

**FORSYTH COUNTY**  
**BOARD OF COMMISSIONERS**

MEETING DATE: January 16, 2020 AGENDA ITEM NUMBER: \_\_\_\_\_

**SUBJECT: RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF NOT TO EXCEED \$78,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020**

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:

SUMMARY OF INFORMATION:

ATTACHMENTS:  YES  NO

SIGNATURE: \_\_\_\_\_ COUNTY MANAGER DATE: \_\_\_\_\_

**RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF NOT TO EXCEED \$78,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020**

**BE IT RESOLVED** by the Board of Commissioner (the "Board") for the County of Forsyth, North Carolina (the "County"):

Section 1. The Board has determined and does hereby find and declare as follows:

(a) An order authorizing \$78,000,000 General Obligation Refunding Bonds was adopted by the Board on December 19, 2019, which order has taken effect.

(b) None of said bonds have been issued, no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds and it is necessary to issue not to exceed \$78,000,000 of such refunding bonds at this time.

(c) The shortest period of time in which the outstanding General Obligation Public Improvement Bonds, Series 2010A (the "2010A Bonds") of said County, dated September 1, 2010, to be refunded by said refunding bonds can be finally paid without making it unduly burdensome on the taxpayers of the County as determined by the North Carolina Local Government Commission (the "Commission") is a period which expires on April 1, 2021 and the end of the unexpired usefulness of the school, community college, parks and recreation and public facilities projects financed by said 2010A Bonds, is estimated as a period of forty (40) years from September 1, 2010, the date of said 2010A Bonds, and that such period expires on September 1, 2050.

(d) The shortest period of time in which the outstanding Taxable General Obligation Public Improvement Bonds (Build America Bonds), Series 2010C (the "2010C Bonds") of said County, dated September 2, 2010, to be refunded by said refunding bonds can be finally paid without making it unduly burdensome on the taxpayers of the County as determined by the Commission is a period which expires on April 1, 2030 and that the end of the unexpired usefulness of the school, community college and educational facilities projects financed by said 2010C Bonds, is estimated as a period of forty (40) years from September 2, 2010, the date of said 2010C Bonds, and that such period expires on September 2, 2050.

Section 2. Pursuant to said order there shall be issued bonds in the aggregate principal amount not to exceed \$78,000,000 designated "General Obligation Refunding Bonds, Series 2020" (the "Bonds") and dated the date of delivery thereof. The exact amount of the Bonds to be issued shall be determined by the County at the time the Bonds are sold pursuant to the Bond Purchase Agreement (hereinafter defined) as provided in Section 6 hereof and shall be an amount sufficient, together with any other available funds of the County, to (a) refund all or a portion of the Refunded Bonds (hereinafter defined) and (b) pay the fees and expenses incurred in connection with the sale and issuance of the Bonds. Subject to the provisions of this resolution, the Bonds shall (a) mature on April 1 in such years and in such amounts and (b) bear interest at a rate or rates to be determined by the Commission, with the approval of the County, at the time the Bonds are sold, which interest to the respective maturities thereof shall be payable on each April 1 and October 1, beginning October 1, 2020, until payment of such principal sum, all as

shall be set forth in the Bond Purchase Agreement and the Final Official Statement (hereinafter defined).

**[Upon the request of the Underwriters (hereinafter defined), any portion of the Bonds may be issued as term Bonds ("Term Bonds") subject to mandatory sinking fund redemption on April 1 in the years and amounts set forth in the Final Official Statement, as determined by the Chief Financial Officer of the County in his discretion after consultation with the Commission. The Chief Financial Officer of the County may do all things necessary, including modification of the form of Bonds set forth in Section 3 of this resolution and the redemption provisions set forth in Section 4 of this resolution, in order to conform any Bonds to the requirements for Term Bonds.]**

Each Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless it is (a) authenticated upon an interest payment date, in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date, in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, such Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

