, or (ii) incurred in the operation, maintenance, use and occupancy of the System. The Borrower shall pay or cause to be discharged, or shall make adequate provision to pay or discharge, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon all or any part of the System or the Net Revenues Available for Debt Service (collectively, the "Mechanics' Charges"). The Borrower, at its own expense and in its own name, may contest in good faith any Governmental Charges or Mechanics' Charges. If such a contest occurs, the Borrower may permit the same to remain unpaid during the period of the contest and any subsequent appeal. Upon request, the Borrower

shall furnish to the Authority proof of payment of all Governmental Charges and the Mechanics' Charges required to be paid by the Borrower under this Agreement.

ARTICLE IX

INSURANCE, DAMAGE AND DESTRUCTION

Section 9.1. Insurance. The Borrower continuously shall maintain or cause to be maintained the insurance coverages required by Section 9.16 of the Local Master Indenture. The Authority shall not have any responsibility or obligation with respect to (i) the procurement or maintenance of insurance or the amounts or the provisions with respect to policies of insurance, or (ii) the application of the proceeds of insurance.

The Borrower shall provide no less often than annually and, upon the Authority's written request, a certificate or certificates of the respective insurers evidencing the fact that the insurance required by this Section is in full force and effect.

Section 9.2. Damage, Destruction, Condemnation and Loss of Title. If all or any part of the System is destroyed or damaged by fire or other casualty, condemned or lost by failure of title, or upon the commencement of any proceedings or negotiations which might result in such a taking or loss, the Borrower shall give prompt notice thereof to the Authority describing generally the nature and extent of such damage, destruction, taking, loss, proceedings or negotiations, and shall otherwise comply with the terms and conditions of Section 9.16 of the Local Master Indenture.

ARTICLE X

SPECIAL COVENANTS

Section 10.1. Maintenance of Existence. The Borrower shall maintain its existence as a "local government" (as defined in the Act) of the Commonwealth of Virginia and, without the consent of the Authority and the Department, shall not dissolve or otherwise dispose of all or substantially all of its assets or consolidate or merge with or into another entity. Notwithstanding the foregoing, the Borrower may consolidate or merge with or into, or sell or otherwise transfer all or substantially all of its assets to a political subdivision of the Commonwealth of Virginia, and the Borrower thereafter may dissolve, if the surviving, resulting or transferee political subdivision, if other than the Borrower, assumes, in written form acceptable to the Authority, the Local Trustee and the Department, all of the obligations of the Borrower contained in the Local Bond and this Agreement, and there is furnished to the Authority and the Department an Opinion of Counsel acceptable to the Authority and the Department, subject only to customary exceptions and qualifications, to the effect that such assumption constitutes the legal, valid and binding obligation of the surviving, resulting or transferee political subdivision enforceable against it in accordance with its terms.

Section 10.2. Financial Records and Statements. The Borrower shall maintain proper books of record and account in which proper entries shall be made in accordance with generally accepted government accounting standards, consistently applied, of all its business and affairs related to the System. The Borrower shall have an annual audit of the financial condition of the Borrower (and at the reasonable request of the Authority, of the System) made in accordance with the terms of Section 9.10 of the Local Master Indenture. The annual audit shall include a supplemental schedule demonstrating whether the Borrower during such Fiscal Year satisfied the rate covenant made by the Borrower in Section 5.1(b). The Borrower agrees to file, or to cause the Trustee to file, with the Authority each of the documents required to be filed with the Local Trustee pursuant to the Local Master Indenture at the time each such document is required to be filed with the Local Trustee. Upon prior notice to the Borrower, the Authority shall have the right to inspect the System and all records, accounts and data relating thereto during normal business hours.

Section 10.3. Certificate as to No Default. The Borrower shall deliver to the Authority, within one hundred and eighty (180) days after the close of each Fiscal Year, a certificate signed by an Authorized Representative stating that, during such year and as of the date of such certificate, no event or condition has happened or existed, or is happening or existing, which constitutes an Event of Default or a Default, or if such an event or condition has happened or existed, or is happening or existing, specifying the nature and period of such event or condition and what action the Borrower has taken, is taking or proposes to take to rectify it.

