

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund)

BOND TRANSCRIPT

Table of Contents

BASIC DOCUMENTS

1. Bond Resolution
2. Supplemental Resolution
3. Loan Agreement
4. Public Service Commission Orders
5. Infrastructure and Jobs Development Council Approval
6. Cross-Receipt for Bond and Bond Proceeds
7. Direction to Authenticate and Deliver Bonds
8. Specimen Bond

OPINIONS OF COUNSEL

9. Approving Opinion of Steptoe & Johnson PLLC, Bond Counsel
10. Opinion of Counsel to Issuer
11. Title Opinion

MUNICIPAL BOND COMMISSION AND REGISTRAR DOCUMENTS

12. New Issue Report
13. Sweep Resolution
14. Acceptance of Duties as Registrar
15. Certificate of Registration of Bonds
16. Registrar Agreement

CERTIFICATES

17. General Certificate of Issuer and Attorney
18. Certificate of Engineer, with Schedule B Attached
19. Certificate of Certified Public Accountant
20. Certificate as to Use of Proceeds

GILMER COUNTY PUBLIC SERVICE DISTRICT

**WATER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)**

BOND RESOLUTION

Table of Contents

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01	Authority for this Resolution
Section 1.02	Findings
Section 1.03	Bond Legislation Constitutes Contract
Section 1.04	Definitions

ARTICLE II

**AUTHORIZATION OF ACQUISITION AND CONSTRUCTION
OF THE PROJECT**

Section 2.01	Authorization of Acquisition and Construction of the Project
--------------	--

ARTICLE III

**AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND
SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN
AGREEMENT**

Section 3.01	Authorization of Bonds
Section 3.02	Terms of Bonds
Section 3.03	Execution of Bonds
Section 3.04	Authentication and Registration
Section 3.05	Negotiability, Transfer and Registration
Section 3.06	Bonds Mutilated, Destroyed, Stolen or Lost
Section 3.07	Bonds not to be Indebtedness of the Issuer
Section 3.08	Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds
Section 3.09	Delivery of Bonds
Section 3.10	Form of Bonds FORM OF SERIES 2016 A BOND
Section 3.11	Sale of Bonds; Approval and Ratification of Execution of Loan Agreement
Section 3.12	Filing of "Amended Schedule"

ARTICLE IV
[RESERVED]

ARTICLE V
FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION
THEREOF

Section 5.01	Establishment of Funds and Accounts with Depository Bank
Section 5.02	Establishment of Funds and Accounts with Commission
Section 5.03	System Revenues; Flow of Funds

ARTICLE VI
BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01	Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds
Section 6.02	Disbursements From the Bond Construction Trust Fund

ARTICLE VII
ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01	General Covenants of the Issuer
Section 7.02	Bonds not to be Indebtedness of the Issuer
Section 7.03	Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds
Section 7.04	Initial Schedule of Rates and Charges
Section 7.05	Sale of the System
Section 7.06	Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances
Section 7.07	Parity Bonds
Section 7.08	Books; Records and Audit
Section 7.09	Rates
Section 7.10	Operating Budget and Monthly Financial Report
Section 7.11	Engineering Services and Operating Personnel
Section 7.12	No Competing Franchise
Section 7.13	Enforcement of Collections
Section 7.14	No Free Services
Section 7.15	Insurance and Construction Bonds
Section 7.16	Connections
Section 7.17	Completion and Operation of Project; Permits and Orders
Section 7.18	Tax Covenants
Section 7.19	Statutory Mortgage Lien
Section 7.20	Compliance with Loan Agreement and Law
Section 7.21	Securities Laws Compliance
Section 7.22	Contracts; Change Orders; Public Releases

ARTICLE VIII
INVESTMENT OF FUNDS; USE OF PROCEEDS

Section 8.01 Investments
Section 8.02 Certificate as to Use of Proceeds

ARTICLE IX
DEFAULT AND REMEDIES

Section 9.01 Events of Default
Section 9.02 Remedies
Section 9.03 Appointment of Receiver

ARTICLE X
PAYMENT OF BONDS

Section 10.01 Payment of Bonds

ARTICLE XI
MISCELLANEOUS

Section 11.01 Amendment or Modification of Bond Legislation
Section 11.02 Designation of Series 2016 A Bonds as Qualified Tax-Exempt Obligations.
Section 11.03 Bond Legislation Constitutes Contract
Section 11.04 Severability of Invalid Provisions
Section 11.05 Headings, Etc.
Section 11.06 Conflicting Provisions Repealed
Section 11.07 Covenant of Due Procedure, Etc.
Section 11.08 Effective Date
SIGNATURES
CERTIFICATION

GILMER COUNTY PUBLIC SERVICE DISTRICT

BOND RESOLUTION

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF GILMER COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH ISSUANCE BY THE DISTRICT OF \$160,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2016 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GILMER COUNTY PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. Gilmer County Public Service District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Gilmer County of said State.

B. The Issuer presently owns and operates a public waterworks system. However, it is deemed necessary and desirable for the health, safety, advantage, convenience and welfare of the inhabitants of the Issuer that there be acquired and constructed improvements and extensions to the existing public waterworks system of the Issuer, consisting of construction of the Route 5/Hattie Road water line extension to provide service to customers along WV Route 5 west of Glenville to the

Gilmer/Calhoun Career Center and all necessary appurtenances, the Project and any further improvements or extensions thereto are herein called the "System").

C. The Issuer intends to permanently finance the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Infrastructure Fund pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund) in the total aggregate principal amount of \$160,000 (the "Series 2016 A Bonds"), to permanently finance a portion of the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2016 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2016 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2016 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2016 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 40 years.

F. It is in the best interests of the Issuer that its Series 2016 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), in form satisfactory to the respective parties (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. Upon issuance of the Series 2016 A Bonds, the Issuer will have the following Outstanding obligations which will rank on a parity with the Series 2016 A Bonds as to liens, pledge and source of and security for payment, being the Issuer's:

- (1) Water Revenue Bonds, Series 1994 (United States Department of Agriculture), dated August 18, 1994, issued in the original aggregate principal amount of \$550,000 (the "Series 1994 Bonds");
- (2) Water Revenue Bonds, Series 2000 (United States Department of Agriculture), dated February 25, 2000, issued in the original aggregate principal amount of \$200,000 (the "Series 2000 Bonds");

(3) Water Revenue Bonds, Series 2005 A Bonds (West Virginia Infrastructure Fund), dated April 19, 2005, issued in the original aggregate principal amount of \$1,470,000 (the “Series 2005 A Bonds”);

(4) Water Revenue Bonds, Series 2005 B Bonds (West Virginia DWTRF Program), dated April 19, 2005, issued in the original aggregate principal amount of \$1,639,000 (the “Series 2005 B Bonds”);

(5) Water Revenue Bonds, Series 2008 A Bonds (West Virginia Infrastructure Fund), dated April 16, 2008, issued in the original aggregate principal amount of \$1,325,000 (the “Series 2008 A Bonds”); and

(6) Water Revenue Bonds, Series 2013 A Bonds (West Virginia DWTRF Program), dated May 24, 2013, issued in the original aggregate principal amount of \$1,725,000 (the “Series 2013 A Bonds”); (collectively, the “Prior Bonds”).

The Series 2016 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2016 A Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2016 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Resolutions.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest, if any, on the Series 2016 A Bonds and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2016 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2016 A Bonds or such final order will not be subject to appeal or rehearing.

J. The Project has been reviewed and determined to be technically and financially feasible by the Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2016 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2016 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means, collectively, Chapter 16, Article 13A, and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2016 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an Outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means, collectively, the Series 2016 A Bonds, the Prior Bonds and any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Chairman" means the Chairman of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2016 A Bonds for all or a portion of the proceeds of the Series 2016 A Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Consulting Engineers" means The Thrasher Group, Bridgeport, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of acquisition and construction of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

"Grants" means any grants that may be received for the project.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that "Gross Revenues" does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Issuer" means Gilmer County Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Gilmer County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means, the Loan Agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2016 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2016 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Reserve Account.

"Net Revenues" means the balance of the Gross Revenues, remaining after deduction of Operating Expenses, as hereinafter defined.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond cancelled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which monies, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity designated as such for the Series 2016 A Bonds in the Supplemental Resolution.

"Prior Bonds" means, collectively, the Series 1994 Bonds, the Series 2000 Bonds, the Series 2005 A Bonds, Series 2005 B Bonds, the Series 2008 A Bonds and the Series 2013 A Bonds.

"Prior Resolutions" means, collectively, the Resolutions authorizing the Prior Bonds.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least

equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investment pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code or any predecessor to the Code.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund continued by Section 5.01 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2016 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 2016 A Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"RUS Bonds" means, collectively, the Series 1994 Bonds and Series 2000 Bonds.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 1994 Bonds" means the Issuer's Water Revenue Bonds, Series 1994 (United States Department of Agriculture), dated August 18, 1994, issued in the original aggregate principal amount of \$550,000.

"Series 2000 Bonds" means the Issuer's Water Revenue Bonds, Series 2000 (United States Department of Agriculture), dated February 25, 2000, issued in the original aggregate principal amount of \$200,000.

"Series 2005 A Bonds" means the Issuer's Water Revenue Bonds, Series 2005 A Bonds (West Virginia Infrastructure Fund), dated April 19, 2005, issued in the original aggregate principal amount of \$1,470,000.

“Series 2005 B Bonds” means the Issuer’s Water Revenue Bonds, Series 2005 B Bonds (West Virginia DWTRF Program), dated April 19, 2005, issued in the original aggregate principal amount of \$1,639,000.

“Series 2008 A Bonds” means the Issuer’s Water Revenue Bonds, Series 2008 A Bonds (West Virginia Infrastructure Fund), dated April 16, 2008, issued in the original aggregate principal amount of \$1,325,000.

“Series 2013 A Bonds” means the Issuer’s Water Revenue Bonds, Series 2013 A Bonds (West Virginia DWTRF Program), dated May 24, 2013, issued in the original aggregate principal amount of \$1,725,000.

"Series 2016 A Bonds" means the Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Resolution.

"Series 2016 A Bonds Construction Trust Fund" means the Series 2016 A Bonds Construction Trust Fund established by Section 5.01 hereof.

“Series 2016 A Bonds Reserve Account” means the Series 2016 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2016 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2016 A Bonds in the then current or any succeeding year.

"Series 2016 A Bonds Sinking Fund" means the Series 2016 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2016 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2016 A Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2016 A Bonds, and not so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds, the Prior Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Sinking Funds and the Reserve Accounts.

"System" means the complete public waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and all waterworks facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks system; and shall also include the Project and any and all extensions,

additions, betterments and improvements thereto hereafter acquired or constructed for the waterworks systems from any sources whatsoever.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

"West Virginia Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

Additional terms and phrases are defined in this Resolution as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of \$723,930, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2016 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the Council.

The Cost of the Project is estimated not to exceed \$723,930 of which approximately \$160,000 will be obtained from the proceeds of the Series 2016 A Bonds; \$390,000 will be obtained as an ARC Grant; \$123,930 will be obtained as an Infrastructure Council grant; and \$50,000 will be obtained as a Calhoun-Gilmer Career Center Grant.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of paying the Series 2016 A Bonds, capitalizing interest on the Series 2016 A Bonds, if any, funding the Reserve Account for the Series 2016 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2016 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2016 A Bonds of the Issuer. The Series 2016 A Bonds shall be issued as a single bond, designated as "Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund)," in the principal amount of \$160,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The

proceeds of the Series 2016 A Bonds remaining after funding of the Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2016 A Bonds, if any, shall be deposited in or credited to the Series 2016 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2016 A Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2016 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2016 A Bonds shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2016 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2016 A Bonds. The Series 2016 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall have such terms as set forth in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2016 A Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2016 A Bonds shall cease to be such officer of the Issuer before the Series 2016 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2016 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. The Bond Registrar for the Series 2016 A Bonds shall be the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns. No Series 2016 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration

on any Series 2016 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2016 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2016 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide Holder for value.

So long as the Series 2016 A Bonds remain Outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2016 A Bonds shall be transferable only upon the books of the Bond Registrar, by the Registered Owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2016 A Bonds or transferring the registered Series 2016 A Bonds are exercised, all Series 2016 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2016 A Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2016 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2016 A Bonds or, in the case of any proposed redemption of Series 2016 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2016 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2016 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2016 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2016 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2016 A Bonds shall be secured by a first lien on the Net Revenues derived from the System on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2016 A Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2016 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2016 A Bonds to the original purchasers upon receipt of the documents set forth below:

- A. If other than the Authority, a list of the names in which the Series 2016 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;
- B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2016 A Bonds to the original purchasers;
- C. An executed and certified copy of the Bond Legislation;
- D. An executed copy of the Loan Agreement; and
- E. The unqualified approving opinion of bond counsel on the Series 2016 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2016 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2016 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GILMER COUNTY PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That on this the _____ day of _____, 2016, GILMER COUNTY PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Gilmer County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, to and including _____ 1, 20__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference; with interest of 1.0% per annum payable in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, to and including _____ 1, 20__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the Registered Owner hereof at the address as it appears on the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2016.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of improvements and extensions to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project and any further improvements or extensions

thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 2016, and a Supplemental Resolution duly adopted by the Issuer on _____, 2016 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S:

(1) WATER REVENUE BONDS, SERIES 1994 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED AUGUST 18, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$550,000 (THE "SERIES 1994 BONDS");

(2) WATER REVENUE BONDS, SERIES 2000 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED FEBRUARY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$200,000 (THE "SERIES 2000 BONDS");

(3) WATER REVENUE BONDS, SERIES 2005 A BONDS (WEST VIRGINIA INFRASTRUCTURE FUND), DATED APRIL 19, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,470,000 (THE "SERIES 2005 A BONDS");

(4) WATER REVENUE BONDS, SERIES 2005 B BONDS (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 19, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,639,000 (THE "SERIES 2005 B BONDS");

(5) WATER REVENUE BONDS, SERIES 2008 A BONDS (WEST VIRGINIA INFRASTRUCTURE FUND), DATED APRIL 16, 2008, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,325,000 (THE "SERIES 2008 A BONDS"); AND

(6) WATER REVENUE BONDS, SERIES 2013 A BONDS (WEST VIRGINIA DWTRF PROGRAM), DATED MAY 24, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,725,000 (THE "SERIES 2013 A BONDS"); (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Prior Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2016 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series

2016 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2016 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations Outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the Costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the Registered Owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal and interest of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, GILMER COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Chairman

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2016 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: _____, 2016.

UNITED BANK, INC., as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$		(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto
_____ the within
Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books
kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20__.

In the presence of:

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2016 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. Filing of "Amended Schedule". Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the Council a schedule, the form of which will be provided by the Council, setting forth the actual Costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created (or continued if previously established by Prior Resolutions) and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

- (1) Revenue Fund (established by the Prior Resolutions);
- (2) Renewal and Replacement Fund (established by the Prior Resolutions);
- (3) Reserve Fund (established by Prior Resolutions for the Series 1994 Bonds);
- (4) Series 2000 Bonds Reserve Account (established by Prior Resolutions); and
- (5) Series 2016 A Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created (or continued if previously established by Prior Resolutions) with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

- (1) Series 2005 A Bonds Sinking Fund (established by Prior Resolutions);
- (2) Series 2005 A Bonds Reserve Account (established by Prior Resolutions);
- (3) Series 2005 B Bonds Sinking Fund (established by Prior Resolutions);
- (4) Series 2005 B Bonds Reserve Account (established by Prior Resolutions);

- (5) Series 2008 A Bonds Sinking Fund (established by Prior Resolutions);
- (6) Series 2008 A Bonds Reserve Account (established by Prior Resolutions);
- (7) Series 2013 A Bonds Sinking Fund (established by Prior Resolutions);
- (8) Series 2013 A Bonds Reserve Account (established by Prior Resolutions);
- (9) Series 2016 A Bonds Sinking Fund; and
- (10) Series 2016 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order of priority:

(1) The Issuer shall first, each month, pay from the Revenue Fund all current Operating Expenses of the System.