The Bonds shall be issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as hereinafter provided. One Bond certificate with respect to each date on which the Bonds are stated to mature, in the aggregate principal amount of the Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), shall be issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of \$5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The principal of each Bond shall be payable to Cede & Co. or any other person appearing on the registration books of the County hereinafter provided for as the registered owner of such Bond or his registered assigns or legal representative at such office of the Bond Registrar mentioned hereinafter or such other place as the County may determine upon the presentation and surrender thereof as the same shall become due and payable. Payment of the interest on each Bond shall be made by said Bond Registrar on each interest payment date to the registered owner of such Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by such Bond) at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on such registration books; provided, however, that for so long as the Bonds are deposited with DTC, the payment of the principal of and interest on the Bonds shall be made to DTC in same-day funds by 2:30 p.m. or otherwise as determined by the rules and procedures established by DTC. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other

nominees of such beneficial owners. The County shall not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Chief Financial Officer of the County determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the County will discontinue the book-entry system with DTC. If the County identifies another qualified securities depository to replace DTC, the County will make arrangements with DTC and such other depository to effect such replacement and deliver replacement Bonds registered in the name of such other depository or its nominee in exchange for the outstanding Bonds, and the references to DTC or Cede & Co. in this resolution shall thereupon be deemed to mean such other depository or its nominee. If the County fails to identify another qualified securities depository to replace DTC, the County shall deliver replacement Bonds in the form of fully-registered certificates in denominations of \$5,000 or any whole multiple thereof ("Certificated Bonds") in exchange for the outstanding Bonds as required by DTC and others. Upon the request of DTC, the County may also deliver one or more Certificated Bonds to any participant of DTC in exchange for Bonds credited to its account with DTC.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to all Bonds issued or issuable hereunder, whether initially or in replacement thereof.

Section 3. The Bonds shall bear the manual or facsimile signatures of the Chairman or Vice Chairman of the Board and the Clerk or any Deputy or Assistant Clerk to the Board and the official seal or a facsimile of the official seal of the County shall be impressed or imprinted, as the case may be, on the Bonds.

The certificate of the Commission to be endorsed on all Bonds shall bear the manual or facsimile signature of the Secretary of said Commission and the certificate of authentication of the Bond Registrar to be endorsed on all Bonds shall be executed as provided hereinafter.

In case any officer of the County or the Commission whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bonds to be registered in the name of Cede & Co. and the endorsements thereon shall be in substantially the following form:

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the County of Forsyth, North Carolina or its agent for registration or transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-\_\_

\$ \_\_\_\_\_

United States of America  
State of North Carolina

COUNTY OF FORSYTH  
GENERAL OBLIGATION REFUNDING BOND  
SERIES 2020

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
April 1, 20__	_____%	_____

The County of Forsyth, a body corporate and politic in the State of North Carolina, is justly indebted and for value received hereby promises to pay to

CEDE & CO.

or registered assigns or legal representative on the date specified above, upon the presentation and surrender hereof, at the office of the Chief Financial Officer of said County (the "Bond Registrar"), in Winston-Salem, North Carolina, the principal sum of

\_\_\_\_\_ DOLLARS

and to pay interest on such principal sum from the date hereof or from April 1 or October 1 next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is April 1 or October 1 to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on each April 1 and October 1, beginning October 1, 2020, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this bond (or the previous bond or bonds evidencing the same debt as that evidenced by this bond) is registered at the close of business on the record date for such interest, which shall be the 15<sup>th</sup> day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on the bond registration books of said County; provided, however, that for so long as the Bonds (hereinafter defined) are deposited with The Depository Trust Company ("DTC"), the payment of the principal of and interest on the Bonds shall be made to DTC in same day funds by 2:30 p.m. or otherwise as determined by the rules and procedures established by DTC. Both the principal of and the interest on this bond shall be paid in any coin or currency of the United

States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of said County are hereby irrevocably pledged.

This bond is one of an issue of bonds designated "General Obligation Refunding Bonds, Series 2020" (the "Bonds") and issued by said County for the purpose of providing funds, together with any other available funds, to refund certain outstanding general obligation bonds of the County. The Bonds are issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, an order adopted by the Board of Commissioners for said County, which order has taken effect, and a resolution duly adopted by said Board of Commissioners (the "Resolution").