Section 10.4. Additional Indebtedness. The Borrower shall not incur any indebtedness or issue any bonds, notes or other evidences of indebtedness secured by or payable from a pledge of Net Revenues Available for Debt Service except in accordance with the terms and conditions of the Local Master Indenture. The Borrower agrees to notify the Authority before the issuance of any Bonds, Other System Indebtedness or Subordinate Debt as defined in the Local Master Indenture.

Section 10.5. Further Assurances. The Borrower shall to the fullest extent permitted by law pass, make, do, execute, acknowledge and deliver such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming the rights, Net Revenues Available for Debt Service and other funds pledged or assigned by this Agreement, or as may be required to carry out the purposes of this Agreement. The Borrower shall at all times, to the fullest extent permitted by law, defend, preserve and protect the pledge of the Net Revenues Available for Debt Service and other funds pledged under this Agreement and all rights of the Authority, the Department and the Board under this Agreement against all claims and demands of all persons.

Section 10.6. Other Indebtedness. The Borrower agrees to pay when due all amounts required by any other bonded indebtedness and to perform all of its obligations in connection therewith.

Section 10.7. Assignment by Borrower. The Borrower may not assign its rights under this Agreement without the prior written consent of the Authority, the Local Trustee and the

Department. If the Borrower desires to assign its rights under this Agreement to another "local government" (as defined in the Act), the Borrower shall give notice of such fact to the Authority, the Local Trustee and the Department. If the Authority, the Local Trustee and the Department consent to the proposed assignment, the Borrower may proceed with the proposed assignment, but such assignment shall not become effective until the Authority, the Local Trustee and the Department are furnished (i) an assumption agreement in form and substance satisfactory to the Authority, the Local Trustee and the Department by which the assignee agrees to assume all of the Borrower's obligations under the Local Bond and this Agreement, and (ii) an Opinion of Counsel to the assignee, subject to customary exceptions and qualifications, that the assumption agreement, the Local Bond and this Agreement constitute legal, valid and binding obligations of the assignee enforceable against the assignee in accordance with their terms and that the assignment and assumption comply in all respects with the provisions of this Agreement and the Local Master Indenture. Notwithstanding the foregoing, the assignment of the rights of the Borrower under the Local Bond and this Agreement or the assumption of the obligations thereunder by the assignee shall in no way be construed as releasing the Borrower's obligations.

Section 10.8. Compliance with Local Master Indenture. (a) The Borrower shall (i) comply with the terms and conditions of the Local Master Indenture, (ii) furnish to the Authority a copy of any amendments or supplements to the Local Master Indenture promptly upon the execution and delivery thereof, and (iii) give notice to the Authority immediately upon becoming aware of any event of default thereunder. The applicability of any and all references herein to the terms, conditions and covenants set forth in the Local Master Indenture (as amended or supplemented) shall remain in full force and effect for so long as any amount remains due and payable by the Borrower to the Authority under the terms and conditions of this Agreement or the Local Bond.

(b) In the event that the Borrower makes any unscheduled transfers between the funds established by the Local Master Indenture either (i) not in the ordinary course of business or (ii) as a result of financial difficulties, the Borrower shall send notice to the Authority in a timely manner not in excess of ten (10) business days after such transfer.

Section 10.9. Continuing Disclosure Obligations. (a) For purposes of this Section, the following terms and phrases shall have the following meanings:

"Annual Financial Information" with respect to any Fiscal Year for the Borrower, means the following:

(i) the financial statements (consisting of at least a balance sheet and statement of revenues and expenses) of the System, or, if not available, the financial statements (consisting of at least a balance sheet and a statement of revenues and expenses) of the Borrower, which financial statements must be (A) prepared annually in accordance with generally accepted accounting principles in effect from time to time consistently applied (provided that nothing in this clause (A) will prohibit the Borrower after the date of this Agreement from changing such other principles so as to comply with generally accepted accounting principles as then in effect or to comply with a change in applicable law) and (B)

audited by an independent certified public accountant or firm of such accountants in accordance with generally accepted auditing standards as in effect from time to time (provided that if audited financial statements are not available for filing when required by this Section or the Rule (as defined herein), unaudited financial statements will be filed and audited financial statements will be filed as soon as possible thereafter); and

(ii) operating data of the type set forth in Exhibit G.