(2) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously on or before the due date thereof remit: (i) to the National Finance Office the amounts required to pay interest on the RUS Bonds; and (ii) to the Commission commencing 4 months prior to the first date of payment of interest of the Series 2016 A Bonds, for deposit in the Series 2016 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 2016 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2016 A Bonds Sinking Fund and the next quarterly interest payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously: (i) remit to the National Finance Office the amounts required to pay principal of the RUS Bonds, as required by the Prior Resolutions; (ii) remit to the Commission the amount required to pay principal of the Series 2005 A Bonds, Series 2005 B Bonds, Series 2008 A Bonds and Series 2013 A Bonds as required by the Prior Resolution; and (iii) remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2016 A Bonds, for deposit in the Series 2016 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will

mature and become due on the Series 2016 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2016 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously: (i) remit to the Depository Bank, the amounts required by the Prior Resolutions for deposit in the Reserve Fund for the RUS Bonds; (ii) remit to the Commission, the amounts required by the Prior Resolutions for deposit in the respective Reserve Accounts for the Series 2005 A Bonds, Series 2005 B Bonds, Series 2008 A Bonds and Series 2013 A Bonds; and (iii) remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2016 A Bonds, if not fully funded upon issuance of the Series 2016 A Bonds, for deposit in the Series 2016 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2016 A Bonds Reserve Requirement, until the amount in the Series 2016 A Bonds Reserve Account equals the Series 2016 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2016 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2016 A Bonds Reserve Requirement.

(5) The Issuer shall next, each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund (as previously set forth in the Prior Resolutions and not in addition thereto) the amounts required by the Prior Resolutions and a sum equal to 2.5% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2016 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2016 A Bonds as the same shall become due. Monies in the Series 2016 A Bonds Reserve Account shall be used only for the purpose of paying

principal of and interest, if any, on the Series 2016 A Bonds as the same shall come due, when other monies in the Series 2016 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account, shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2016 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2016 A Bonds, and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2016 A Bonds Reserve Account which result in a reduction in the balance therein to below the Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2016 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2016 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 2016 A Bonds and the Prior Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2016 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest and reserve account payments with respect to the Series 2016 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application

thereof consistent with the provisions of this Bond Legislation. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

C. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

D. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the respective parties shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

E. The monies in excess of the maximum amounts insured by FDIC in all funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

F. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

G. The Gross Revenues of the System shall only be used for purposes of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2016 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2016 A Bonds, there shall first be deposited with the Commission in the Series 2016 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2016 A Bonds for the period commencing on the date of issuance of the Series 2016 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2016 A Bonds, there shall be deposited with the Commission in the Series 2016 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2016 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2016 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2016 A Bonds Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2016 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all Costs have been paid, any remaining proceeds of the Series 2016 A Bonds shall be applied as directed by the Council.

Section 6.02. Disbursements From the Bond Construction Trust Fund. The Issuer shall each month provide the Council with a requisition for the Costs incurred for the Project, together with such documentation as the Council shall require. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2016 A Bonds Construction Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer stating that:

- (a) None of the items for which the payment is proposed to be made has been requested from another funding source;
- (b) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;
- (c) Each of such Costs has been otherwise properly incurred; and
- (d) Payment for each of the items proposed is then due and owing.

Pending such application, monies in the Series 2016 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the

Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2016 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2016 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2016 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2016 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2016 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to the Prior Bonds. The payment of the debt service of the Series 2016 A Bonds shall be secured by a first lien on the Net Revenues derived from the System on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2016 A Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Recommended Decision of the Public Service Commission of West Virginia entered April 12, 2013 which became a Final Order on April 27, 2013 per Commission Order Waiving the Exception Period in Case No. 12-1380-PWD-CN-PC, and such rates are hereby adopted.

So long as the Series 2016 A Bonds are Outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2016 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2016 A Bonds and the Prior Bonds are Outstanding and except as otherwise required by law or with the written consent the Authority and the Holders of the Prior Bonds, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from

any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2016 A Bonds, immediately be remitted to the Commission for deposit in the Series 2016 A Bonds Sinking Fund and applied to the payment of principal of and interest, if any, on the Series 2016 A Bonds. Any balance remaining after the payment of the Series 2016 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2016 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2016 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2016 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2016 A Bonds, and the interest thereon upon any or all of the income and

revenues of the System pledged for payment of the Series 2016 A Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the Council prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolutions shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2016 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2016 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of additions, extensions, improvements or betterments to the System or refunding any Outstanding Bonds, or both such purposes.

So long as the RUS Bonds are Outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues for the Fiscal Year following the year in which such Parity Bonds are to be issued shall be at least 120% of the average annual debt service requirements on the following:

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The foregoing limitation may be waived or modified by the written consent of the Holders of the RUS Bonds, representing 75% of the then-Outstanding principal indebtedness. In the event the foregoing limitation is waived or when the RUS Bonds are no longer Outstanding, the following requirement shall be met:

So long as the Series 2005 A Bonds, Series 2005 B Bonds, Series 2008 A Bonds, Series 2013 A Bonds or Series 2016 A Bonds are Outstanding, no Parity Bonds shall be issued at any time, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates adopted by the Issuer and approved by the Public Service Commission of West Virginia, the time for appeal of which shall have expired prior to the issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the time for appeal of which shall have expired prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2016 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2016 A Bonds.

So long as the Series 2016 A Bonds are Outstanding no Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the Council, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority and the Council, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Governing Body. The Governing Body shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the Council, the Authority, or any other original purchaser of the Series 2016 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2016 A Bonds, requesting the same, an annual report containing the following:

- (A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.
- (B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.
- (C) The amount of any Bonds, notes or other obligations Outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto) and shall mail upon request, and make available generally, the report of the

Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2016 A Bonds, and shall submit said report to the Council and the Authority, or any other original purchaser of the Series 2016 A Bonds. Such audit report submitted to the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the Authority and the Council, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2016 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2016 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2016 A Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit in the Series 2016 A Bonds Reserve Account and the reserve accounts for obligations on a parity with the Series 2016 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2016 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2016 A Bonds, including the Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and

the Council within 30 days of adoption thereof. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the Council and to any Holder of any Bonds, within 30 days of adoption thereof, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and the Council and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority and the Council by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Authority and the Council covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the Council and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall employ qualified operating personnel properly certified by the State during the entire term of the Loan Agreement.

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Water Development Authority (the "Authority"). Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.14. No Free Services. Except as required by law, the Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

- (1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than \$1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than \$500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) FLOOD INSURANCE, if the facilities of the System are or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) FIDELITY BONDS will be provided as to every officer, member and employee of the Issuer or the Governing Body having custody of the revenues or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided, that the amounts and terms of such coverage are satisfactory to the Authority and the Council and the Issuer shall verify such insurance prior to commencement of construction. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner,

tenant or occupant of any house, dwelling or building intended to be served by the System to connect thereto.

Section 7.17. Completion and Operation of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project, the operation of the System and all approvals for issuance of the Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect.

Section 7.18. Reserved.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2016 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2016 A Bonds and shall be on a parity with the Prior Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the Council with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority, the Council or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia in accordance with the guidelines established by the Authority and the Public Service Commission of West Virginia.

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2016 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2016 A Bonds held in "contingency" as set forth in the respective schedules attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council

before expending any proceeds of the Series 2016 A Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS; USE OF PROCEEDS

Section 8.01. Investments. Any monies held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such monies for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2016 A Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2016 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2016 A Bonds as a condition to issuance of the Series 2016 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2016 A Bonds as may be necessary in order to maintain the status of the Series 2016 A Bonds as public purpose bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use

of the proceeds of the Series 2016 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the Council, from which the proceeds of the Series 2016 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the Council, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2016 A Bonds and, at any time, any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2016 A Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest on the Series 2016 A Bonds; or
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2016 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2016 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond;
- (3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America;
- (4) If default occurs under the Prior Bonds or the Prior Resolutions.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided, that all rights

and remedies of the Holders of the Series 2016 A Bonds shall be on a parity with the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might exercise.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the revenues of the System shall have been paid and made good, and all defaults under the provisions of this Bond Legislation shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner of any Bonds shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him or her or it, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby, and a successor receiver may be appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2016 A Bonds, the principal of and interest due or to become due thereon, if any, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2016 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2016 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2016 A Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2016 A Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2016 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2016 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2016 A Bonds from gross income of the Holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2016 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the Supplemental Resolution or the Series 2016 A Bonds.

Section 11.04. Headings, Etc. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Conflicting Provisions Repealed. All orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; provided, that in the event of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

[Remainder of Page Intentionally Blank]

adoption. Section 11.07. Effective Date. This Resolution shall take effect immediately upon

Adopted this 20th day of September, 2016.

GILMER COUNTY PUBLIC SERVICE DISTRICT

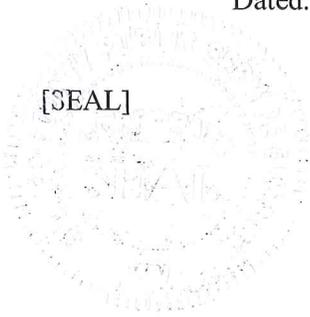


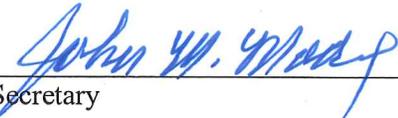
Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GILMER COUNTY PUBLIC SERVICE DISTRICT on the 20th day of September, 2016.

Dated: October 6, 2016.




Secretary

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISIONS, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2016 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF GILMER COUNTY PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Gilmer County Public Service District (the "Issuer") has duly and officially adopted a bond resolution on September 20, 2016 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF GILMER COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH ISSUANCE BY THE DISTRICT OF \$160,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2016 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Resolution when used herein;

WHEREAS, the Bond Resolution provides for the issuance of Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds"), in the aggregate principal amount not to exceed \$160,000 and has authorized the execution and delivery of the loan agreement relating to the Series 2016 A Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13A, and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provisions, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Loan Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provisions, the interest rate, the interest and principal payment dates, the sale price and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GILMER COUNTY PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$160,000. The Series 2016 A Bonds shall be dated the date of delivery thereof, shall finally mature September 1, 2056, and shall bear interest at the rate of 1.0% per annum. The principal of and interest on the Series 2016 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2017, to and including September 1, 2056, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2016 A Bonds. The Series 2016 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the Registered Owner of the Series 2016 A Bonds.

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the Council and the Authority.

The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate United Bank, Inc., Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate the United Bank, Inc., Glenville, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2016 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2016 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2016 A Bond Proceeds in the amount of \$-0- shall be deposited in the Series 2016 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2016 A Bonds shall be deposited in or credited to the Series 2016 A Bonds Construction Trust Fund for payment of the Costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered on or about October 6, 2016, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof with proceeds of the Series 2016 A Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project and the Chairman is hereby authorized and directed to execute and deliver all such contracts.

Section 13. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 20th day of September, 2016.

GILMER COUNTY PUBLIC SERVICE DISTRICT

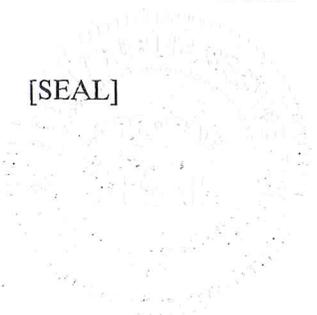
By: William Stalnaker
Its: Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Gilmer County Public Service District on September 20, 2016.

Dated: October 6, 2016.

[SEAL]




Secretary

329470.00005

IC-1
(07/13)

LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the governmental agency designated below (the "Governmental Agency").

GILMER COUNTY PUBLIC SERVICE DISTRICT
(2014W-1496)

(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, subject to such provisions and limitations as are contained in the Act;

WHEREAS, the Governmental Agency constitutes a governmental agency as defined by the Act;

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a project, as defined by the Act, and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the "Project");

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

WHEREAS, having reviewed the Application and made all findings required by the Act and having available sufficient funds therefor, the Council has authorized the Authority to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with money in the Infrastructure Fund, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Council's loan program (the "Program") as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Governmental Agency and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "Council," "governmental agency," "project," "waste water facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Bonds, acting in its administrative capacity pursuant to Section 10 of the Act and upon authorization from the Council.

1.3 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any qualified successor thereto; provided, however, when a Loan is made for a Project financed, in part, by the Office of Abandoned Mine Lands, "Consulting Engineers" shall mean the West Virginia Department of Environmental Protection, or any successor thereto.

1.4 "Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Section 9 of the Act.

1.5 "Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.6 "Local Act" means the official action of the Governmental Agency required by Section 4.1 hereof, authorizing the Local Bonds.

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority, all in accordance with the provisions of this Loan Agreement.

1.8 "Local Statute" means the specific provisions of the Code of West Virginia, 1931, as amended, pursuant to which the Local Bonds are issued.

1.9 “Operating Expenses” means the reasonable, proper and necessary costs of operation and maintenance of the System, as hereinafter defined, as should normally and regularly be included as such under generally accepted accounting principles.

1.10 “Project” means the project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds.

1.11 “System” means the project owned by the Governmental Agency, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

1.12 Additional terms and phrases are defined in this Loan Agreement as they are used.

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority and Council having found, to the extent applicable, that the Project is consistent with the Act.

2.2 Subject to the terms, conditions and provisions of this Loan Agreement and the Local Act, the Governmental Agency has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers.

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property or any interest therein is approved by the Authority and Council.

2.4 The Governmental Agency agrees that the Authority and the Council and their duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Governmental Agency further agrees that the Authority and the Council and their duly authorized agents and representatives shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Governmental Agency shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the

Project. The Governmental Agency shall permit the Authority and the Council, acting by and through their directors or their duly authorized agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the construction, acquisition and installation of the Project, the operation and maintenance of the System and the administration of the Loan or of any State and federal grants or other sources of financing for the Project.

2.6 The Governmental Agency agrees that it will permit the Authority and the Council and their agents and representatives to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof or if the Project is an improvement to an existing system at any reasonable time following commencement of construction.

2.7 The Governmental Agency shall require that each construction contractor furnish a performance bond and a payment bond, each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract and shall verify or have verified such bonds prior to commencement of construction.

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Governmental Agency shall provide and maintain competent and adequate engineering services satisfactory to the Council and the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the Council and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans,

specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of this Loan Agreement.

2.11 The Governmental Agency hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Council, the Authority or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Governmental Agency, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and Council.

2.13 The Governmental Agency shall serve the additional customers at the location(s) as set forth in Schedule X. The Governmental Agency shall not reduce the amount of additional customers served by the project without the prior written approval of the WDA Board. Following completion of the Project the Governmental Agency shall certify to the Authority the number of customers added to the System.

2.14 The Governmental Agency shall perform an annual maintenance audit which maintenance audit shall be submitted to the WDA and the Public Service Commission of West Virginia.

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

3.1 The agreement of the Authority and Council to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority and the Council, of each and all of those certain conditions precedent on or before the delivery date for the Local Bonds, which shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

(a) The Governmental Agency shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Loan Agreement;

(b) The Governmental Agency shall have authorized the issuance of and delivery to the Authority of the Local Bonds described in this Article III and in Article IV hereof;

(c) The Governmental Agency shall either have received bids or entered into contracts for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the Loan will refund an interim construction financing, the Governmental Agency must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit A;

(d) The Governmental Agency shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect;

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(f) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, including compliance with Chapter 21, Article 1D of the Code of West Virginia, 1931, as amended, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and the Council shall have received a certificate of the accountant for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority and the Council, to such effect; and

(i) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed

therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of projects and satisfactory to the Authority and the Council, to such effect, such certificate to be in form and substance satisfactory to the Authority and the Council, and evidence satisfactory to the Authority and the Council of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority, the Council or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Governmental Agency and the Governmental Agency shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Governmental Agency shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

3.3 The Loan shall be secured and shall be repaid in the manner hereinafter provided in this Loan Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Governmental Agency by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, the Council and the Governmental Agency. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority or such later date as is agreed to in writing by the Council.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans from the Infrastructure Fund to finance projects and that the obligation of the Authority to make any such loan is subject to the Council's authorization and the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Infrastructure Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

ARTICLE IV

Local Bonds; Security for Loan; Repayment of Loan; Interest on Loan; Fees and Charges

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues shall be used monthly, in the order of priority listed below:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety) in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

(iii) to create a renewal and replacement, or similar, fund in an amount equal to two and one-half percent (2-1/2%) of the gross revenues from the System, exclusive of any payments into the Reserve Account, for the purpose of improving or making emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

(iv) for other legal purposes of the System, including payment of debt service on other obligations junior, subordinate and inferior to the Local Bonds.

