

**CERTIFICATE OF THE CLERK OF THE
BOARD OF SUPERVISORS**

COUNTY OF CARROLL, VIRGINIA

The undersigned Clerk of the Board of Supervisors, County of Carroll, Virginia (the "County"), certifies that:

1. Upon notice duly give, a meeting of the Board of Supervisors (the "Board") of the County was duly called and held on June 14, 2021 (the "Meeting").

2 Attached hereto is a true, correct and complete copy of a resolution (the "Resolution") of the Board entitled "Resolution of the Board of Supervisors of the County of Carroll, Virginia, Approving Support Agreements for Refunding Bond Issuances of the Carroll County Public Service Authority," as recorded in full in the minutes of the Meeting and duly adopted by a majority of the members of the Board present and voting during the Meeting.

3. A summary of the members of the Board members present or absent at the Meeting, and the recorded vote with respect to the Resolution, is set forth below:

Member Name	Voting				
	Present	Absent	Yes	No	Abstaining
Robbie McCraw, Chairman	_____	_____	_____	_____	_____
Tracy Moore, Vice-Chairman	_____	_____	_____	_____	_____
Rex Hill	_____	_____	_____	_____	_____
Dr. Thomas Littrell	_____	_____	_____	_____	_____
Phillip McCraw	_____	_____	_____	_____	_____
Joe Neil Webb	_____	_____	_____	_____	_____

4. The Resolution has not been repealed, revoked, rescinded or amended, and is in full force and effect on the date hereof.

WITNESS my signature and the seal of the County, this ___ day of June, 2021.

(SEAL)

Clerk of the Board of Supervisors
County of Carroll, Virginia

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF CARROLL, VIRGINIA, APPROVING SUPPORT AGREEMENTS
FOR REFUNDING BOND ISSUANCES OF THE CARROLL COUNTY
PUBLIC SERVICE AUTHORITY**

WHEREAS, the Carroll County Public Service Authority (the “Authority”) was created by Carroll County (the “County”) pursuant to the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Section 15.2-5100 et. seq., Code of Virginia 1950, as amended; and

WHEREAS, the Authority has determined that it is in its best interest and consistent with its purpose to enter into two bond issuances and related loans with National Bank (the “Lender”) in order to refinance certain indebtedness of the Authority; and

WHEREAS, the Authority will be issuing its Revenue Refunding Bond, Series 2021A (the “A Bond”) in a not to exceed amount of \$1,560,000 and its Revenue Refunding Bond, Series 2021B (together with the A Bond, the “Bonds”) in a not to exceed amount of \$1,485,000; and

WHEREAS, the Authority is willing to issue the Bonds and the County is willing to enter into certain agreements with the Authority and the Lender so as to provide and express a willingness to support the Authority financially so as to offer savings to the customers of the Authority and the citizens of the County;

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF CARROLL, VIRGINIA:

1. Approval and Authorization of Support Agreements. The Board hereby approves the forms of each of the Support Agreements (the “Agreements”) related to each of the the Bonds and as presented to the Board at this meeting. The Chairman of the Board and the County Administrator, either of whom may act (each an “Authorized Signatory”), are authorized to execute the Agreements in substantially such form, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by such official, whose approval shall be evidenced conclusively by the execution and delivery thereof. Any capitalized terms used but not otherwise defined herein shall have the same meaning as set forth in the Agreements.

2. Annual Budget; Moral Obligation. As referenced in the Agreements, while recognizing that it is not empowered to make any binding commitment to make such payments beyond the current fiscal year, the Board hereby states its intent to make annual appropriations for future fiscal years in amounts sufficient to make all such payments under the Agreements and hereby recommends that future Boards do likewise during the terms of the Agreements. The Board directs the County Administrator, or such other officer who may be charged with the responsibility for preparing the County’s annual budget, to include in the budget request for each fiscal year during the term of the Agreements an amount as described in the Agreements.

3. Other Actions. All other actions of officials of the County in conformity with the purposes and intent of this Resolution and the Agreements are ratified, approved and confirmed. The officials of the County are authorized and directed to execute and deliver on behalf of the County such agreements and other instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bond or the Agreement, and all of the foregoing, previously done or performed by such officers of the County, are in all respects approved, ratified and confirmed.

4. Headings. Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

5. Severability. If any court of competent jurisdiction shall hold any provision of this Resolution to be invalid and unenforceable, such holding shall not invalidate any other provision hereof.

6. Effective Date. This Resolution shall take effect immediately.

Adopted: June 14, 2021.

Chairman of the Board of Supervisors
County of Carroll, Virginia

ATTEST:

Clerk of the Board of Supervisors

SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT, made as of the 17th day of June, 2021, between the **BOARD OF SUPERVISORS OF CARROLL COUNTY, VIRGINIA** (the “**Board**”), acting as the governing body of Carroll County, Virginia (the “**County**”), **THE CARROLL COUNTY PUBLIC SERVICE AUTHORITY** (the “**Authority**” or “**Borrower**”), and **NATIONAL BANK** (the “**Lender**”).