The Bonds are not subject to [optional] redemption prior to their respective maturities.

[If any Bonds are Term Bonds, the following three paragraphs shall be included:

[The Bonds maturing April 1, 20\_\_ shall be subject to mandatory redemption in part by lot on April 1 in the years and amounts set forth below at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption:

Year

Amount

\*Maturity

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as said County in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or any whole multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system with DTC is used for determining beneficial ownership of Bonds, if less than all of the Bonds within the maturity are to be redeemed, DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed by lot.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, said County shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part to his address appearing upon the registration books of said County, provided that such notice to Cede & Co. shall be given by certified or registered mail or otherwise as prescribed by DTC. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds or portions thereof on such date and, if moneys for payment of such redemption price and the accrued interest are held by the Bond Registrar as provided in the Resolution, interest on the Bonds or the

**portions thereof so called for redemption shall cease to accrue. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to Cede & Co. or its legal representative upon the surrender hereof.]**

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Resolution. One bond certificate with respect to each date on which the Bonds are stated to mature, in the aggregate principal amount of the Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of DTC, is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of \$5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. Said County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In certain events, said County will be authorized to deliver replacement Bonds in the form of fully-registered certificates in the denomination of \$5,000 or any whole multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at his office the books of said County for the registration of transfer of Bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the unredeemed principal amount of this bond, of the same maturity and bearing interest at the same rate.

**[The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.]**

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed in regular and due form

and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within said County sufficient to pay the principal of and the interest on this bond as the same shall become due; and that the total indebtedness of said County, including this bond, does not exceed any constitutional or statutory limitation thereon.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the County of Forsyth, North Carolina, by resolution duly adopted by its Board of Commissioners, has caused this bond to be manually signed by the [Vice] Chairman of said Board and the [Deputy] Clerk to said Board and its official seal to be impressed hereon, all as of the \_\_\_\_ day of \_\_\_\_\_, 2020.

[Do not sign]

\_\_\_\_\_  
[Vice] Chairman of Board of Commissioners

[SEAL]

[Do not sign]

\_\_\_\_\_  
[Deputy] Clerk to the Board of Commissioners



CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Do not sign]  
\_\_\_\_\_  
Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

[Do not sign]  
\_\_\_\_\_  
Chief Financial Officer, as Bond Registrar

Date of authentication: \_\_\_\_\_

ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_ the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_ attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

In the presence of:

NOTICE: The signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

\_\_\_\_\_ The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration of enlargement or any change whatever.

Certificated Bonds issuable hereunder shall be in substantially the form of the Bonds registered in the name of Cede & Co. with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 4. The Bonds are not subject to [optional] redemption prior to their respective maturities.

**[If any of the Bonds shall be Term Bonds, then such Term Bonds shall be subject to mandatory redemption in the amount necessary to retire principal of such Term Bonds on each April 1 as provided in Section 2 of this resolution at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date. The provisions for redemption of any Term Bonds shall be set forth in a certificate executed and delivered by the Chief Financial Officer of the County on the date of issuance of the Bonds.]**

Section 5. Bonds, upon surrender thereof at the office of the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

The transfer of any Bond may be registered only upon the registration books of the County upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The County or the Bond Registrar may make a charge for shipping and out-of-pocket costs for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made by the County or the Bond Registrar for exchanging or registering the transfer of Bonds under this resolution. **[If any of the Bonds are Term Bonds, the Bond Registrar shall not be required to exchange or register the transfer of any Term Bond during a period beginning at the opening of business fifteen (15) days before the date of the mailing of a notice of redemption of such Term Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Term Bond called for redemption in whole or in part pursuant to Section 4 of this resolution.]**

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal **[or redemption price]** of any such Bond and the interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

The County shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of Bonds within a

reasonable time according to then current commercial standards and for the timely payment of principal of and interest on the Bonds. The Chief Financial Officer of the County, or any person at any time acting in such capacity, is hereby appointed the registrar, transfer agent and paying agent for the Bonds (collectively the "Bond Registrar"), subject to the right of the Board to appoint another Bond Registrar, and as such shall keep at his office in the County, the books of the County for the registration, registration of transfer, exchange and payment of the Bonds as provided in this resolution.