"Dissemination Agent" shall mean any person, reasonably acceptable to the Authority, whom the Borrower contracts in writing to perform its obligations as provided in subsection (b) of this Section.

"Leveraging Bonds" means the bonds and other evidences of indebtedness issued and sold by the Authority pursuant to the Virginia Resources Authority Act, Chapter 21, Title 62.1 of the Code of Virginia (1950), as amended, the Act, and any successor provisions of law, including without limitation the bonds and other evidences of indebtedness issued by the Authority under the Second Amended and Restated Master Indenture of Trust dated as of September 1, 2020, between the Authority and U.S. Bank Trust Company, National Association, as trustee, as supplemented and amended.

"Local Government" shall have the meaning set forth in Section 62.1-199 of the Code of Virginia of 1950, as amended.

"Local Obligations" shall mean any bonds, notes, debentures, interim certificates, bond, grant or revenue anticipation notes, leases or any other evidences of indebtedness of a Local Government evidencing a loan made by the Authority to a Local Government from the Fund or the proceeds of Leveraging Bonds.

"Make Public" or "Made Public" shall have the meaning set forth in subsection (c) of this Section.

"Material Local Government" shall mean a Local Government that satisfies a set of objective criteria established by the Authority at the time of sale of each series of Leveraging Bonds and based on the level of participation of each Local Government in the aggregate outstanding principal amount of all Local Obligations. For all Leveraging Bonds currently outstanding as of the date of this Agreement, a Material Local Government is any Local Government whose aggregate outstanding principal amount of Local Obligations represents twenty percent (20%) or more of the aggregate outstanding principal amount of all Local Obligations.

"Rule" means Rule 15c2-12, as it may be amended from time to time, under the Securities Exchange Act of 1934 and any similar rules of the SEC relating to disclosure requirements in the offering and sale of municipal securities, all as in effect from time to time.

"SEC" means the U.S. Securities and Exchange Commission.

(b) The Borrower shall Make Public or cause to be Made Public:

(1) Within 270 days after the end of the Borrower's Fiscal Year (commencing with the Fiscal Year in which the Closing Date occurs), Annual Financial Information for such Fiscal Year as of the end of which the Borrower constitutes a Material Local Government. Annual Financial Information may be set forth in the documents Made Public or may be included by reference in a document Made Public to any document previously filed with the SEC. If the document referred to is a final official statement within the meaning of the Rule, then it must be available from the Municipal Securities Rulemaking Board ("MSRB").

(2) In a timely manner, notice of any failure by the Borrower to Make Public or cause to be Made Public Annual Financial Information pursuant to the terms of part (1) of this subsection.

(c) For purposes of this Section, information and notices shall be deemed to have been Made Public if transmitted to the Authority and to the MSRB for publication on its Electronic Municipal Market Access system ("EMMA"). All documents provided to the MSRB shall be accompanied by identifying information prescribed by the Authority and the MSRB.

(d) The Borrower shall also notify the Authority within five (5) business days of becoming aware of any of the following events that may from time to time occur with respect to the Local Bond:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on any credit enhancement reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other notices or determinations with respect to the tax status of the Local Bond, or other events affecting the tax status of the Local Bond;

(7) modifications to rights of the holders of the Local Bond;

(8) bond calls and tender offers;

(9) defeasances of all or any portion of the Local Bond;

(10) release, substitution, or sale of property securing repayment of the Local Bond;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Borrower*;

(13) the consummation of a merger, consolidation or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(14) appointment of a successor or additional trustee or the change in the name of a trustee;

(15) incurrence of a financial obligation** of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Borrower, any of which reflect financial difficulties.