: W I T N E S S E T H :

WHEREAS, the Authority was created by the County pursuant to the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Section 15.2-5100 et. seq., Code of Virginia 1950, as amended; and,

WHEREAS, the Authority has determined that it is in its best interest and consistent with its purpose to enter into a Loan with the Lender in the amount of up to \$_____,000.00 in order to refinance certain indebtedness of the Authority; and

WHEREAS, the Authority has entered into that certain Bond Purchase and Loan Agreement dated June 1, 2021 between the Authority and the Lender (the “**BPL Agreement**”) and issued its _____ Revenue Refunding Bond, Series 2021B (the “**Bond**”) of even date therewith payable to the Lender pursuant to §15.2-5125 of the Code of Virginia, 1950, as amended; and,

WHEREAS, the Authority is willing to enter into the Loan with the Lender and the County is willing to enter into this Agreement with the Authority and the Lender so as to provide and express a willingness to support the Authority financially so as to offer savings to the customers of the Authority and the citizens of the County.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the receipt of which is hereby acknowledged, the parties do covenant and agree as follows:

1. Unless otherwise defined, each capitalized term used in this Support Agreement shall have the meaning given it in the BPL Agreement.
2. The Parties agree that amounts appropriated under this Support Agreement will constitute a portion of the collateral for the Bond.
3. No later than the first day of each fiscal year, beginning the first year following execution of the Bond, the Authority shall notify the County Administrator of the County of the amount, if any, by which amount of Revenues of the System will be less than the annual financial obligations of the Authority including Net Operating Revenues together with its debt obligations (the “**Deficiency Amount**”).

4. The County Administrator shall include an amount equal to the Deficiency Amount, if any, in his accounts payable submitted to the Board as an amount to be appropriated to the Authority. The County Administrator shall deliver to the Authority and the Lender within ten days after the adoption and approval of the County's appropriations, a certificate stating whether the Board has appropriated an amount equal to the Deficiency Amount, if any.

5. The County Administrator shall present each request for appropriation pursuant to Paragraph 4 above to the Board, and the Board shall consider such request, at the Board's next regularly scheduled meeting at which it is possible to satisfy any applicable notification requirement. Promptly after such meeting, the County Administrator shall notify the Authority as to whether the amount so requested was appropriated. If the Board shall fail to make any such appropriation, the County Administrator shall add the amount of such requested appropriation to the Deficiency Amount reported to the Board by the County Administrator for the County's next monthly billing cycle, for any portion that remains unpaid at that time. If at any time during any fiscal year of the County, the amount appropriated in the County's annual budget is insufficient to pay when due all amounts payable under the Bond, the Board directs the County Administrator, or such other officer who may be charged with the responsibility for preparing the County's annual budget, to submit to the Board at the next scheduled meeting, or as promptly as practicable but in any event within 45 days, a request for a supplemental appropriation sufficient to cover the deficit.

6. The County shall pay to or on behalf of the Authority the amount of any appropriation made pursuant to this Support Agreement immediately and the Authority shall apply such appropriated amount against any due and payable amounts under the BPL Agreement.

7. The Board hereby undertakes a non-binding obligation to appropriate to the Authority such amounts as may be requested from time to time pursuant to Paragraphs 4 and 5 above, to the fullest degree and in such manner as is consistent with the Constitution and laws of the Commonwealth of Virginia. The 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 Boards of Supervisors do so.

8. Nothing herein contained is or shall be deemed to be a lending of the credit of the County to any holder of the Bond 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 County.

9. Unless otherwise provided herein all demands, notices, approvals, consents, requests, opinions and other communications hereunder 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:

If to the County: c/o County Administrator
Carroll County, VA
605-2 Pine Street
Hillsville, VA 24343

If to the Authority: c/o Director, Carroll County PSA
605-2 Pine Street
Hillsville, VA 24343

If to the Lender: c/o President & CEO
National Bank
100 South Main Street
Blacksburg, VA 24060

A copy of each demand, notice, approval, consent, request, opinion or other communication given hereunder by any party named in this section shall also be given to each of the other parties named herein. Each of the parties may by notice given hereunder, designate any further or different address to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention they should be directed.

10. This Support Agreement shall remain in full force and effect until the Bond and all other amounts payable by the Authority to the Lender under the terms of the Bond have been paid in full.

11. This Support Agreement shall be governed in such a manner as is consistent with the Constitution and applicable laws of the Commonwealth of Virginia and this Support Agreement expresses the entire understanding and all agreements among the parties and shall not be modified except in writing signed by all of the parties.

12. This Support Agreement may be executed in several counterparts, each of which will be an original and all of which together shall constitute but one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SUPPORT AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have each caused this Support Agreement to be executed in their respective names as of the date first above written.

**BOARD OF SUPERVISORS OF
CARROLL COUNTY, VIRGINIA**

By: _____
CHAIRMAN

**CARROLL COUNTY PUBLIC
SERVICE AUTHORITY**

By: _____
CHAIRMAN

NATIONAL BANK

BY: _____
Paul Mylum, Senior Vice President

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Hillsville, VA 24343

If to the Lender: c/o President & CEO
National Bank
100 South Main Street
Blacksburg, VA 24060

A copy of each demand, notice, approval, consent, request, opinion or other communication given hereunder by any party named in this section shall also be given to each of the other parties named herein. Each of the parties may by notice given hereunder, designate any further or different address to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention they should be directed.

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By: _____
CHAIRMAN

**CARROLL COUNTY PUBLIC
SERVICE AUTHORITY**

By: _____
CHAIRMAN

NATIONAL BANK

BY: _____
Paul Mylum, Senior Vice President