Section 6. The County proposes to sell the Bonds to BofA Securities, Inc. and PNC Capital Markets LLC (the "Underwriters") pursuant to the provisions of a Bond Purchase Agreement, to be dated as of the date of delivery thereof (the "Bond Purchase Agreement"), among the Commission, the County and the Underwriters, at such prices determined by the Commission, subject to the approval thereof by the County. There has been presented to Board the form of the Bond Purchase Agreement. The proposal set forth in the Bond Purchase Agreement submitted by the Underwriters offering to purchase the Bonds at the aggregate purchase price and bearing interest at the rates determined by the Commission and approved by the County as hereinafter provided, such interest rates not to result in an aggregate true interest cost in excess of \_\_\_% per annum is hereby approved. The final maturity of the Bonds shall not be later than April 1, 2030. The Commission is hereby requested to sell and award the Bonds to the Underwriters on behalf of the County, subject to the approval of the County, in accordance with the terms and provisions set forth in the Bond Purchase Agreement. The Chairman and Vice Chairman of the Board, the County Manager and the Chief Financial Officer of the County are each hereby authorized to approve on behalf of the County the sale of the Bonds to the Underwriters at such interest rates, for such purchase price and upon such terms and conditions as the Chairman and Vice Chairman of the Board, the County Manager and the Chief Financial Officer of the County determine, subject to the provisions of this resolution. The Chairman and Vice Chairman of the Board, the County Manager and the Chief Financial Officer of the County are each hereby authorized and directed in the name and on behalf of the County to execute and deliver the Bond Purchase Agreement in substantially the form presented at this meeting, together with such changes, additions and deletions as the Chairman and Vice Chairman of the Board, the County Manager and the Chief Financial Officer of the County, with the advice of counsel, may deem necessary and appropriate, such execution and delivery to be conclusive evidence of the approval and authorization in all respects of the form and content thereof.

Section 7. The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended or as may be amended from time to time, and any Treasury regulations now or hereafter promulgated thereunder, to the extent necessary so that interest on the Bonds will not be included in gross income of the owners of the Bonds for purposes of federal income tax.

Section 8. All actions of the Chairman of the Board, the County Manager, the Chief Financial Officer and the Clerk to the Board in applying to the Commission to sell the Bonds to the Underwriters are hereby authorized, ratified and approved, and the Commission is hereby requested to sell the Bonds to the Underwriters by private sale. The Preliminary Official Statement, to be dated as of the date of delivery thereof (the "Preliminary Official Statement"), relating to the sale of the Bonds, in substantially the form presented at this meeting, and the

distribution and use thereof by the Underwriters in connection with the offering and sale of the Bonds, is hereby authorized and approved. The County hereby authorizes and consents to the preparation and distribution of a final Official Statement (the "Final Official Statement"), in substantially the form of the Preliminary Official Statement, together with such changes as are necessary to reflect the final terms of the Bonds and such other modifications as Chairman of the Board, the County Manager or the Chief Financial Officer, with the advice of counsel, may deem necessary and appropriate, the delivery of the Final Official Statement to be conclusive evidence of the approval and authorization in all respects of the form and content thereof.

Section 9. The County hereby undertakes, for the benefit of the beneficial owners of the Bonds, to provide to the Municipal Securities Rulemaking Board (the "MSRB"):

(a) by not later than seven months from the end of each fiscal year of the County, beginning with the fiscal year ending June 30, 2020, audited financial statements of the County for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the County are not available by seven months from the end of such fiscal year, unaudited financial statements of the County for such fiscal year to be replaced subsequently by audited financial statements of the County to be delivered within fifteen (15) days after such audited financial statements become available for distribution;

(b) by not later than seven months from the end of each fiscal year of the County, beginning with the fiscal year ending June 30, 2020, (i) the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information to be included under the headings "THE COUNTY - Debt Information and - Tax Information" (excluding any information on underlying units) in the Final Official Statement and (ii) the combined budget of the County for the current fiscal year, to the extent such items are not included in the audited financial statements referred to in (a) above.