(e) Notwithstanding anything in this Agreement to the contrary, the Borrower need not comply with the provisions of subsections (a) through (d) above unless and until the Authority has notified the Borrower that it satisfied the objective criteria for a Material Local Government as of the end of the Authority's immediately preceding fiscal year.

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* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower.

** The term "financial obligation" is defined to mean a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) a guarantee of (A) or (B). The term "financial obligation" does not include municipal securities as to which a final official statement has been otherwise provided to the MSRB consistent with the Rule.

(f) The obligations of the Borrower under this Section will terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all of the Leveraging Bonds.

(g) The Borrower may modify its continuing disclosure obligations in this Section without the consent of holders of the Leveraging Bonds provided that this Section as so modified complies with the Rule as it exists at the time of modification. The Borrower shall within a reasonable time thereafter send to the Authority and the MSRB through EMMA a description of such modification(s).

(h) (1) If the Borrower fails to comply with any covenant or obligation set forth in this Section, any holder (within the meaning of the Rule) of Leveraging Bonds then Outstanding may, by notice to the Borrower, proceed to protect and enforce its rights and the rights of the holders by an action for specific performance of the Borrower's covenants or obligations set forth in this Section.

(2) Notwithstanding anything herein to the contrary, any failure of the Borrower to comply with any obligation regarding Annual Financial Information specified in this Section (i) shall not be deemed to constitute an Event of Default under this Agreement and (ii) shall not give rise to any right or remedy other than that described in part (h)(1) of this Section.

(i) The Borrower may from time to time disclose certain information and data in addition to that required under this Section. Notwithstanding anything in this Agreement to the contrary, the Borrower shall not incur any obligation to continue to provide, or to update, such additional information or data.

(j) The Borrower may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligation to Make Public the Annual Financial Information, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

Section 10.10. Davis-Bacon Act. The Borrower agrees to comply with the Davis-Bacon Act and related acts, as amended, with respect to the Project and require that all laborers and mechanics employed by contractors and subcontractors for the Project shall be paid wages at rates not less than those prevailing on projects of a similar character, as determined by the United States Secretary of Labor in accordance with Section 513 of the Federal Water Pollution Control Act, as amended.

Section 10.11. American Iron and Steel. The Borrower agrees to comply with Section 608 of the Federal Water Pollution Control Act and related acts, as amended, with respect to the Project and require that all iron and steel products used for the Project are to be produced in the United States as required under such act. The term "iron and steel products" is defined to mean the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete and construction materials.

Section 10.12. Fiscal Sustainability Plan. The Borrower agrees to develop and implement a fiscal sustainability plan ("FSP") to the reasonable satisfaction of the Department that includes but is not limited to: (1) an inventory of critical assets that are part of the treatment works, (2) evaluation of the condition and performance of inventoried assets or asset groupings, (3) certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan, and (4) a plan for maintaining, repairing, funding, and as necessary, replacing the treatment works. Except as may otherwise be approved by the Department, disbursements shall be held at eighty percent (80%) of the maximum authorized amount of the Local Bond until a draft FSP is submitted to the Department and at ninety-five percent (95%) of the maximum authorized amount of the Local Bond until a final FSP is submitted and approved by the Department.

Section 10.13. Prohibition on Telecommunications Services or Equipment. The Borrower agrees to comply with all federal requirements imposed by 2 C.F.R. § 200.216, implementing P.L. 115-232, Section 889, as amended and supplemented and in effect from time to time, with respect to the Project. Such requirements include, among other things, that the Borrower is prohibited from obligating or expending the Local Bond Proceeds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use certain covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

Section 10.14. Reporting Fraud; Whistleblower Protections. In the performance of this Agreement, and in accordance with applicable federal law, the Borrower warrants that it will promptly disclose whenever, in connection with this Agreement, it has credible evidence of the commission of a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act (31 U.S.C. §§ 3729-3733). The Borrower agrees to make such disclosure in writing to the applicable federal agency, the agency's Office of Inspector General, and pass-through entity (if applicable). The Borrower agrees to also report matters related to recipient integrity and performance as required under 2 CFR § 200.113. The Borrower agrees to post in conspicuous places details on how to report such violations or otherwise establish a mechanism by which employees of the Borrower may report such violations. The Borrower further agrees to notify employees in writing of whistleblower rights and protections available under federal law.