Provided, that if the Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and in the Local Act;

(ii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all Operating Expenses and leave a balance each year equal to at least one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Local Bonds and all other obligations secured by a lien on or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the Reserve Account is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount equal to the Reserve Requirement and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

(iii) That the Governmental Agency shall complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Local Bonds outstanding, with further restrictions on the disposition of portions of the System as are normally contained in such covenants;

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vi) That the Governmental Agency will carry such insurance as is customarily carried with respect to works and properties similar to the System, including those specified by Section 2.8 hereof;

(vii) That the Governmental Agency will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Governmental Agency under the Local Act, including the

making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law;

(ix) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(x) That, to the extent legally allowable, the Governmental Agency will not grant any franchise to provide any services which would compete with the System;

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and the Council, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Governmental Agency shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof;

(xiii) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, prospective users of the System shall be required to connect thereto;

(xiv) That the proceeds of the Local Bonds, advanced from time to time, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing of such Governmental Agency, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and the Council, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency may not redeem any Local Bonds by it without the written consent of the Authority and the Council and otherwise in compliance with this Loan Agreement;

(xvi) That the West Virginia Municipal Bond Commission (the “Commission”) shall serve as paying agent for the Local Bonds;

(xvii) That the Governmental Agency shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Governmental Agency shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month. When required by the Authority, the Local Entity shall make monthly payments to the Commission by electronic transfer;

(xviii) That, unless it qualifies for an exception to the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, which exception shall be set forth in an opinion of bond counsel, the Governmental Agency will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Internal Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action regarding the use of the proceeds of the Local Bonds, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for federal income tax purposes of interest on the State’s general obligation bonds or any bonds secured by the Local Bonds;

(xx) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached hereto as Exhibit A, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

(xxi) That the Governmental Agency shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Governmental Agency, then the Governmental Agency shall enter into a termination agreement with the water provider;

(xxii) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting “gross proceeds” of the Local Bonds (as that term is defined in the Internal Revenue Code of 1986, as amended) from time to time as the Authority may request;

(xxiii) That the Governmental Agency shall submit all proposed change orders to the Council for written approval. The Governmental Agency shall obtain the

written approval of the Council before expending any proceeds of the Local Bonds held in “contingency” as set forth in the final Schedule B attached to the certificate of the Consulting Engineer. The Governmental Agency shall obtain the written approval of the Council before making any changes to the final Schedule B and also before expending any proceeds of the Local Bonds available due to bid/construction/project underruns;

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

(xxv) That, unless it qualifies for an exception, the Governmental Agency shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the “West Virginia Jobs Act”) and shall require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Governmental Agency shall provide the Council and the Authority with a certificate stating that (I) the Governmental Agency will comply with all the requirements of the West Virginia Jobs Act; (II) the Governmental Agency has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (III) the Governmental Agency has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor (“DOL”); and (IV) the Governmental Agency will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation, following the procedures established by the DOL. The monthly requisitions submitted to the Council shall also certify that the Governmental Agency is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

The Governmental Agency hereby represents and warrants that the Local Act has been or shall be duly adopted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, validity, sale and delivery of the Local Bonds shall be approved without qualification by recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit B.

4.2 The Loan shall be secured by the pledge and assignment by the Governmental Agency, as effected by the Local Act, of the fees, charges and other revenues of the Governmental Agency from the System as further set forth by and subject only to such reservations and exceptions as are described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority and the Council.

4.3 The principal of the Loan shall be repaid by the Governmental Agency on the days and in the years provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a quarterly basis as provided in said Schedule X.

4.4 The Loan shall bear interest from the date and at the rate or rates per annum set forth on Schedule X hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.5 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the bonds which are the source of money used to purchase the Local Bonds, unless otherwise agreed to by the Council.

ARTICLE V

Certain Covenants of the Governmental Agency; Imposition and Collection of User Charges; Payments To Be Made by Governmental Agency to the Authority

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment due to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under the Act and State law, including, without limitation, the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority and the Council in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's making the Loan and receiving the Local Bonds, the Authority and the Council shall have the right to cancel all or any of their obligations under this Loan Agreement if (a) any representation made to the Authority and the Council by the Governmental Agency in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act or this Loan Agreement.

6.2 The Governmental Agency hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Governmental Agency fails to make any such rebates as required, then the Governmental Agency shall pay any and all penalties, obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Local Bonds.

6.3 Notwithstanding Section 6.2, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

6.4 The Governmental Agency hereby agrees to give the Authority and the Council prior written notice of the issuance by it of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.5 The Governmental Agency hereby agrees to file with the Authority and the Council upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule B to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency, if any, may be set forth in Schedule Z attached hereto and incorporated herein by reference, with the same effect as if contained in the text of this Loan Agreement.

7.2 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Governmental Agency supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority and the Council.

7.3 The Authority shall take all actions required by the Council in making and enforcing this Loan Agreement.

7.4 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.5 This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Loan Agreement.

7.6 No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

7.7 This Loan Agreement supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Loan and constitutes the entire agreement between the parties hereto in respect thereof.

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Department of Environmental Protection, Office of Abandoned Mine Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

7.9 By execution and delivery of this Loan Agreement, notwithstanding the date hereof, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

7.10 This Loan Agreement shall terminate upon the earlier of:

- (i) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;
- (ii) termination by the Authority and the Council pursuant to Section 6.1 hereof; or
- (iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

GILMER COUNTY PUBLIC SERVICE DISTRICT

(SEAL)

Attest:

John M. Gray
Its: Secretary

By: *William Stalnaker*
Its: Chairman
Date: October 6, 2016

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

Attest:

Sheila A. Miller
Its: Authorized Officer

By: *[Signature]*
Its: Executive Director
Date: October 6, 2016

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

(Issuer)

(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No. _____, of _____, Consulting Engineers, _____, _____ hereby certify as follows:

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____ County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated _____.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the Council and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B attached hereto as Exhibit A, and my firm¹ has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the _____

¹If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____, Esq.] and delete "my firm has ascertained that".

successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the Council and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof², the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the Council; (xi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve _____ new customers in the _____ area.

WITNESS my signature and seal on this _____ day of _____, ____.

[SEAL]

By: _____
West Virginia License No. _____

²If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: "In reliance upon the certificate of _____ of even date herewith," at the beginning of (ix).

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
1009 Bullitt Street
Charleston, WV 25301

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Ladies and Gentlemen:

We are bond counsel to _____ (the
“Governmental Agency”), a _____.

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, _____, including all schedules and exhibits attached thereto (the “Loan Agreement”), between the Governmental Agency and the West Virginia Water Development Authority (the “Authority”), on behalf of the West Virginia Infrastructure and Jobs Development Council (the “Council”), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, _____ (the “Local Bonds”), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of \$ _____, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning _____, 1, _____, and ending _____, 1, _____, as set forth in the “Schedule Y” attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the “Local Statute”), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the Governmental Agency on _____ (collectively, the “Local Act”), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The Loan Agreement has been duly authorized by and executed on behalf of the Governmental Agency and is a valid and binding special obligation of the Governmental Agency, enforceable in accordance with the terms thereof.

2. The Loan Agreement inures to the benefit of the Authority and the Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Governmental Agency without the consent of the Authority and the Council.

3. The Governmental Agency is a duly organized and validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Governmental Agency and constitute valid and binding obligations of the Governmental Agency, enforceable against the Governmental Agency in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Governmental Agency to the Authority and are valid, legally enforceable and binding special obligations of the Governmental Agency, payable from the net or gross revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Local Bond numbered R-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

Name of Governmental Agency _____
 Name of Bond Issue(s) _____
 Type of Project _____ Water _____ Wastewater _____
 Fiscal Year _____ Report Month _____

<u>Item</u>	<u>Current Month</u>	<u>Total Year To Date</u>	<u>Budget Year To Date</u>	<u>Budget Year To Date Minus Total Year To Date</u>
1. Gross Revenues	_____	_____	_____	_____
2. Operating Expenses	_____	_____	_____	_____
3. Bond Payments:				
<u>Type of Issue</u>	_____	_____	_____	_____
Clean Water SRF	_____	_____	_____	_____
Drinking Water TRF	_____	_____	_____	_____
Infrastructure Fund	_____	_____	_____	_____
Water Development Authority	_____	_____	_____	_____
Rural Utilities Service	_____	_____	_____	_____
Economic Development Administration	_____	_____	_____	_____
Other (Identify)	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
4. Renewal and Replacement Fund Deposits	_____	_____	_____	_____

 Name of Person Completing Form

 Address

 Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

- Item 1 You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of \$1,200 are anticipated to be received for the year, each month the base would be increased by \$100 ($\$1,200/12$). This is the incremental amount for the Budget Year-to-Date column.
- Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of \$900 are anticipated to be incurred for the year, each month the base would be increased by \$75 ($\$900/12$). This is the incremental amount for the Budget Year-to-Date column.
- Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Governmental Agency according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.
- Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are \$1,200, then \$30 (2.5% of \$1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

The Governmental Agency must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT D

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission on behalf of [Name of Governmental Agency] on [Date].

Sinking Fund:

Interest	\$	
Principal	\$	
Total:		\$
Reserve Account:		\$

Witness my signature this ___ day of _____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

A. Series A Bonds

Principal Amount of Local Bonds	\$160,000
Purchase Price of Local Bonds	\$160,000

The Local Bonds shall bear interest at a rate of 1% per annum. Commencing December 1, 2017, principal of and interest on the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall authorize the Commission to electronically debit its monthly payments. The Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

The Local Bonds are fully registered in the name of the Authority as to interests and principal and the Local Bonds shall grant the Authority a first lien on the gross or net revenues of the Governmental Agency's system as provided in the Local Act.

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Governmental Agency:

- (1) Water Revenue Bonds, Series 1994 (United States Department of Agriculture), dated August 18, 1994, issued in the original aggregate principal amount of \$550,000 (the "Series 1994 Bonds");
- (2) Water Revenue Bonds, Series 2000 (United States Department of Agriculture), dated February 25, 2000, issued in the original aggregate principal amount of \$200,000 (the "Series 2000 Bonds");
- (3) Water Revenue Bonds, Series 2005 A Bonds (West Virginia Infrastructure Fund), dated April 19, 2005, issued in the original aggregate principal amount of \$1,470,000 (the "Series 2005 A Bonds");
- (4) Water Revenue Bonds, Series 2005 B Bonds (West Virginia DWTRF Program), dated April 19, 2005, issued in the original aggregate principal amount of \$1,639,000 (the "Series 2005 B Bonds");

- (5) Water Revenue Bonds, Series 2008 A Bonds (West Virginia Infrastructure Fund), dated April 16, 2008, issued in the original aggregate principal amount of \$1,325,000 (the “Series 2008 A Bonds”); and
- (6) Water Revenue Bonds, Series 2013 A Bonds (West Virginia DWTRF Program), dated May 24, 2013, issued in the original aggregate principal amount of \$1,725,000 (the “Series 2013 A Bonds”)

Number of New Users: 17

Location: Route 5/Hattie Road area in Gilmer County, WV

SCHEDULE Y
DEBT SERVICE SCHEDULE

Bond Debt Service					
Gilmer County PSD					
IF					
\$160,000					
1% Interest Rate					
40 Years from Closing Date					
	Dated Date	10/6/2016			
	Delivery Date	10/6/2016			
Period Ending	Principal	Coupon	Interest	Debt Service	
12/1/2017	840	1.000%	400.00	1,240.00	
3/1/2018	842	1.000%	397.90	1,239.90	
6/1/2018	844	1.000%	395.80	1,239.80	
9/1/2018	846	1.000%	393.69	1,239.69	
12/1/2018	848	1.000%	391.57	1,239.57	
3/1/2019	850	1.000%	389.45	1,239.45	
6/1/2019	853	1.000%	387.33	1,240.33	
9/1/2019	855	1.000%	385.19	1,240.19	
12/1/2019	857	1.000%	383.06	1,240.06	
3/1/2020	859	1.000%	380.91	1,239.91	
6/1/2020	861	1.000%	378.77	1,239.77	
9/1/2020	863	1.000%	376.61	1,239.61	
12/1/2020	865	1.000%	374.46	1,239.46	
3/1/2021	868	1.000%	372.29	1,240.29	
6/1/2021	870	1.000%	370.12	1,240.12	
9/1/2021	872	1.000%	367.95	1,239.95	
12/1/2021	874	1.000%	365.77	1,239.77	
3/1/2022	876	1.000%	363.58	1,239.58	
6/1/2022	879	1.000%	361.39	1,240.39	
9/1/2022	881	1.000%	359.20	1,240.20	
12/1/2022	883	1.000%	356.99	1,239.99	
3/1/2023	885	1.000%	354.79	1,239.79	
6/1/2023	887	1.000%	352.57	1,239.57	
9/1/2023	890	1.000%	350.36	1,240.36	
12/1/2023	892	1.000%	348.13	1,240.13	
3/1/2024	894	1.000%	345.90	1,239.90	
6/1/2024	896	1.000%	343.67	1,239.67	
9/1/2024	898	1.000%	341.43	1,239.43	
12/1/2024	901	1.000%	339.18	1,240.18	
3/1/2025	903	1.000%	336.93	1,239.93	
6/1/2025	905	1.000%	334.67	1,239.67	
9/1/2025	908	1.000%	332.41	1,240.41	
12/1/2025	910	1.000%	330.14	1,240.14	
3/1/2026	912	1.000%	327.86	1,239.86	
6/1/2026	914	1.000%	325.58	1,239.58	
9/1/2026	917	1.000%	323.30	1,240.30	
12/1/2026	919	1.000%	321.01	1,240.01	
3/1/2027	921	1.000%	318.71	1,239.71	
6/1/2027	923	1.000%	316.41	1,239.41	
9/1/2027	926	1.000%	314.10	1,240.10	
12/1/2027	928	1.000%	311.78	1,239.78	
3/1/2028	930	1.000%	309.46	1,239.46	
6/1/2028	933	1.000%	307.14	1,240.14	

Bond Debt Service
Gilmer County PSD
IF
\$160,000
1% Interest Rate
40 Years from Closing Date

Period Ending	Principal	Coupon	Interest	Debt Service
9/1/2028	935	1.000%	304.81	1,239.81
12/1/2028	937	1.000%	302.47	1,239.47
3/1/2029	940	1.000%	300.13	1,240.13
6/1/2029	942	1.000%	297.78	1,239.78
9/1/2029	944	1.000%	295.42	1,239.42
12/1/2029	947	1.000%	293.06	1,240.06
3/1/2030	949	1.000%	290.69	1,239.69
6/1/2030	952	1.000%	288.32	1,240.32
9/1/2030	954	1.000%	285.94	1,239.94
12/1/2030	956	1.000%	283.56	1,239.56
3/1/2031	959	1.000%	281.17	1,240.17
6/1/2031	961	1.000%	278.77	1,239.77
9/1/2031	964	1.000%	276.37	1,240.37
12/1/2031	966	1.000%	273.96	1,239.96
3/1/2032	968	1.000%	271.54	1,239.54
6/1/2032	971	1.000%	269.12	1,240.12
9/1/2032	973	1.000%	266.69	1,239.69
12/1/2032	976	1.000%	264.26	1,240.26
3/1/2033	978	1.000%	261.82	1,239.82
6/1/2033	981	1.000%	259.38	1,240.38
9/1/2033	983	1.000%	256.92	1,239.92
12/1/2033	985	1.000%	254.47	1,239.47
3/1/2034	988	1.000%	252.00	1,240.00
6/1/2034	990	1.000%	249.53	1,239.53
9/1/2034	993	1.000%	247.06	1,240.06
12/1/2034	995	1.000%	244.58	1,239.58
3/1/2035	998	1.000%	242.09	1,240.09
6/1/2035	1,000	1.000%	239.59	1,239.59
9/1/2035	1,003	1.000%	237.09	1,240.09
12/1/2035	1,005	1.000%	234.59	1,239.59
3/1/2036	1,008	1.000%	232.07	1,240.07
6/1/2036	1,010	1.000%	229.55	1,239.55
9/1/2036	1,013	1.000%	227.03	1,240.03
12/1/2036	1,015	1.000%	224.50	1,239.50
3/1/2037	1,018	1.000%	221.96	1,239.96
6/1/2037	1,020	1.000%	219.41	1,239.41
9/1/2037	1,023	1.000%	216.86	1,239.86
12/1/2037	1,026	1.000%	214.31	1,240.31
3/1/2038	1,028	1.000%	211.74	1,239.74
6/1/2038	1,031	1.000%	209.17	1,240.17
9/1/2038	1,033	1.000%	206.59	1,239.59
12/1/2038	1,036	1.000%	204.01	1,240.01
3/1/2039	1,038	1.000%	201.42	1,239.42
6/1/2039	1,041	1.000%	198.83	1,239.83
9/1/2039	1,044	1.000%	196.22	1,240.22
12/1/2039	1,046	1.000%	193.61	1,239.61
3/1/2040	1,049	1.000%	191.00	1,240.00