(c) in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements 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 material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (7) modification to the rights of the beneficial owners of the Bonds, if material;

(8) bond calls, [except for a mandatory sinking fund redemption,] if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of any property securing repayment of the Bonds, if material;

(11) rating changes;

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

(13) the consummation of a merger, consolidation or acquisition involving the County or the sale of all or substantially all of the assets of the County, 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, if material;

(14) appointment of a trustee or a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a financial obligation (as defined below) of the County, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the County, any of which affect beneficial owners of the Bonds, 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 County, any of which reflect financial difficulties;

(d) in a timely manner, notice of a failure of the County to provide required annual financial information described in (a) or (b) above on or before the date specified.

All information provided to the MSRB as described in this Section shall be provided in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

The County may meet the continuing disclosure filing requirement described above by complying with any other procedure that may be authorized or required by the United States Securities and Exchange Commission.

For the purposes of this Section, "financial obligation" means (a) a debt obligation, (b) a 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 either clause (a) or (b). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12").

If the County fails to comply with the undertaking described above, any beneficial owner of the Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Bonds.

The County reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the County, provided that:

(a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the County;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 as of the date of the Final Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(c) any such modification does not materially impair the interests of the beneficial owners of the Bonds, as determined either by parties unaffiliated with the County (such as bond counsel), or by the approving vote of the registered owners of a majority in principal amount of the Bonds pursuant to the terms of this resolution, as this resolution may be amended from time to time, at the time of such amendment.

In the event that the County makes such a modification, the annual financial information containing the modified operating data or financial information shall explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Bonds.

Section 10. Subject to the next succeeding sentence, the County hereby determines to refund (a) all of the outstanding 2010A Bonds maturing on April 1, 2021 (the "2010A Refunded Bonds") and (b) all of the outstanding 2010C Bonds maturing on April 1, 2021 to 2025, inclusive, and 2030 (the "2010C Refunded Bonds" and, together with the 2010A Refunded Bonds, the "Refunded Bonds"). If, on the date of sale of the Bonds, the Chief Financial Officer of the County shall determine that it is in the best economic interests of the County not to refund all or any portion of the Refunded Bonds, the Chief Financial Officer is hereby authorized to make changes in the amounts and maturities of such Refunded Bonds to be refunded, such changes to be set forth in a certificate executed and delivered by the Chief Financial Officer of the County on the date of issuance of the Bonds.

Subject to the refunding of the Refunded Bonds as provided above, the Refunded Bonds are hereby called for redemption on April 1, 2020 in accordance with the respective provisions of the Refunded Bonds, the resolutions authorizing the issuance of the Refunded Bonds and this

resolution. The Chief Financial Officer of the County, as bond registrar and paying agent for the Refunded Bonds, is hereby directed to provide notices of such redemption at the times and in the manner set forth in the Refunded Bonds and the resolutions authorizing the issuance of the Refunded Bonds.

Section 11. The Chairman and Vice Chairman of the Board, the County Manager, the Chief Financial Officer and the Clerk or any Deputy Clerk to the Board are hereby authorized and directed to execute and deliver such closing and other documents and to take such other actions as may be necessary or appropriate for the purpose of facilitating the sale and issuance of the Bonds and the redemption of the Refunded Bonds in a manner consistent with the terms of this resolution.

Section 12. This resolution shall take effect upon its adoption.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled "RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF NOT TO EXCEED \$78,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020" was adopted by the following vote:

Ayes: \_\_\_\_\_

Noes: \_\_\_\_\_

\* \* \* \* \*

I, Ashleigh M. Sloop, Clerk to the Board of Commissioners for the County of Forsyth, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board at a regular meeting held on January 16, 2020, as relates in any way to the adoption of the foregoing resolution relating to the sale and issuance of general obligation refunding bonds of said County and that said proceedings are to be recorded in the minutes of said Board.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said County this 16<sup>th</sup> day of January, 2020.

\_\_\_\_\_  
Clerk to the Board of Commissioners

[SEAL]

Adopted this 16<sup>th</sup> day of January 2020.