ARTICLE XI

DEFAULTS AND REMEDIES

Section 11.1. Events of Default. An "Event of Default" for purposes of this Agreement and the Local Bond shall have the meaning given such term in the Local Master Indenture. Without limiting the foregoing, the covenants, conditions and agreements of this Agreement shall be deemed covenants, conditions and agreements of the Bonds for purposes of Section 10.1(c) of the Local Master Indenture.

Section 11.2. Notice of Default. The Borrower agrees to give the Authority prompt written notice of the occurrence of any event or condition which constitutes a Default or an Event of Default immediately upon becoming aware of the existence thereof.

Section 11.3. Remedies on Default. Upon the occurrence and continuance of an Event of Default, the Authority will have rights and remedies provided for in the Local Bond and the Local Master Indenture, together with the rights and remedies set forth in Section 11.5 of this Agreement and otherwise available under applicable law.

Section 11.4. Delay and Waiver. No delay or omission to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Default or Event of Default under this Agreement shall extend to or shall affect any subsequent Default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 11.5. State Aid Intercept. The Borrower acknowledges that the Authority may take any and all actions available to it under the laws of the Commonwealth of Virginia, including Section 62.1-216.1 of the Code of Virginia of 1950, as amended, to secure payment of the principal of and Cost of Funds on the Local Bond, if payment of such principal or Cost of Funds shall not be paid when the same shall become due and payable.

ARTICLE XII

MISCELLANEOUS

Section 12.1. Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 12.2. Amendments. The Authority and the Borrower, with the written consent of the Department, shall have the right to amend from time to time any of the terms and conditions of this Agreement, provided that all amendments shall be in writing and shall be signed by or on behalf of the Authority and the Borrower; provided, however, that the written consent of the Department shall not be required for the Authority and the Borrower to amend Articles I, V, IX and XI or Sections 10.4, and 10.9 of this Agreement.

Section 12.3. Limitation of Borrower's Liability. Notwithstanding anything in the Local Bond or this Agreement to the contrary, the Borrower's obligations are not its general obligations, but are limited obligations payable solely from the Net Revenues Available for Debt Service which are specifically pledged for such purpose. Neither the Local Bond nor this Agreement shall be deemed to create or constitute a general obligation debt or a pledge of the faith and credit of the Borrower, and the Borrower shall not be obligated to pay the principal of or Cost of Funds on the Local Bond or other costs incident thereto except from the Net Revenues Available for Debt Service and other funds pledged therefor. In the absence of fraud, no present

or future director, official, officer, employee or agent of the Borrower shall be liable personally in respect of this Agreement or the Local Bond or for any other action taken by such individual pursuant to or in connection with the financing provided for in this Agreement or the Local Bond.

Section 12.4. Applicable Law. This Agreement shall be governed by the applicable laws of the Commonwealth of Virginia.

Section 12.5. Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or Section shall not affect the remainder of this Agreement which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Agreement. If any agreement or obligation contained in this Agreement is held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority and the Borrower, as the case may be, only to the extent permitted by law.