Bond Debt Service

Gilmer County PSD

IF

\$160,000

1% Interest Rate

40 Years from Closing Date

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/2040	1,052	1.000%	188.38	1,240.38
9/1/2040	1,054	1.000%	185.75	1,239.75
12/1/2040	1,057	1.000%	183.11	1,240.11
3/1/2041	1,059	1.000%	180.47	1,239.47
6/1/2041	1,062	1.000%	177.82	1,239.82
9/1/2041	1,065	1.000%	175.17	1,240.17
12/1/2041	1,067	1.000%	172.50	1,239.50
3/1/2042	1,070	1.000%	169.84	1,239.84
6/1/2042	1,073	1.000%	167.16	1,240.16
9/1/2042	1,075	1.000%	164.48	1,239.48
12/1/2042	1,078	1.000%	161.79	1,239.79
3/1/2043	1,081	1.000%	159.10	1,240.10
6/1/2043	1,084	1.000%	156.39	1,240.39
9/1/2043	1,086	1.000%	153.68	1,239.68
12/1/2043	1,089	1.000%	150.97	1,239.97
3/1/2044	1,092	1.000%	148.25	1,240.25
6/1/2044	1,094	1.000%	145.52	1,239.52
9/1/2044	1,097	1.000%	142.78	1,239.78
12/1/2044	1,100	1.000%	140.04	1,240.04
3/1/2045	1,103	1.000%	137.29	1,240.29
6/1/2045	1,105	1.000%	134.53	1,239.53
9/1/2045	1,108	1.000%	131.77	1,239.77
12/1/2045	1,111	1.000%	129.00	1,240.00
3/1/2046	1,114	1.000%	126.22	1,240.22
6/1/2046	1,116	1.000%	123.44	1,239.44
9/1/2046	1,119	1.000%	120.65	1,239.65
12/1/2046	1,122	1.000%	117.85	1,239.85
3/1/2047	1,125	1.000%	115.04	1,240.04
6/1/2047	1,128	1.000%	112.23	1,240.23
9/1/2047	1,130	1.000%	109.41	1,239.41
12/1/2047	1,133	1.000%	106.59	1,239.59
3/1/2048	1,136	1.000%	103.75	1,239.75
6/1/2048	1,139	1.000%	100.91	1,239.91
9/1/2048	1,142	1.000%	98.07	1,240.07
12/1/2048	1,145	1.000%	95.21	1,240.21
3/1/2049	1,148	1.000%	92.35	1,240.35
6/1/2049	1,150	1.000%	89.48	1,239.48
9/1/2049	1,153	1.000%	86.60	1,239.60
12/1/2049	1,156	1.000%	83.72	1,239.72
3/1/2050	1,159	1.000%	80.83	1,239.83
6/1/2050	1,162	1.000%	77.93	1,239.93
9/1/2050	1,165	1.000%	75.03	1,240.03
12/1/2050	1,168	1.000%	72.12	1,240.12
3/1/2051	1,171	1.000%	69.20	1,240.20
6/1/2051	1,174	1.000%	66.27	1,240.27
9/1/2051	1,177	1.000%	63.33	1,240.33
12/1/2051	1,180	1.000%	60.39	1,240.39

Bond Debt Service
Gilmer County PSD
IF
\$160,000
1% Interest Rate
40 Years from Closing Date

Period Ending	Principal	Coupon	Interest	Debt Service
3/1/2052	1,182	1.000%	57.44	1,239.44
6/1/2052	1,185	1.000%	54.49	1,239.49
9/1/2052	1,188	1.000%	51.52	1,239.52
12/1/2052	1,191	1.000%	48.55	1,239.55
3/1/2053	1,194	1.000%	45.58	1,239.58
6/1/2053	1,197	1.000%	42.59	1,239.59
9/1/2053	1,200	1.000%	39.60	1,239.60
12/1/2053	1,203	1.000%	36.60	1,239.60
3/1/2054	1,206	1.000%	33.59	1,239.59
6/1/2054	1,209	1.000%	30.58	1,239.58
9/1/2054	1,212	1.000%	27.55	1,239.55
12/1/2054	1,215	1.000%	24.52	1,239.52
3/1/2055	1,218	1.000%	21.49	1,239.49
6/1/2055	1,221	1.000%	18.44	1,239.44
9/1/2055	1,225	1.000%	15.39	1,240.39
12/1/2055	1,228	1.000%	12.33	1,240.33
3/1/2056	1,231	1.000%	9.26	1,240.26
6/1/2056	1,234	1.000%	6.18	1,240.18
9/1/2056	1,237	1.000%	3.09	1,240.09
	160,000		33,420.22	193,420.22

SCHEDULE Z

(None)

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON



Entered: December 29, 2015

CASE NO. 15-1598-PWD-CN

GILMER COUNTY PUBLIC SERVICE DISTRICT,
a public utility, Glenville, Gilmer County.

Application for a certificate of convenience and
necessity to construct the Route 5/ Hattie Road
Water Line Extension project in Gilmer County,
West Virginia.

RECOMMENDED DECISION

This Order grants the requested certificate of convenience and necessity and approves its proposed funding.

PROCEDURE

On September 29, 2015, the Gilmer County Public Service District ("Gilmer County", "District") filed an application for a certificate of convenience and necessity to construct a water extension project to 13 new residential customers and a career center in the Route 5 /Hattie Road area in Gilmer County. No rate increase was sought.

On October 1, 2015, the Commission issued an Order directing Gilmer County to give notice of the filing of the application, by publishing a Notice of Filing in Gilmer County. The Order stated that in the absence of substantial protest received within thirty days of the Order, the Commission may waive formal hearing and grant the application based on the evidence submitted.

On October 13, 2015, the Commission referred the matter to the Division of Administrative Law Judges for a decision to be rendered no later than February 11, 2016, if there has been no substantial protest.

On October 23, 2015, Gilmer County filed affidavits of publication, showing that publication was done in the *Glenville Democrat* and the *Calhoun Chronicle/Grantsville News* on October 8, 2015.

KAC

On December 22, 2015, the Commission Staff issued a Final Joint Staff Memorandum, recommending that the certificate of convenience and necessity be granted and that the proposed funding be approved.

On December 28, 2015, the District replied that it had no objection to the Staff recommendations.

The Commission has received no protests to the application.

FINDINGS OF FACT

1. On September 29, 2015, the Gilmer County Public Service District (“Gilmer County”) filed an application for a certificate of convenience and necessity to construct a water extension project to 13 new residential customers and a career center in the Route 5 /Hattie Road area in Gilmer County. The project will install 17,500 linear feet of six-inch water line, 2,000 feet of four-inch line, 10 gate valves and all necessary appurtenances. (Application filed September 29, 2015; Final Joint Staff Memorandum filed December 22, 2015).

2. The proposed customers currently lack a reliable source of clean potable water. The wells currently used frequently run dry if there is little rainfall. (Final Joint Staff Memorandum filed December 22, 2015).

3. The project has been approved by the West Virginia Infrastructure and Jobs Development Fund (“WVIJD”). (Final Joint Staff Memorandum filed December 22, 2015).

4. The District estimates the construction will cost \$750,000, to be funded by a WVIJD grant of \$150,000, a WVIJD loan for \$160,000 at 1% interest for 38 years, an Appalachian Regional Commission Grant of \$390,000 and a \$50,000 contribution from the Gilmer/Calhoun Career Center, which would receive water service as a result of the project. (Final Joint Staff Memorandum filed December 22, 2015).

5. 17 new residential user agreements have been signed pursuant to the project, more than the 13 originally estimated. (Final Joint Staff Memorandum filed December 22, 2015).

6. The engineering costs for the proposed project comprise 8.5% of the construction cost, which is reasonable. (Final Joint Staff Memorandum filed December 22, 2015).

7. The final estimated cost per customer is \$41,667, which is high, but the project is over 70% funded by grants, along with the contribution of the Gilmer/Calhoun Career Center. (Final Joint Staff Memorandum filed December 22, 2015).

8. The District’s operation and maintenance expenses are projected to increase by about 7,677% annually as a result of the project. (Final Joint Staff Memorandum filed December 22, 2015).

9. No rate increase is requested or necessary with this project. The District's current rates, post-project, will produce \$50,297 in total surplus including the renewal and replacement reserve, and 128.51% debt service coverage. (Final Joint Staff Memorandum filed December 22, 2015).

10. The project is technically feasible and does not appear to conflict with any rules or regulations of the Commission. (Final Joint Staff Memorandum filed December 22, 2015).

11. The Staff has recommended that the requested certificate be granted and proposed financing be approved, contingent upon the District obtaining all the necessary permits for the project. (Final Joint Staff Memorandum filed December 22, 2015).

12. The District does not object to the Staff recommendations. (District filing of December 28, 2015).

13. The District has complied with all notice requirements. (Affidavits of publication filed October 23, 2015).

14. There have been no protests to the application. (Case file generally).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the proposed project.

2. The proposed project is financially feasible and economically viable.

3. The proposed financing is reasonable.

4. A certificate of public convenience and necessity should be granted to the Gilmer County Public Service District for the proposed project.

5. The certificate can be granted without hearing since the project was properly published, Commission Staff has recommended approval of the project, and there have been no public protests after proper notice.

ORDER

IT IS, THEREFORE, ORDERED that a certificate of convenience and necessity be, and hereby is, granted to the Gilmer County Public Service District to construct a water extension project to approximately 17 new residential customers and a career center in the Route 5 /Hattie Road area in Gilmer County. The project will install 17,500 linear feet of six-inch water line, 2,000 feet of four-inch line, 10 gate valves and all necessary appurtenances, all with a projected cost of \$750,000. The District shall not proceed to construction until and unless it has all

necessary State and federal permits. The District shall file all permits not yet received with the Commission upon receipt.

IT IS FURTHER ORDERED that the financing for the project, consisting of a WVIJD grant of \$150,000, a WVIJD loan for \$160,000 at 1% interest for 38 years, an Appalachian Regional Commission Grant of \$390,000 and a \$50,000 contribution from the Gilmer/Calhoun Career Center, be, and hereby is, approved.

IT IS FURTHER ORDERED that, if the scope, design, financing or cost of the proposed project changes, the Gilmer County Public Service District petition the Public Service Commission for approval of such changes prior to commencing construction. However, if the project cost or financing changes do not require a rate change, the District's certified public accountant may file a verified statement to that effect, in lieu of such petition.

IT IS FURTHER ORDERED that the Gilmer County Public Service District file with the Commission the certified bid tabulations for each contract awarded, as soon as they become available but no later than ten days after the bid opening date.

IT IS FURTHER ORDERED that the Gilmer County Public Service District file with the Commission a certificate of substantial completion for each contract awarded for the project certificated herein, as soon as each becomes available, but no later than ten days after the issuance of such documents.

IT IS FURTHER ORDERED that, if the project certificated in this Order requires the use of the Division of Highways' rights-of-way, the Gilmer County Public Service District fully comply with all relevant rules and regulations of the Division of Highways.

IT IS FURTHER ORDERED that this proceeding be, and hereby is, removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary serve this Order upon the Commission and its Staff by hand delivery, upon all parties of record who have filed an e-service agreement with the Commission by electronic service and upon all other parties by United States Certified Mail, return receipt requested.

Leave is granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen days of the date of this Order. If exceptions are filed, the parties filing exceptions shall certify that all parties of record have been served the exceptions.

If no exceptions are filed, this Order shall become the Order of the Commission, without further action or order, five days following the expiration of the fifteen day time period, unless it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions by filing an appropriate petition in writing with the Executive Secretary. No such waiver, however, will be effective until approved by order of the Commission.



Darren Olofson
Administrative Law Judge

DO:s:ksf
151598a

PSC Rate Order

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL

4/27/2013

Per Commission
Order Waiving the
Exception Period

Entered: April 12, 2013

CASE NO. 12-1380-PWD-CN-PC

GILMER COUNTY PUBLIC SERVICE DISTRICT,
a public utility, Glenville, Gilmer County.

Application for a certificate of convenience and necessity to construct extensions, additions, improvements and betterments to its existing water system to serve 86 new customers in the Coxs Mills, Wolf Pen and Alice Road areas of Gilmer County, and for approval of an agreement with the City of Glenville.

RECOMMENDED DECISION

This Order grants the certificate of convenience and necessity, approves a water purchase agreement between the Applicant and the City of Glenville, and approves increased water charges for the Applicant, specifically a 9.79% increase in water rates and a 9.05% increase in private fire protection rates. Additionally, the Order corrects an error in the District's current tariff regarding the security deposit provision.

PROCEDURE

On October 1, 2012, the Gilmer County Public Service District (District) filed an application, duly verified, for a certificate of convenience and necessity to construct certain extensions, additions, improvements and betterments to its existing water system in Gilmer County and for approval of an agreement with the City of Glenville.

By order dated October 2, 2012, the Public Service Commission (PSC) ordered the District to give notice of its application by both newspaper publication and by mailing individual notices to customers.

By order dated October 9, 2012, this matter was referred to the Division of Administrative Law Judges to render a decision no later than February 13, 2013, or March 15, 2013, if there has been substantial protest to the District's application.

On October 31, 2012, PSC Staff filed its Initial Joint Staff Memorandum in this matter, noting certain deficiencies in the application that needed to be corrected and also that the

District's project has been approved by the West Virginia Infrastructure and Jobs Development Council (WVIJDC). On the same day, Staff served interrogatories and requests for information on the District.

By a filing made on November 8, 2012, the District indicated that it had complied with the notice requirements of the Commission's October 2, 2012 order.

On December 31, 2012, Staff submitted the Final Joint Staff Memorandum in this matter, and accompanying the FJSM is the Final Recommendation of the Commission's Utilities and Engineering Divisions. It noted that their "calculations would support an 8.9% increase in rates for the project, however the recent increase in purchased water rates would make rates adjusted by that percentage insufficient." Therefore Staff "recommends that the Commission allow the District to either modify its calculations to show that its proposed rates as filed will be sufficient...or file adjusted rates with the Commission and provide appropriate notice to customers." With respect to the project, Commission Staff related the following:

- a. The project will construct an extension to the District's existing waterworks system to serve approximately 85 new customers;
- b. The project is projected to cost \$3,255,000, to be funded by a Small Cities Block Grant of \$1,500,000, a Department of Health and Human Resources Grant of \$30,000, and a Drinking Water Treatment Revolving Fund Loan of \$1,725,000 with a 1% administrative fee over 30 years;
- c. The District is also seeking approval for a 40-year agreement between the District and Glenville which was entered into in 2006, wherein Glenville sells water to the District at rates in accordance with Glenville's approved tariff. The District purchases all of its water from Glenville;
- d. The additional customers to be serviced by the new extension are currently relying on wells and springs which have been unreliable in both quantity and quality;
- e. The engineering cost of the project is 10.54% of the total cost, which is reasonable for this project;
- f. The project is expected to increase the District's Operations & Maintenance costs by 5.6%;
- g. The District proposes to increase rates by 14% due to increased costs from the project;
- h. The Staff made several corrections to the District's calculations, and specifically noted that the District did not take into account the fact that the cost

of water purchased from Glenville was increasing from \$2.60 to \$3.43 per M gallons, as Glenville enacted a rate increase after the District's application;

- i. All necessary permits appear to have been obtained for the project;
- j. The project will not infringe on the service areas of any other utilities, corporations or persons; and
- k. Staff recommends approval of the water purchase agreement without approving its specific terms and conditions.