Section 12.6. Notices. Unless otherwise provided for herein, all demands, notices, approvals, consents, requests, opinions and other communications under the Local Bond or this Agreement shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class registered or certified mail, postage prepaid, addressed as follows:

Fund:	Virginia Water Facilities Revolving Fund c/o Virginia Resources Authority 1111 East Main Street, Suite 1920 Richmond, VA 23219 Attention: Executive Director
Authority:	Virginia Resources Authority 1111 East Main Street, Suite 1920 Richmond, VA 23219 Attention: Executive Director
Department and Board:	State Water Control Board Department of Environmental Quality P. O. Box 1105 Richmond, VA 23218 Attention: Executive Director
Borrower:	County of Greene, Virginia 40 Celt Road Standardsville, VA 22973 Attention: County Administrator

A duplicate copy of each demand, notice, approval, consent, request, opinion or other communication given by any party named in this Section shall also be given to each of the other parties named. The Authority, the Department, the Board and the Borrower may designate, by

notice given hereunder, any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention the same shall be directed.

Section 12.7. Right to Cure Default. If the Borrower shall fail to make any payment or to perform any act required by it under the Local Bond or this Agreement, the Authority without prior notice to or demand upon the Borrower and without waiving or releasing any obligation or default, may (but shall be under no obligation to) make such payment or perform such act. All amounts so paid by the Authority and all costs, fees and expenses so incurred shall be payable by the Borrower as an additional obligation under this Agreement, together with interest thereon at the rate of interest of five percent (5.0%) per annum until paid. The Borrower's obligation under this Section shall survive the payment of the Local Bond.

Section 12.8. Headings. The headings of the several articles and sections of this Agreement are inserted for convenience only and do not comprise a part of this Agreement.

Section 12.9. Term of Agreement. This Agreement shall be effective upon its execution and delivery, provided that the Local Bond shall have been previously or simultaneously executed and delivered. Except as otherwise specified, the Borrower's obligations under the Local Bond and this Agreement shall expire upon payment in full of the Local Bond and all other amounts payable by the Borrower under this Agreement.

Section 12.10. Commitment Letter. The Commitment Letter is an integral part of this Agreement and shall survive closing hereunder.

Section 12.11. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[Signature Page Follows]

WITNESS the following signatures, all duly authorized.

VIRGINIA RESOURCES AUTHORITY, as Administrator of the Virginia Water Facilities Revolving Fund

By: _____
Shawn B. Crumlish, Executive Director

COUNTY OF GREENE, VIRGINIA

By: _____

Its: _____

EXHIBIT A

FORM OF LOCAL BOND
COUNTY OF GREENE, VIRGINIA
C-515859

[To Come from Borrower's Bond Counsel]

EXHIBIT B

PROJECT DESCRIPTION
COUNTY OF GREENE, VIRGINIA
C-515859

The Project includes financing the Standardsville sewer system improvements project, together with related expenses.

EXHIBIT C

PROJECT BUDGET
COUNTY OF GREENE, VIRGINIA
C-515859

[To Come]

EXHIBIT D

OPINION OF BORROWER'S BOND COUNSEL
COUNTY OF GREENE, VIRGINIA
C-515859

[To Come from Borrower's Bond Counsel]

EXHIBIT E

FORM OF REQUISITION
COUNTY OF GREENE, VIRGINIA
C-515859

[LETTERHEAD OF BORROWER]

[Date]

Karen Doran, Program Manager
Construction Assistance Program
Department of Environmental Quality
P. O. Box 1105
Richmond, Virginia 23218

Re: County of Greene, Virginia
Loan No. C-515859

Dear Ms. Doran:

This requisition, Number _____, is submitted in connection with the Financing Agreement, dated as of _____ 1, 2026 (the "Agreement"), between the Virginia Resources Authority, as Administrator of the Virginia Water Facilities Revolving Fund, and the County of Greene, Virginia (the "Borrower"). Unless otherwise defined in this requisition, all capitalized terms used herein shall have the meaning set forth in Article I of the Agreement. The undersigned Authorized Representative of the Borrower hereby requests disbursement of loan proceeds under the Agreement in the amount of $_____, for the purposes of payment of the Project Costs as set forth in Schedule 1 attached hereto.

Attached hereto are invoices relating to the items for which payment is requested.