On January 18, 2013, the District filed an amendment to its application along with a motion to extend the due date in this matter. The District said that, subsequent to its application, "the City of Glenville adopted an increase in its water rates, including its resale rate to the District. The notice of post-project rates which the District published did not reflect the District's increased purchased water costs arising from Glenville's water rate increase ordinance." The District asked for the deadline in this matter to be tolled by an additional 60 days.

An error in the application amendment was corrected by a subsequent filing on January 23, 2013.

By order dated January 24, 2013, the Commission extended the statutory deadline in this matter to May 23, 2013, and the ALJ decision date to April 15, 2013.

On March 7, 2013 the undersigned issued a procedural order directing the District to publish a revised notice of filing reflecting the changed rate request. An affidavit of publication was filed by the District on March 15, 2013.

The Staff filed a further Final Joint Staff Memorandum on March 22, 2013, finding;

The operation and maintenance expenses are expected to increase by approximately \$36,620, or 5.4%, annually as a result of the project. Technical Staff recommends an increase in revenues of \$102,814, or 9.79%. This increase will be sufficient to cover the District's operation and maintenance expenses, debt service and reserve requirements and provide a total surplus of \$29,018, which is sufficient to meet the District's R&R funding. The District's resulting debt service coverage factor is 118.82%. Technical Staff's recommended rates were developed by increasing the District's current usage volume rates by approximately 9.05%. The District's minimum bill charges increased by approximately 18.9% to account for the volumetric only increased charge that occurred in Case No. 12-1577-PWD-30B, approved by Commission Final Order dated January 24, 2013. Technical Staff recommends private fire service rates be increased by approximately 9.05%.

The District submitted a filing dated April 1, 2013, indicating that it did not disagree with Staff recommendations and, on April 5, 2013, it submitted an affidavit averring that it had complied with the requirements of notice by posting and direct mail.

A review of the District's current tariff and the proposed and Staff-recommended tariffs revealed that the District's tariff contains an error in the security deposit provision, which was generated by an error in the Recommended Decision entered in the District's 2007 certificate proceeding, Case No. 07-1804-PWD-T-CN. The correct language for the security deposit provision, consistent with the Commission's Tariff Rules, is as follows:

SECURITY DEPOSIT

Not to exceed one-twelfth (1/12) of the annual estimated charge for residential service, or one-sixth (1/6) of the annual estimated charge for commercial service, or fifty dollars (\$50.00), whichever is greater.

However, the security deposit provision in the District's current tariff reads as follows:

SECURITY DEPOSIT

Not to exceed two and one-half (2 1/2) of the annual estimated charge for residential service, or (1/6) of the annual estimated charge for commercial service, or fifty dollars (\$50.00), whichever is greater.

It is reasonable to correct that error in this decision. The District will be required to file a corrected tariff to become effective upon this decision becoming final.

FINDINGS OF FACT

1. On October 1, 2012, the Gilmer County Public Service District filed an application with the Commission for approval to construct extensions, additions, improvements and betterments to its existing water system to serve 86 new customers in the Coxs Mills, Wolf Pen and Alice Road areas of Gilmer County, and for approval of a 2006 water purchase agreement between the District and the City of Glenville. The District also sought an increase in rates. (Application filed October 1, 2012; Final Joint Staff Memorandum filed March 22, 2013)
2. The proposed project, once completed, will provide quality water service to new customers currently relying on wells and springs of poor water quality and reliability. (Application filed October 1, 2012; Final Joint Staff Memorandum filed December 31, 2012).
3. The project is projected to cost \$3,255,000, to be funded by a Small Cities Block Grant of \$1,500,000, a Department of Health and Human Resources Grant of \$30,000, and a Drinking Water Treatment Revolving Fund Loan of \$1,725,000 with a 1% administrative fee over 30 years. (Final Joint Staff Memorandum filed March 22, 2013).
4. The proposed project was approved by the West Virginia Infrastructure and Jobs Development Council. (Final Joint Staff Memorandum filed March 22, 2013).

5. The Staff estimates that the project will increase the District's O&M costs due to the additional customers and infrastructure. (Final Joint Staff Memorandum filed March 22, 2013).

6. As of the date of this Order, the engineering costs for the proposed project comprise 12.9% of the overall cost. (Final Joint Staff Memorandum filed March 22, 2013).

7. During the Staff's test period, the District's water operations had a going level revenue of \$1,025,839, cash requirements of \$845,190 and debt service requirements of \$186,368, resulting in a deficit of \$5,719 and 102.34% debt coverage. (Final Joint Staff Memorandum filed March 22, 2013 at Exhibit 1).

8. The District's outstanding bonds have a debt service coverage requirement of 115%. (Rule 42 Exhibit filed October 1, 2012 at Statement C).

9. The Staff's proposed rates are projected to generate revenue of \$1,160,093, leaving cash available for debt service of \$278,077, or 118.82% debt service coverage, after taking into account increased O&M costs. (Final Joint Staff Memorandum filed March 22, 2013 at Exhibit 1).

10. The 2006 Water Sales Agreement between the District and the City of Glenville directs Glenville to provide and the District to purchase up to 13,500,000 gallons of potable treated water per month, at the rates approved by the Commission in Glenville's tariff. Delayed payment penalties are also limited to those approved by the Commission. In the event of a water shortage, Glenville will only restrict water to the District by the same amounts as it does to its own customers. (Application filed October 1, 2012, at Exhibit 5).

11. The Staff has recommended granting the requested certificate of convenience and necessity, approving the water sales agreement, and approving the Staff-recommended rates. (Final Joint Staff Memorandum filed March 22, 2013).

12. The District does not object to the Staff recommendations. (District filing of April 1, 2013).

13. The District has complied with all notice requirements of posting, newspaper publication and direct mailing to customers. (District affidavits of publication filed March 15, 2013, and April 5, 2013).

14. No protests have been made to the proposed project or to the rate increase request as of the date of this Order. (Case file generally).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the proposed project.

2. The proposed project is financially feasible and economically viable.
3. A certificate of public convenience and necessity should be granted to the Gilmer County Public Service District for the proposed project.
4. The certificate can be granted without hearing since the project was properly published with no protests having been filed in response thereto, and since Commission Staff has recommended approval of the project.
5. The Staff-recommended rates and charges are sufficient, but not more than sufficient, to produce the level of revenue required by the Gilmer County Public Service District to cover all operation and maintenance expenses, necessary capital additions and debt obligations.
6. The undersigned finds the reasons given for the requested increases in rates and charges to be reasonable.
7. Because the Staff-recommended rates, attached to this Order as Appendix A, are reasonable, they will be adopted and approved for the District's provision of water services to its customers on and after the date upon which the project certificated herein is certified as substantially complete.
8. The Staff-recommended rates can be granted without a hearing. All the public notice requirements have been met, Staff and the District are in agreement, and the Commission received no protests from the public.
9. The water purchase agreement between the District and Glenville is reasonable, gives neither party an undue advantage, is in the public interest, and should be approved.
10. The error in the security deposit provision in the District's current tariff should be corrected.

ORDER

IT IS, THEREFORE, ORDERED that a certificate of convenience and necessity be, and hereby is, granted to the Gilmer County Public Service District to construct extensions, additions, improvements and betterments to its existing water system to serve 86 new customers in the Coxs Mills, Wolf Pen and Alice Road areas of Gilmer County, as specified in the application, without specifically approving the plans and specifications thereof.

IT IS FURTHER ORDERED that the financing for the project, consisting of a Small Cities Block Grant of \$1,500,000, a Drinking Water Treatment Revolving Fund loan of \$1,725,000 at an interest rate of 1% over 30 years, and a Department of Health and Human Resources Grant of \$30,000, be, and hereby is, approved.

IT IS FURTHER ORDERED that, if the scope, design, financing or cost of the proposed project changes, the Gilmer County Public Service District petition the Public Service Commission for approval of such changes prior to commencing construction. However, if the project cost changes do not require a rate change, the City's certified public accountant may file a verified statement to that effect, in lieu of such petition.

IT IS FURTHER ORDERED that the Gilmer County Public Service District file with the Commission the certified bid tabulations for each contract awarded, as soon as they become available.

IT IS FURTHER ORDERED that the Gilmer County Public Service District file with the Commission a certificate of substantial completion for each contract awarded for the project certificated herein, as soon as each becomes available.

IT IS FURTHER ORDERED that, if the project certificated in this Order requires the use of the Division of Highways' rights-of-way, the Gilmer County Public Service District fully comply with all relevant rules and regulations of the Division of Highways.

IT IS FURTHER ORDERED that the Water Sales Agreement entered into by the Gilmer County Public Service District and the City of Glenville on December 4, 2006, be, and hereby is, approved, without specifically approving the terms and conditions thereof.

IT IS FURTHER ORDERED that the security deposit provision in the Gilmer County Public Service District current tariff be corrected so that it reads as follows:

SECURITY DEPOSIT

Not to exceed one-twelfth (1/12) of the annual estimated charge for residential service, or one-sixth (1/6) of the annual estimated charge for commercial service, or fifty dollars (\$50.00), whichever is greater.

This correction shall become effective upon this Recommended Decision becoming final.

IT IS FURTHER ORDERED that the Gilmer County Public Service District file an original and at least five (5) copies of a revised tariff reflecting the correction ordered above, within thirty (30) days of the date that this decision becomes final.

IT IS FURTHER ORDERED that the Staff-recommended rates and charges, as set forth in Appendix A attached hereto, be, and hereby are, approved for all water service rendered by Gilmer County Public Service District on and after the date that the project certificated in this Order is certified as substantially complete.

IT IS FURTHER ORDERED that the Gilmer County Public Service District file with the Commission's Tariff Office an original and no less than five (5) copies of proper water tariffs reflecting the rates herein approved within thirty (30) days of the date that the project certificated herein is certified as substantially complete.

IT IS FURTHER ORDERED that this proceeding be, and hereby is, removed from the Commission's docket of open cases.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and by electronic service upon all parties of record who have filed an e-service agreement with the Commission and by United States Certified Mail, return receipt requested, upon all parties of record who have not filed an e-service agreement with the Commission.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission.



Darren Olofson
Administrative Law Judge

DO:s:cdk
121380aa.doc

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

CASE NO. 12-1380-PWD-CN-PC

GILMER COUNTY PUBLIC SERVICE DISTRICT,
a public utility, Glenville, Gilmer County.

Application for a certificate of convenience and necessity to construct extensions, additions, improvements and betterments to its existing water system to serve 86 new customers in the Coxs Mills, Wolf Pen and Alice Road areas of Gilmer County, and for approval of an agreement with the City of Glenville.

APPROVED RATES

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

Available for general domestic, commercial, industrial and sale for resale water service.

RATES (Customers with a metered water supply)

First	3,000 gallons used per month	\$11.03 per 1,000 gallons
Next	3,000 gallons used per month	\$ 9.95 per 1,000 gallons
Next	4,000 gallons used per month	\$ 9.05 per 1,000 gallons
Next	10,000 gallons used per month	\$ 8.29 per 1,000 gallons
Next	20,000 gallons used per month	\$ 7.63 per 1,000 gallons
Next	60,000 gallons used per month	\$ 7.00 per 1,000 gallons
Over	100,000 gallons used per month	\$ 6.36 per 1,000 gallons

MINIMUM CHARGE

5/8 inch meter	\$ 33.09 per month
3/4 inch meter	\$ 49.64 per month
1 - inch meter	\$ 82.73 per month
1 ½ - inch meter	\$ 165.45 per month
2- inch meter	\$ 264.72 per month
3 - inch meter	\$ 529.44 per month
4- inch meter	\$ 827.25 per month
6 - inch meter	\$1,524.00 per month
8- inch meter	\$1,654.50 per month

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is applicable.

TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of \$100.00 will be charged to all customers applying for service before construction is completed adjacent to the customers' premises in connection with a certificate proceeding before the Commission. This pre-construction tap fee will be invalid after the completion of construction adjacent to an applicant's premises that is associated with a certificate proceeding.

A tap fee of \$250.00 will be charged to all customers who apply for service outside of a certificate proceeding before the Commission for each new tap to the system.

RECONNECTION FEE

\$20.00

To be charged whenever the supply of water is turned off for violations of rules, non-payment of bills or fraudulent use of water.

LEAK ADJUSTMENT

\$3.82 per 1,000 gallons is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the District or a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

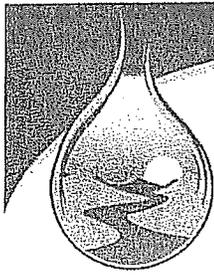
SECURITY DEPOSIT

Not to exceed one-twelfth (1/12) of the annual estimated charge for residential service, or one-sixth (1/6) of the annual estimated charge for commercial service, or fifty dollars (\$50.00), whichever is greater.

PRIVATE FIRE PROTECTION

Where connections, hydrants, sprinklers, etc. on private property are maintained by customers:

2-inch service line with hydrants, sprinklers and/or hose connections	\$ 6.54 per month
3-inch service line with hydrants, sprinklers and/or hose connections	\$ 6.87 per month
4-inch service line with hydrants, sprinklers and/or hose connections	\$ 9.16 per month
6-inch service line with hydrants, sprinklers and/or hose connections	\$30.10 per month
8-inch service line with hydrants, sprinklers and/or hose connections	\$40.35per month
10-inch service line with hydrants, sprinklers and/or hose connections	\$45.80 per month
12-inch service line with hydrants, sprinklers and/or hose connections	\$64.99 per month



WEST VIRGINIA

Infrastructure & Jobs Development Council

June 5, 2015

Brenda Lawson, Manager
Gilmer County PSD
P.O. Box 729
Glennville, WV 26351

Re: Gilmer County Public Service District
Water Project 2014W-1496
IJDC Binding Commitment
(Action Required by June 30, 2015)

Dear Ms. Lawson:

On June 3, 2015, the West Virginia Infrastructure and Jobs Development Council (Council) reviewed your binding commitment request for the above-named project (Project). The Council voted to provide this binding offer of a \$160,000.00 Infrastructure Fund Loan (Loan) and a \$150,000.00 Infrastructure Fund Grant (Grant) to the Gilmer County Public Service District.

The Loan and Grant will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Loan and Grant amounts will be established after the Sponsor has received acceptable bids for the Project. The Council will set aside a portion of the Infrastructure Fund to make the Loan and Grant upon the Sponsor's compliance with the program requirements.

This binding commitment shall expire on June 3, 2016. If the Sponsor has any questions regarding this commitment, please contact James W. Ellars, Executive Director, at (304) 414-6501 (X106).

Sincerely,

Jason Pizatella

Attachment

cc: Bob Decrease, BPH *(via e-mail)*
Matthew W. Fluharty, Thrasher Engineering, Inc. *(via e-mail)*
Cary Smith, Region VII P&DC *(via e-mail)*
Jillian Spencer, Spencer & Associates CPA PLLC *(via e-mail)*
Samme Gee, Jackson Kelly, PLLC *(via e-mail)*

NOTE: Please acknowledge receipt below, keep one original, and immediately return one copy to the Infrastructure Council.

GILMER COUNTY PUBLIC SERVICE DISTRICT

By: William Stelmer

Its: Chairman BOD

Date: 6-8-2015

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Water Project No. 2014W-1496
Gilmer County PSD

SCHEDULE A

A. Approximate Amount:	\$160,000	Loan
	150,000	Grant
	<u>\$310,000</u>	Total

B. Loan: \$160,000

1. Maturity Date: 40 years from date of closing.
2. Interest Rate: 1%
3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition.
4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.

NOTICE: The terms set forth above are subject to change following the receipt of construction bids.

C. Grant: \$150,000

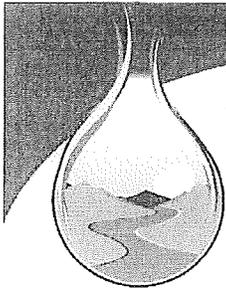
5. Grant Advancement Date(s): Monthly, upon receipt of proper requisition and after advancement of all Loan funding.
6. Special Conditions: None

NOTICE: The terms set forth above are subject to change following the receipt of construction bids.