The undersigned certifies that (a) the amounts requested by the requisition will be applied solely and exclusively to the payment, or to the reimbursement of the Borrower for the payment, of Project Costs, and (b) any materials, supplies or equipment covered by this requisition are not subject to any lien or security interest or such lien or security interest will be released upon payment of the requisition. In addition, the undersigned certifies that the Borrower has conducted adequate oversight for compliance with the Davis-Bacon Act and related acts through (a) the review of payrolls and associated certifications, and (b) the posting of all wage determinations and additional classifications (as appropriate) on the work site, and through this oversight, the Borrower has determined to the best of its ability that the Project complies with the requirements of the Davis-Bacon Act and related acts. The Borrower further certifies that all products included in this request

satisfy the appropriate provisions of the American Iron and Steel requirements included in the Agreement.

The undersigned further certifies that (a) no Event of Default or Default has occurred and is continuing, and no condition exists which, with the passing of time or with the giving of notice or both, would constitute an Event of Default hereunder, and (b) the representations and warranties of the Borrower contained in the Agreement are true, correct and complete and the Borrower has performed all of its obligations thereunder required to be performed as of the date hereof.

This requisition includes an accompanying Certificate of the Consulting Engineer as to the performance of the work.

By signing this requisition, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Very truly yours,

By: _____

Its: _____

Attachments

cc: DEQ Regional Engineer (with all attachments)

CERTIFICATE OF THE CONSULTING ENGINEER
FORM TO ACCOMPANY REQUEST FOR DISBURSEMENT

This Certificate is being executed and delivered in connection with Requisition Number ___, dated _____, 20__, submitted by the County of Greene, Virginia (the "Borrower"), pursuant to the Financing Agreement , dated as of _____ 1, 2026 (the "Agreement") between the Virginia Resources Authority, as Administrator of the Virginia Water Facilities Revolving Fund (the "Authority"), and the Borrower. Capitalized terms used herein shall have the same meanings set forth in Article I of the Agreement.

The undersigned Consulting Engineer for the Borrower hereby certifies to the Authority that, insofar as the amounts covered by this Requisition include payments for labor or to contractors, builders or materialmen, such work was actually performed or such materials, supplies or equipment were actually furnished to or installed in the construction portion of the Project.

_____
[Consulting Engineer]

By: _____

Date: _____

SCHEDULE 1
VIRGINIA WATER FACILITIES REVOLVING FUND
FORM TO ACCOMPANY REQUEST FOR DISBURSEMENT

REQUISITION #_____

BORROWER: COUNTY OF GREENE, VIRGINIA

LOAN NUMBER: C-515859

CERTIFYING SIGNATURE:_____

TITLE:_____

Cost Category	Amount Budgeted	Previous Disbursements	Expenditures This Period	Total Expenditures to Date	Net Balance Remaining
TOTALS:					

Total Loan Amount $_____
Previous Disbursements $_____
This Request $_____
Loan Proceeds Remaining $_____

EXHIBIT F

EXISTING PARITY BONDS
COUNTY OF GREENE, VIRGINIA
C-515859

[To Be Updated By Borrower's Bond Counsel]

Prior Bonds:

None.

Existing Parity Bonds:

_____

EXHIBIT G

OPERATING DATA
COUNTY OF GREENE, VIRGINIA
C-515859

Description of the Borrower's System. A description of the Borrower, including a summary description of the plants, systems, facilities, equipment or property, owned, operated or maintained by the Borrower and used in connection with the System, and its management and officers.

Debt Payable from or Secured by the System. A description of the terms of the Borrower's outstanding debt, including a historical summary of outstanding debt and a summary of annual debt service on outstanding debt as of the end of the preceding Fiscal Year. The Annual Financial Information should also include (to the extent not shown in the latest audited financial statements) a description of contingent obligations as well as pension plans administered by the Borrower and any unfunded pension liabilities.

Financial Information and Operating Data. Financial information for the System as of the end of the preceding Fiscal Year, including a description of revenues and expenditures, largest users, a summary of rates, fees and other charges of the System, and a historical summary of debt service coverage.