D. Other Funding:	Gilmer/Calhoun Career Grant	\$ 50,000
	ARC Grant	<u>390,000</u>

E. Total Project Cost: \$750,000

F. Proposed User Rates: Approximately \$43.04 / 4000 gallons



WEST VIRGINIA

Infrastructure & Jobs Development Council

April 2, 2014

Chairman
Gilmer County Public Service District
P.O. Box 729
Glennville, WV 26351

Re: Gilmer County Public Service District
Water Project 2014W-1496 (Route 5 & Hattie Road)
Preliminary Application Approved

Dear Chairman:

The West Virginia Infrastructure and Jobs Development Council (Council) has reviewed the preliminary application for the above-referenced project (Project).

Based on the findings of the Water Technical Review Committee, the Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The Sponsor should carefully review the comments of the Water Technical Review Committee, as found on the Project Team Members' Dashboards at www.wvinfrastructure.com, as the Sponsor may need to address certain issues raised in said comments as it proceeds with the Project.

Below is grant information for this Project:
Gilmer/Calhoun Career Center Grant - \$50,000.00 – Committed
ARC Grant – \$200,000.00 – Recommended
IJDC Grant – \$190,000.00 – Recommended

Below is loan information for this Project:
IJDC Loan (1%, 40 yrs) – \$160,000.00 – Recommended

Total project cost is \$600,000.00. **This letter is not a commitment of Infrastructure Funds.** If you have any questions regarding this matter, please contact James W. Ellars, Executive Director, at (304) 414-6501 (X106).

Sincerely,

Jason Pizatella

cc: Bob Decrease, BPH (*via e-mail*)
Cary Smith, Region VII P&DC (*via e-mail*)
Matthew W. Fluharty, Thrasher Engineering, Inc. (*via e-mail*)
Jillian Spencer, Spencer & Associates CAP PLLC (*via e-mail*)

3-23-11

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 6th day of October, 2016, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Chairman of Gilmer County Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer, in the principal amount of \$160,000, numbered AR-1 (the "Series 2016 A Bonds"), issued as a single, fully registered Bond, and dated October 6, 2016.

2. At the time of such receipt, all the Series 2016 A Bonds had been executed by the Chairman and the Secretary of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2016 A Bonds, of \$58,264.32, being a portion of the principal amount of the Series 2016 A Bonds. The balance of the principal amount of the Series 2016 A Bonds will be advanced by the Authority and the West Virginia Infrastructure and Jobs Development Council to the Issuer as acquisition and construction of the Project progresses.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By: Sheila A. Miller
Its: Authorized Representative

GILMER COUNTY PUBLIC SERVICE DISTRICT

By: William Stalnaker
Its: Chairman

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

United Bank, Inc.,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 6th day of October, 2016, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of Gilmer County Public Service District Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), in the principal amount of \$160,000 (the "Series 2016 A Bonds"), dated October 6, 2016 (the "Bonds"), executed by the Chairman and Secretary of Gilmer County Public Service District (the "Issuer") and bearing the official seal of the Issuer authorized to be issued under and pursuant to a Bond Resolution duly adopted by the Issuer on September 20, 2016, and a Supplemental Resolution duly adopted by the Issuer on September 20, 2016 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-captioned Bonds, duly certified by the Secretary of the Issuer;

(3) Executed counterparts of a loan agreement for the Series 2016 A Bonds, dated October 6, 2016, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") (the "Loan Agreement"); and

(4) Executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Series 2016 A Bonds to the Authority upon payment to the Issuer of the sum of \$58,264.32, representing a portion of the principal amount of the Series 2016 A Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

GILMER COUNTY PUBLIC SERVICE DISTRICT

By: William Stalaker
Its: Chairman

329470.00005

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GILMER COUNTY PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$160,000

KNOW ALL MEN BY THESE PRESENTS: That on this the 6th day of October, 2016, GILMER COUNTY PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Gilmer County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of ONE HUNDRED SIXTY THOUSAND DOLLARS (\$160,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2017, to and including September 1, 2056, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference; with interest of 1.0% per annum payable in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2017, to and including September 1, 2056, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the Registered Owner hereof at the address as it appears on the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated October 6, 2016.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of improvements and extensions to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on September 20, 2016, and a Supplemental

Resolution duly adopted by the Issuer on September 20, 2016 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S:

(1) WATER REVENUE BONDS, SERIES 1994 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED AUGUST 18, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$550,000 (THE "SERIES 1994 BONDS");

(2) WATER REVENUE BONDS, SERIES 2000 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED FEBRUARY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$200,000 (THE "SERIES 2000 BONDS");

(3) WATER REVENUE BONDS, SERIES 2005 A BONDS (WEST VIRGINIA INFRASTRUCTURE FUND), DATED APRIL 19, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,470,000 (THE "SERIES 2005 A BONDS");

(4) WATER REVENUE BONDS, SERIES 2005 B BONDS (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 19, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,639,000 (THE "SERIES 2005 B BONDS");

(5) WATER REVENUE BONDS, SERIES 2008 A BONDS (WEST VIRGINIA INFRASTRUCTURE FUND), DATED APRIL 16, 2008, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,325,000 (THE "SERIES 2008 A BONDS"); AND

(6) WATER REVENUE BONDS, SERIES 2013 A BONDS (WEST VIRGINIA DWTRF PROGRAM), DATED MAY 24, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,725,000 (THE "SERIES 2013 A BONDS"); (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Prior Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2016 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2016 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and

maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2016 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations Outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the Costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the Registered Owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal and interest of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, GILMER COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

William Stalinski
Chairman

ATTEST

John W. May
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2016 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: October 6, 2016.

UNITED BANK, INC., as Registrar


Authorized Officer

SPECIMEN

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$58,264.32	10/06/2016	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

Bond Debt Service

Gilmer County PSD

IF

\$160,000

1% Interest Rate

40 Years from Closing Date

Dated Date 10/6/2016

Delivery Date 10/6/2016

Period Ending	Principal	Coupon	Interest Debt Service	
12/1/2017	840	1.000%	400.00	1,240.00
3/1/2018	842	1.000%	397.90	1,239.90
6/1/2018	844	1.000%	395.80	1,239.80
9/1/2018	846	1.000%	393.69	1,239.69
12/1/2018	848	1.000%	391.57	1,239.57
3/1/2019	850	1.000%	389.45	1,239.45
6/1/2019	853	1.000%	387.33	1,240.33
9/1/2019	855	1.000%	385.19	1,240.19
12/1/2019	857	1.000%	383.06	1,240.06
3/1/2020	859	1.000%	380.91	1,239.91
6/1/2020	861	1.000%	378.77	1,239.77
9/1/2020	863	1.000%	376.61	1,239.61
12/1/2020	865	1.000%	374.46	1,239.46
3/1/2021	868	1.000%	372.29	1,240.29
6/1/2021	870	1.000%	370.12	1,240.12
9/1/2021	872	1.000%	367.95	1,239.95
12/1/2021	874	1.000%	365.77	1,239.77
3/1/2022	876	1.000%	363.58	1,239.58
6/1/2022	879	1.000%	361.39	1,240.39
9/1/2022	881	1.000%	359.20	1,240.20
12/1/2022	883	1.000%	356.99	1,239.99
3/1/2023	885	1.000%	354.79	1,239.79
6/1/2023	887	1.000%	352.57	1,239.57
9/1/2023	890	1.000%	350.36	1,240.36
12/1/2023	892	1.000%	348.13	1,240.13
3/1/2024	894	1.000%	345.90	1,239.90
6/1/2024	896	1.000%	343.67	1,239.67
9/1/2024	898	1.000%	341.43	1,239.43
12/1/2024	901	1.000%	339.18	1,240.18
3/1/2025	903	1.000%	336.93	1,239.93
6/1/2025	905	1.000%	334.67	1,239.67
9/1/2025	908	1.000%	332.41	1,240.41
12/1/2025	910	1.000%	330.14	1,240.14
3/1/2026	912	1.000%	327.86	1,239.86
6/1/2026	914	1.000%	325.58	1,239.58
9/1/2026	917	1.000%	323.30	1,240.30
12/1/2026	919	1.000%	321.01	1,240.01
3/1/2027	921	1.000%	318.71	1,239.71
6/1/2027	923	1.000%	316.41	1,239.41
9/1/2027	926	1.000%	314.10	1,240.10
12/1/2027	928	1.000%	311.78	1,239.78
3/1/2028	930	1.000%	309.46	1,239.46
6/1/2028	933	1.000%	307.14	1,240.14

Bond Debt Service
Gilmer County PSD
IF
\$160,000
1% Interest Rate
40 Years from Closing Date

Period Ending	Principal	Coupon	Interest	Debt Service
9/1/2028	935	1.000%	304.81	1,239.81
12/1/2028	937	1.000%	302.47	1,239.47
3/1/2029	940	1.000%	300.13	1,240.13
6/1/2029	942	1.000%	297.78	1,239.78
9/1/2029	944	1.000%	295.42	1,239.42
12/1/2029	947	1.000%	293.06	1,240.06
3/1/2030	949	1.000%	290.69	1,239.69
6/1/2030	952	1.000%	288.32	1,240.32
9/1/2030	954	1.000%	285.94	1,239.94
12/1/2030	956	1.000%	283.56	1,239.56
3/1/2031	959	1.000%	281.17	1,240.17
6/1/2031	961	1.000%	278.77	1,239.77
9/1/2031	964	1.000%	276.37	1,240.37
12/1/2031	966	1.000%	273.96	1,239.96
3/1/2032	968	1.000%	271.54	1,239.54
6/1/2032	971	1.000%	269.12	1,240.12
9/1/2032	973	1.000%	266.69	1,239.69
12/1/2032	976	1.000%	264.26	1,240.26
3/1/2033	978	1.000%	261.82	1,239.82
6/1/2033	981	1.000%	259.38	1,240.38
9/1/2033	983	1.000%	256.92	1,239.92
12/1/2033	985	1.000%	254.47	1,239.47
3/1/2034	988	1.000%	252.00	1,240.00
6/1/2034	990	1.000%	249.53	1,239.53
9/1/2034	993	1.000%	247.06	1,240.06
12/1/2034	995	1.000%	244.58	1,239.58
3/1/2035	998	1.000%	242.09	1,240.09
6/1/2035	1,000	1.000%	239.59	1,239.59
9/1/2035	1,003	1.000%	237.09	1,240.09
12/1/2035	1,005	1.000%	234.59	1,239.59
3/1/2036	1,008	1.000%	232.07	1,240.07
6/1/2036	1,010	1.000%	229.55	1,239.55
9/1/2036	1,013	1.000%	227.03	1,240.03
12/1/2036	1,015	1.000%	224.50	1,239.50
3/1/2037	1,018	1.000%	221.96	1,239.96
6/1/2037	1,020	1.000%	219.41	1,239.41
9/1/2037	1,023	1.000%	216.86	1,239.86
12/1/2037	1,026	1.000%	214.31	1,240.31
3/1/2038	1,028	1.000%	211.74	1,239.74
6/1/2038	1,031	1.000%	209.17	1,240.17
9/1/2038	1,033	1.000%	206.59	1,239.59
12/1/2038	1,036	1.000%	204.01	1,240.01
3/1/2039	1,038	1.000%	201.42	1,239.42
6/1/2039	1,041	1.000%	198.83	1,239.83
9/1/2039	1,044	1.000%	196.22	1,240.22
12/1/2039	1,046	1.000%	193.61	1,239.61
3/1/2040	1,049	1.000%	191.00	1,240.00

Bond Debt Service
Gilmer County PSD
IF
\$160,000
1% Interest Rate
40 Years from Closing Date

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/2040	1,052	1.000%	188.38	1,240.38
9/1/2040	1,054	1.000%	185.75	1,239.75
12/1/2040	1,057	1.000%	183.11	1,240.11
3/1/2041	1,059	1.000%	180.47	1,239.47
6/1/2041	1,062	1.000%	177.82	1,239.82
9/1/2041	1,065	1.000%	175.17	1,240.17
12/1/2041	1,067	1.000%	172.50	1,239.50
3/1/2042	1,070	1.000%	169.84	1,239.84
6/1/2042	1,073	1.000%	167.16	1,240.16
9/1/2042	1,075	1.000%	164.48	1,239.48
12/1/2042	1,078	1.000%	161.79	1,239.79
3/1/2043	1,081	1.000%	159.10	1,240.10
6/1/2043	1,084	1.000%	156.39	1,240.39
9/1/2043	1,086	1.000%	153.68	1,239.68
12/1/2043	1,089	1.000%	150.97	1,239.97
3/1/2044	1,092	1.000%	148.25	1,240.25
6/1/2044	1,094	1.000%	145.52	1,239.52
9/1/2044	1,097	1.000%	142.78	1,239.78
12/1/2044	1,100	1.000%	140.04	1,240.04
3/1/2045	1,103	1.000%	137.29	1,240.29
6/1/2045	1,105	1.000%	134.53	1,239.53
9/1/2045	1,108	1.000%	131.77	1,239.77
12/1/2045	1,111	1.000%	129.00	1,240.00
3/1/2046	1,114	1.000%	126.22	1,240.22
6/1/2046	1,116	1.000%	123.44	1,239.44
9/1/2046	1,119	1.000%	120.65	1,239.65
12/1/2046	1,122	1.000%	117.85	1,239.85
3/1/2047	1,125	1.000%	115.04	1,240.04
6/1/2047	1,128	1.000%	112.23	1,240.23
9/1/2047	1,130	1.000%	109.41	1,239.41
12/1/2047	1,133	1.000%	106.59	1,239.59
3/1/2048	1,136	1.000%	103.75	1,239.75
6/1/2048	1,139	1.000%	100.91	1,239.91
9/1/2048	1,142	1.000%	98.07	1,240.07
12/1/2048	1,145	1.000%	95.21	1,240.21
3/1/2049	1,148	1.000%	92.35	1,240.35
6/1/2049	1,150	1.000%	89.48	1,239.48
9/1/2049	1,153	1.000%	86.60	1,239.60
12/1/2049	1,156	1.000%	83.72	1,239.72
3/1/2050	1,159	1.000%	80.83	1,239.83
6/1/2050	1,162	1.000%	77.93	1,239.93
9/1/2050	1,165	1.000%	75.03	1,240.03
12/1/2050	1,168	1.000%	72.12	1,240.12
3/1/2051	1,171	1.000%	69.20	1,240.20
6/1/2051	1,174	1.000%	66.27	1,240.27
9/1/2051	1,177	1.000%	63.33	1,240.33
12/1/2051	1,180	1.000%	60.39	1,240.39

Bond Debt Service
Gilmer County PSD
IF
\$160,000
1% Interest Rate
40 Years from Closing Date

Period Ending	Principal	Coupon	Interest	Debt Service
3/1/2052	1,182	1.000%	57.44	1,239.44
6/1/2052	1,185	1.000%	54.49	1,239.49
9/1/2052	1,188	1.000%	51.52	1,239.52
12/1/2052	1,191	1.000%	48.55	1,239.55
3/1/2053	1,194	1.000%	45.58	1,239.58
6/1/2053	1,197	1.000%	42.59	1,239.59
9/1/2053	1,200	1.000%	39.60	1,239.60
12/1/2053	1,203	1.000%	36.60	1,239.60
3/1/2054	1,206	1.000%	33.59	1,239.59
6/1/2054	1,209	1.000%	30.58	1,239.58
9/1/2054	1,212	1.000%	27.55	1,239.55
12/1/2054	1,215	1.000%	24.52	1,239.52
3/1/2055	1,218	1.000%	21.49	1,239.49
6/1/2055	1,221	1.000%	18.44	1,239.44
9/1/2055	1,225	1.000%	15.39	1,240.39
12/1/2055	1,228	1.000%	12.33	1,240.33
3/1/2056	1,231	1.000%	9.26	1,240.26
6/1/2056	1,234	1.000%	6.18	1,240.18
9/1/2056	1,237	1.000%	3.09	1,240.09
	160,000		33,420.22	193,420.22

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto
_____ the within
Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books
kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20__.

In the presence of:



Chase Tower, 17th Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoe-johnson.com

Writer's Contact Information

October 6, 2016

Gilmer County Public Service District
Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

Gilmer County Public Service District
Glennville, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Gilmer County Public Service District (the "Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, of its \$160,000 Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated October 6, 2016, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing interest at the rate of 1.0% per annum, with principal and interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2017, to and including September 1, 2056, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of improvements and extensions to the existing public waterworks system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on September 20, 2016, as supplemented by a Supplemental Resolution duly adopted by the Issuer on September 20, 2016 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

Based upon the foregoing, and upon our examination of such other documents as we have deemed necessary, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing public service district, public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Loan Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the Council and cannot be amended by the Issuer so as to affect adversely the rights of the Authority and the Council or diminish the obligations of the Issuer without the written consent of the Authority and the Council.

3. The Bond Legislation and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's: (1) Water Revenue Bonds, Series 1994 (United States Department of Agriculture), dated August 18, 1994, issued in the original aggregate principal amount of \$550,000 (the "Series 1994 Bonds"); (2) Water Revenue Bonds, Series 2000 (United States Department of Agriculture), dated February 25, 2000, issued in the original aggregate principal amount of \$200,000 (the "Series 2000 Bonds"); (3) Water Revenue Bonds, Series 2005 A Bonds (West Virginia Infrastructure Fund), dated April 19, 2005, issued in the original aggregate principal amount of \$1,470,000 (the "Series 2005 A Bonds"); (4) Water Revenue Bonds, Series 2005 B Bonds (West Virginia DWTRF Program), dated April 19, 2005, issued in the original aggregate principal amount of \$1,639,000 (the "Series 2005 B Bonds"); (5) Water Revenue Bonds, Series 2008 A Bonds (West Virginia Infrastructure Fund), dated April 16, 2008, issued in the original aggregate principal amount of \$1,325,000 (the "Series 2008 A Bonds"); and (6) Water Revenue Bonds, Series 2013 A Bonds (West Virginia DWTRF Program), dated May 24, 2013, issued in the original aggregate principal amount of \$1,725,000 (the "Series 2013 A Bonds"); (collectively, the "Prior Bonds").

5. The Bonds are, under the Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

It is to be understood that the rights of the Holders of the Bonds and the enforceability of the Bonds, the Loan Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion and the application of equitable remedies in appropriate cases.

We have examined the executed and authenticated Bond numbered AR-1, and in our opinion the form of said Bond and its execution and authentication are regular and proper.

Very truly yours,



STERTOE & JOHNSON PLLC

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505

501 Avery Street
Parkersburg, West Virginia 26101



600 Quarrier Street
Charleston, West Virginia 25301

Post Office Box 1386
Charleston, West Virginia 25325-1386
(304) 347-1100

www.bowlesrice.com

October 6, 2016

Southpointe Town Center
1800 Main Street, Suite 200
Canonsburg, Pennsylvania 15317

1217 Chapline Street
Wheeling, West Virginia 26003

480 West Jubal Early Drive, Suite 130
Winchester, Virginia 22601

James V. Kelsh
Telephone — (304) 347-1135
Facsimile — (304) 343-3058

E-Mail Address:
jkkelsh@bowlesrice.com

Gilmer County Public Service
District Glenville, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure
and Jobs Development Council
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Re: Gilmer County Public Service District
Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

Ladies and Gentlemen:

We are counsel to Gilmer County Public Service District, a public service district, in Gilmer County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a loan agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") for the Series 2016 A Bonds dated October 6, 2016, including all schedules and exhibits attached thereto (the "Loan Agreement"), the Bond Resolution duly adopted by the Issuer on September 20, 2016, as supplemented by the Supplemental Resolution duly adopted by the Issuer on September 20, 2016 (collectively, the "Bond Legislation"), orders of The County Commission of Gilmer County relating to the Issuer and the appointment of members of the Public Service Board of the Issuer, and other documents, papers, agreements, instruments and certificates relating to the above-captioned Bonds and Notes of the Issuer (collectively, the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

October 6, 2016
Page 2

We are of the opinion that:

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and political subdivision of the State of West Virginia.
2. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.
3. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.
4. The Bond Legislation has been duly adopted by the Issuer and is in full force and effect.
5. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, court order or consent decree to which the Issuer is subject.
6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, the Recommended Decision of the Public Service Commission of West Virginia dated December 29, 2015 which became a Final Order on January 18, 2016 per Commission Order in Case No. 15-1598-PWD-CN. Such Order, among other things, granted to the Issuer a certificate of public convenience and necessity for the Project and approved the financing for the Project. Such Order remains in full force and effect.
7. There is one pending civil action against the District, styled *Gilmer County Civil Action No. 15-C-11, Brenda K. Lawson v. Gilmer County Public Service District*. The plaintiff has alleged unlawful discrimination in violation of the Workers' Compensation Act, disability discrimination, and retaliatory discharge, all of which have been denied by the District. The matter is being defended by AIG Property and Casualty, on behalf of National Union Fire

October 6, 2016
Page 3

Insurance Company, subject to a reservation of rights. The District believes in the merits of its pleadings, and that the action is defensible. If the action is resolved in a manner unfavorable to the District, it would not adversely affect the transactions contemplated by the Loan Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, or the validity of the Bonds, but it could lead to the District having insufficient Net Revenue to meet its payment obligations to its bondholders. The District is aware that in that circumstance, under the terms of its bond covenants, the District would be obligated to seek an immediate rate increase from the Public Service Commission so that the District would meet all of its bond obligations.

To the best of our knowledge, there is no other litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Loan Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

8. All successful bidders have provided the drug-free workplace affidavit, submitted their drug free workplace plan, and the contracts contain language that complies with the Drug Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. All successful bidders have made the required provisions for all insurance and payment and performance bonds and we have verified such insurance policies and bonds for accuracy. We have reviewed the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, and verify that such surety bonds and policies (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Very truly yours,


James V. Kelsh
Partner
Bowles Rice LLP

JVK/dlm

600 Quarrier Street
Charleston, West Virginia 25301

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505



501 Avery Street
Parkersburg, West Virginia 26101

Post Office Box 49
Parkersburg, West Virginia 26102
(304) 485-8500

www.bowlesrice.com

October 6, 2016

Southpointe Town Center
1800 Main Street, Suite 200
Canonsburg, Pennsylvania 15317

1217 Chapline Street
Wheeling, West Virginia 26003

480 West Jubal Early Drive, Suite 130
Winchester, Virginia 22601

Steven R. Hardman
Telephone — (304) 420-5521
Facsimile — (304) 420-5587

E-Mail Address:
shardman@bowlesrice.com

West Virginia Infrastructure and Jobs
Development Council
1009 Bullitt Street
Charleston, West Virginia 25301-1003

Re: Gilmer County Public Service District
Hattie Road Project
IJDC Project No. 2014W - 1496
Gilmer County

Ladies and Gentlemen:

This firm represents the Gilmer County Public Service District (hereinafter "District") with regard to the above-referenced Project, and provides this title opinion on behalf of the District to satisfy the requirements of the funding agencies for the Project. As such, please be advised of the following:

1. That the Gilmer County Public Service District is a duly created and existing public service district possessed with all powers and authority granted to municipalities under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the project.
2. This Project did not require a rate increase.
3. The Public Service Commission granted a Certificate of Convenience and Necessity for the Project by a Recommended Decision dated December 29, 2015, which became a Final Order on January 18, 2016.

October 6, 2016
Page 2

4. The status of the permits required for the Project are:

WV Culture & History	Permit Received 12/28/2015
WVDHH	Permit Received 04/13/2015
DNR/Endangered Species	Permit Received 02/06/2014
US Fish & Wildlife	Permit Received 08/12/2015
NRCS (USDA)	Permit Received 10/22/2015
US Army Corp of Engineers	Permit Received 10/6/2014
DNR/Public Lands and Streams	Permit Received 10/02/2014
WVDOH	Permit Received 03/04/2016
WVDEP SWPPP	Permit Received 03/16/2016

5. No property acquisitions were necessary for this Project.

6. No rights-of-way were required to be obtained for this Project.

7. There are no outstanding judgments against the District.

8. There is one pending civil action against the District and its board members, styled *Gilmer County Civil Action No. 15-C-11, Brenda K. Lawson v. Gilmer County Public Service District, William Stalnaker, in his official and individual capacities, Sallie Mathess, in her official and individual capacities, and Charles E. Talbott, in his official and individual capacities*. The plaintiff has alleged unlawful discrimination in violation of the workers' compensation act, disability discrimination, and retaliatory discharge, all of which have been denied by the District and its board members. The matter is being defended by AIG Property and Casualty, on behalf of National Union Fire Insurance Company, subject to a reservation of rights. The District believes in the merits of its pleadings, and that the action is defensible.

9. The undersigned is unaware of any other threatened litigation against the District.

If you should have any questions regarding this matter or any of the information contained in this letter, please do not hesitate to contact me.

Very truly yours,

BOWLES RICE LLP

Bowles Rice LLP

SRH/pss

600 Quarrier Street
Charleston, West Virginia 25301

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505



501 Avery Street
Parkersburg, West Virginia 26101

Post Office Box 49
Parkersburg, West Virginia 26102
(304) 485-8500

www.bowlesrice.com

October 6, 2016

Southpointe Town Center
1800 Main Street, Suite 200
Canonsburg, Pennsylvania 15317

1217 Chapline Street
Wheeling, West Virginia 26003

480 West Jubal Early Drive, Suite 130
Winchester, Virginia 22601

Steven R. Hardman
Telephone — (304) 420-5521
Facsimile — (304) 420-5587

E-Mail Address:
shardman@bowlesrice.com

Joseph D. Crickenberger
USDA Rural Development
Rural Utility Service
1200 Harrison Avenue, Suite 150
Elkins, WV 26241

Re: Gilmer County Public Service District
Hattie Road Project
IJDC Project No. 2014W - 1496
Gilmer County

Dear Mr. Crickenberger:

This firm represents the Gilmer County Public Service District (hereinafter "District") with regard to the above-referenced Project, and provides this title opinion on behalf of the District to satisfy the requirements of the funding agencies for the Project. As such, please be advised of the following:

1. That the Gilmer County Public Service District is a duly created and existing public service district possessed with all powers and authority granted to municipalities under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the project.
2. This Project did not require a rate increase.
3. The Public Service Commission granted a Certificate of Convenience and Necessity for the Project by a Recommended Decision dated December 29, 2015, which became a Final Order on January 18, 2016.

October 6, 2016
Page 2

4. The status of the permits required for the Project are:

WV Culture & History	Permit Received 12/28/2015
WVDHH	Permit Received 04/13/2015
DNR/Endangered Species	Permit Received 02/06/2014
US Fish & Wildlife	Permit Received 08/12/2015
NRCS (USDA)	Permit Received 10/22/2015
US Army Corp of Engineers	Permit Received 10/6/2014
DNR/Public Lands and Streams	Permit Received 10/02/2014
WVDOH	Permit Received 03/04/2016
WVDEP SWPPP	Permit Received 03/16/2016

5. No property acquisitions were necessary for this Project.

6. No rights-of-way were required to be obtained for this Project.

7. There are no outstanding judgments against the District.

8. There is one pending civil action against the District and its board members, styled *Gilmer County Civil Action No. 15-C-11, Brenda K. Lawson v. Gilmer County Public Service District, William Stalnaker, in his official and individual capacities, Sallie Mathess, in her official and individual capacities, and Charles E. Talbott, in his official and individual capacities*. The plaintiff has alleged unlawful discrimination in violation of the workers' compensation act, disability discrimination, and retaliatory discharge, all of which have been denied by the District and its board members. The matter is being defended by AIG Property and Casualty, on behalf of National Union Fire Insurance Company, subject to a reservation of rights. The District believes in the merits of its pleadings, and that the action is defensible.

9. The undersigned is unaware of any other threatened litigation against the District.

If you should have any questions regarding this matter or any of the information contained in this letter, please do not hesitate to contact me.

Very truly yours,

BOWLES RICE LLP

Bowles Rice LLP

SRH/pss

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Gilmer Co. Rt. 119/9 & Buttermilk Rd. Glenville District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) *p.m.*
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District
_____ as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____, at _____ a.m. and is recorded in _____ p.m.
(Priority) *(Mortgage, etc.)* *(Date)* *(Book, page, and office)*
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

No. 1717

THIS DEED, made this 30th day of August, 2005, by and between **ROGER L. WEESE** and **EVELYN J. WEESE**, parties of the first part, hereinafter called "**GRANTORS**", and **GILMER COUNTY PUBLIC SERVICE DISTRICT**, a public corporation, party of the second part, hereinafter called "**GRANTEE**".

WITNESSETH:

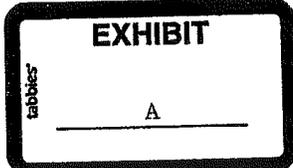
That for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid by Grantee to Grantors, the receipt whereof being hereby acknowledged, the Grantors do hereby grant and convey with Covenants of **GENERAL WARRANTY** unto the said Grantee that certain lot, tract or parcel of land lying and being situate on the waters of Nutter Run, near the junction of Gilmer County Route 119/9 and Buttermilk Road, Glenville District, Gilmer County, West Virginia, being more particularly bounded and described as follows, to-wit:

BEGINNING at a 3/4" rod w/cap, at a corner common to Rick and Desl Garrett (Tax Map 16 Parcel 26.3, Deed Book 425 Page 282) and Roger L. and Evelyn J. Weese (Tax Map 16 Parcel 26.15, Deed Book 370 Page 131), said point being located at the northeast corner of a proposed water booster site and on the westerly right-of-way line of Buttermilk Road, which bears, South 10 degrees 36 minutes 30 seconds East, a distance of 87.02 feet from a rebar and cap found at a corner to said Garrett;
Thence, leaving said Garrett and with said Buttermilk Road, South 10 degrees 36 minutes 30 seconds East, a distance of 40.00 feet to a 3/4" iron rebar set;
Thence, leaving said Buttermilk Road and through said Weese for two (2) lines, South 71 degrees 44 minutes 30 seconds West, a distance of 50.00 feet to a 3/4" iron rebar set;
Thence, North 10 degrees 36 minutes 30 seconds West, a distance of 40.00 feet to a 3/4" iron rebar set on a line common to said Garrett;
Thence, with said Garrett, North 71 degrees 44 minutes 30 seconds East, a distance of 50.00 feet to the PLACE OF BEGINNING, containing 1,982 square feet or 0.05 acres, more or less, as shown on a plat attached hereto and made a part of this description.

Being a portion of that same tract or parcel of land as that conveyed unto Roger L. Weese and Evelyn J. Weese by deed recorded in the Office of the Clerk of the Gilmer County Commission in Deed Book No. 370 at Page No. 131 thereof.

It is expressly understood and agreed by and between all of the parties hereto that the grant herein contained is made and accepted subject to all reservations, exceptions, rights of way or easements, limitations and conditions, and other servitudes,

RETURNED 9/15/05 TO: GILMER COUNTY PUBLIC SERVICE DISTRICT, POST OFFICE BOX 729, GLENVILLE, WV 26351



if any, made, retained or otherwise created by deeds or other instruments constituting the record chain of title to the property herein and hereby conveyed.

The undersigned Grantors do hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

WITNESS the following signatures:

Roger L Weese
ROGER L. WEESE

Evelyn J. Weese
EVELYN J. WEESE

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

I Stacy Harlow, a Notary Public in and for said County and State aforesaid, do hereby certify that ROGER L. WEESE and EVELYN J. WEESE whose names are signed to the writing above have acknowledged the same before me.

Given under my hand this the 1st day of September, 2005.



Stacy Harlow
NOTARY PUBLIC

My Commission Expires August 25 of 2009.

This document was prepared by Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC @ 7 North Court Street, Glenville, WV 26351

BOOK 465 PAGE 275

GILMER COUNTY PUBLIC SERVICE DISTRICT
PROPOSED WATER BOOSTER SITE
from
ROGER L. & EVELYN J. WEESE
GLENVILLE DISTRICT, GILMER COUNTY, WV
TAX MAP 16 P/O PARCEL 26.15
DEED BOOK 370 PAGE 131

A CERTAIN TRACT OR PARCEL OF LAND SITUATE ON THE WATERS OF NUTTER RUN, NEAR THE JUNCTION OF GILMER COUNTY ROUTE 119/9 AND BUTTERMILK ROAD, GLENVILLE DISTRICT, GILMER COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS

PROPOSED WATER BOOSTER SITE

Beginning at a ¼" rod w/cap, at a corner common to Rick and Desi Garrett (Tax Map 16 Parcel 26.3, Deed Book 425 Page 282) and Roger L. and Evelyn J. Weese (Tax Map 16 Parcel 26.15, Deed Book 370 Page 131), said point being located at the northeast corner of a proposed water booster site and on the westerly right-of-way line of Buttermilk Road, which bears, South 10 degrees 36 minutes 30 seconds East, a distance of 87.02 feet from a rebar and cap found at a corner to said Garrett;

Thence, leaving said Garrett and with said Buttermilk Road, South 10 degrees 36 minutes 30 seconds East, a distance of 40.00 feet to a ¼" iron rebar set;

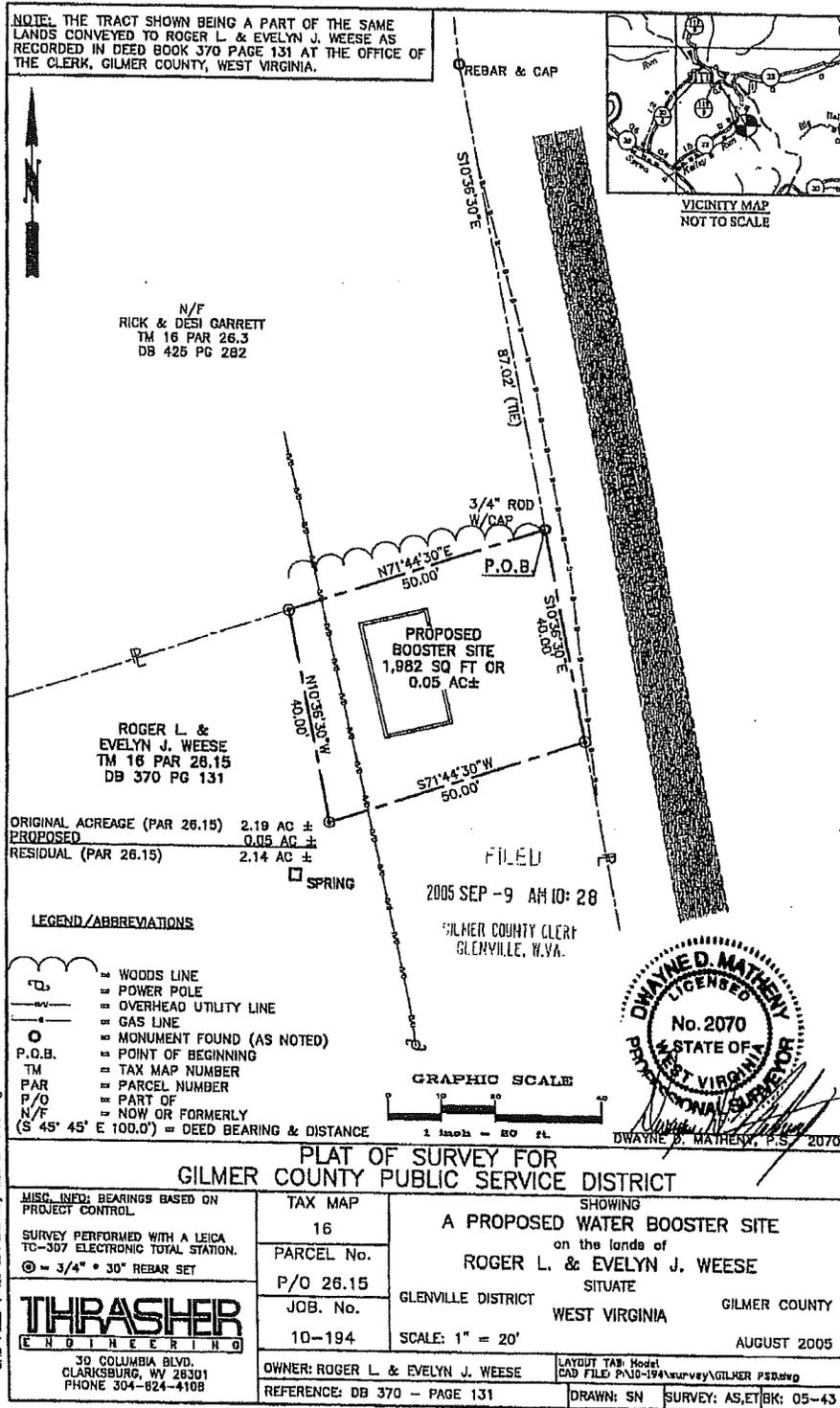
Thence, leaving said Buttermilk Road and through said Weese for two (2) lines, South 71 degrees 44 minutes 30 seconds West, a distance of 50.00 feet to a ¼" iron rebar set;

Thence, North 10 degrees 36 minutes 30 seconds West, a distance of 40.00 feet to a ¼" iron rebar set on a line common to said Garrett;

Thence, with said Garrett, North 71 degrees 44 minutes 30 seconds East, a distance of 50.00 feet to the PLACE OF BEGINNING, containing 1,982 square feet or 0.05 acres MORE OR LESS, as shown on a plat attached hereto and made a part of this description.

The above described tract or parcel being a part of the same lands conveyed to Roger L. & Evelyn J. Weese by deed as recorded in the Office of the Clerk, Gilmer County, West Virginia, in Deed Book 370, at Page 131.

DWAYNE D. MATHENY
PROFESSIONAL SURVEYOR
NO. 2070
STATE OF WEST VIRGINIA
Dwayne D. Matheny, P.S. 2070
August 2005



STATE OF WEST VIRGINIA,
GILMER COUNTY COMMISSION CLERK'S OFFICE

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: *Beverly Mules* CLERK.

September 9, 2005

Form RD 1927-10
(Rev. 7-98)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
FARM SERVICE AGENCY

FORM APPROVED
OMB NO. 0575-0147

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Near Gilmer Co. Route 119/9 Glenville District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) (Mortgage, etc.)
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
p.m. (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

BOOK 478 PAGE 506
No. 7278

THIS DEED, made this 19th day of November, 2007, by and between **JONATHAN J. RAMEZAN**, party of the first part, hereinafter called "**GRANTOR**", and **GILMER COUNTY PUBLIC SERVICE DISTRICT**, a public corporation, party of the second part, hereinafter called "**GRANTEE**".

WITNESSETH:

That for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid by Grantee to Grantor, the receipt whereof being hereby acknowledged, the Grantor does hereby grant and convey with Covenants of **GENERAL WARRANTY** unto the said Grantee that certain lot, tract or parcel of land lying and being situate on the waters of Nutter Run and Near Gilmer County Route 119/9, Glenville District, Gilmer County, West Virginia, being more particularly bounded and described as follows, to-wit:

PROPOSED WATER TANK SITE

Beginning at a 3/4" Iron rebar, set, the northeastern corner of the herein described proposed water tank lot, a 1/2" iron pipe, found, on the southerly side of a private gravel driveway, a corner to James L. and Mona L. James (Tax Map 22 Parcel 2.1, Deed Book 283 Page 29) and Jonathan J. Ramezan (Tax Map 22 Parcel 1.1, Deed Book 426 Page 107), bears North 27° 33' 20" East, a distance of 494.7 feet;

Thence, with through said Ramezan, for four (4) lines, South 18° 58' 32" West, a distance of 75.00 feet to a 3/4" iron rebar, set, a 1" pipe, found, a corner common to said Ramezan and said James bears, South 00° 04' 50" East, a distance of 544.8 feet;

Thence, North 71° 01' 28" West, a distance of 75.00 feet to a 3/4" iron rebar set;

Thence, North 18° 58' 32" East, a distance of 75.00 feet to a 3/4" iron rebar set;

Thence, South 71° 01' 28" East, a distance of 75.00 feet to the place of beginning, containing 5,625 square feet more or less, as shown on a plat attached hereto and made a part of this description.

20 FOOT ACCESS EASEMENT

Beginning at a point 37.5 feet southeast of the southwest corner of the above described Proposed Water Tank Lot,

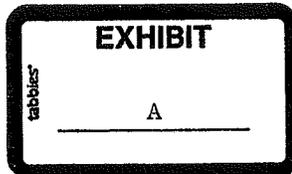
Thence, leaving said Proposed Water Tank Lot and through said Ramezan, with the existing bed of an old road, South 04° 11' West, a distance of 77 feet, more or less, to a point;

Thence, South 39° 50' West, a distance of 273 feet, more or less, to a point on line with Sharon K. Danley, et al (Center District Map 7 Parcel 4, Will Book 15 Page 213), 346.0 feet, more or less, northwest from a 1" iron pipe, found, the southeast corner of said Ramezan.

The Permanent Access Easement shall be Twenty (20) feet in width, Ten (10) feet in width on either side of centerline of the herein described easement, containing 6,990 square feet, more or less, as shown on a plat attached hereto and made part of this description.

The Temporary Construction Easement shall be Thirty (30) feet in width, Fifteen (15) feet on either side of centerline of the herein described easement, containing a total area of 3,505 square feet, more or less, as shown on a plat attached hereto and made part of this description.

RETURN TO:
A+ LAB CLINIC
GLENNVILLE WV 26351
DECEMBER 6, 2007



BOOK 478 PAGE 507

Being a portion of that same tract or parcel of land as that conveyed unto Jonathan J. Ramezan by G. David and Janette S. Ramezan by deed dated the 28th day of May, 2004 and being admitted to record in the aforesaid Clerk's Office in Deed Book No. 457 at Page No. 107 thereof.

It is expressly understood and agreed by and between all of the parties hereto that the grant herein contained is made and accepted subject to all reservations, exceptions, rights of way or easements, limitations and conditions, and other servitudes, if any, made, retained or otherwise created by deeds or other instruments constituting the record chain of title to the property herein and hereby conveyed.

The undersigned Grantor does hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

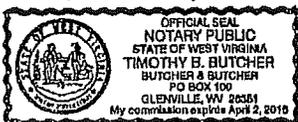
WITNESS the following signature:

Jonathan J. Ramezan
JONATHAN J. RAMEZAN

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

I Timothy B. Butcher, a Notary Public in and for said County and State aforesaid, do hereby certify that JONATHAN J. RAMEZAN whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 20th day of November, 2007.

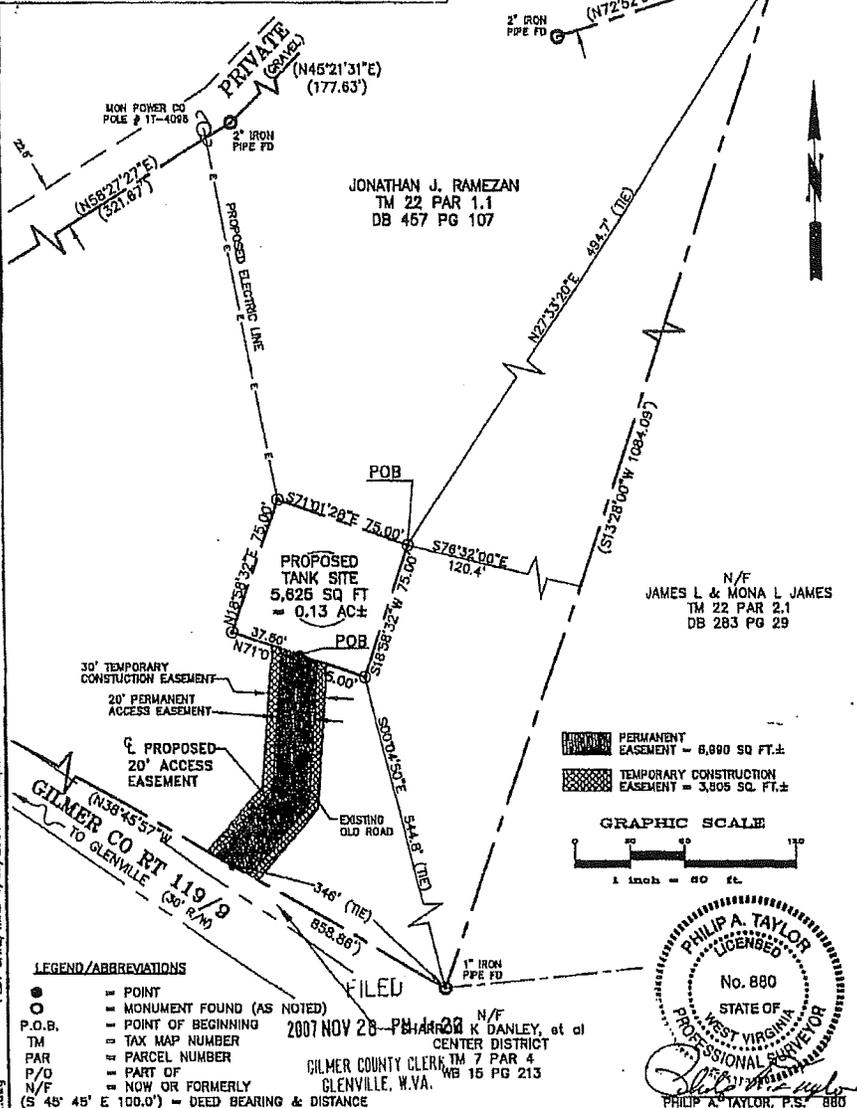


Timothy B. Butcher
NOTARY PUBLIC

My Commission Expires April 2 of 2016.

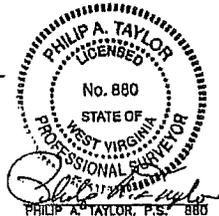
This document was prepared by Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC @ 7 North Court Street, Glenville, WV 26351

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO JONATHAN J. RAMEZAN FROM G. DAVID and JANETTE S. RAMEZAN AS RECORDED IN DEED BOOK 457 PAGE 107 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

- = POINT
 - = MONUMENT FOUND (AS NOTED)
 - P.O.B. = POINT OF BEGINNING
 - TM = TAX MAP NUMBER
 - PAR = PARCEL NUMBER
 - P/O = PART OF
 - N/F = NOW OR FORMERLY
 - (S 45° 45' E 100.0') = DEED BEARING & DISTANCE
- 2007 NOV 28 PH 44-28 N/F PHARRON K DANLEY, et al CENTER DISTRICT GILMER COUNTY CLERK, TM 7 PAR 4 GLENVILLE, W.VA. WB 15 PG 213



PLAT OF SURVEY FOR GILMER COUNTY PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON THE EASTERLY LINE OF DB 457 PG 107	TAX MAP	SHOWING A PROPOSED WATER TANK SITE on the lands of JONATHAN J. RAMEZAN SITUATE GLENVILLE DISTRICT WEST VIRGINIA GILMER COUNTY SEPTEMBER 2003 (Plat revised June 2004)	
	22		
SURVEY PERFORMED WITH A LEICA TO-307 ELECTRONIC TOTAL STATION. ⊙ = 3/4" • 30" REBAR SET	PARCEL No.	SCALE: 1" = 60'	
	P/O 1.1		
 30 COLUMBIA BLVD. CLARKSBURG, WV 26301 PHONE 304-824-4108	JOB. No.	OWNER: JONATHAN J. RAMEZAN LAYOUT TAB: Model CAD FILE: P:\10-104\survey\DEED-PLAT.dwg	
	10-194		
REFERENCE: DB 457 - PAGE 107	DRAWN: JJS	SURVEY: PT	BK: 03-45

STATE OF WEST VIRGINIA,
 GILMER COUNTY COMMISSION CLERK'S OFFICE November 28, 2007
 The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.
 TESTE: Beverly Marks CLERK.

Form RD 1927-10
(Rev. 7-98)

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Gilmer Co. Route 1 Glenville District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____, _____, at _____ a.m. and is recorded in _____ p.m.
(Date) (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

THIS DEED, made this 24th day of March, 2012, by and between, CAROLYN HANSON and VIRGINIA BLAKE, Grantors, and GILMER COUNTY PUBLIC SERVICE DISTRICT, Grantee.

WITNESSETH: That for and in consideration of the sum of Five (\$5.00) Dollars, cash in hand paid and other good and valuable considerations, the receipt of which is hereby acknowledged, Grantor hereby grants and conveys, with Covenants of General Warranty and against liens and encumbrances, unto Grantee, in fee simple, the following described lot, tract or parcel of land situate in Glenville District, Gilmer County, West Virginia, being more particularly described as follows:

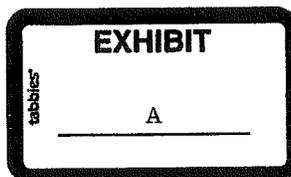
The property being conveyed is more fully set forth on Exhibit A attached hereto. A plat of this property is attached as Exhibit B.

There is further conveyed a temporary construction easement, fifteen (15') feet in width on the northerly, westerly and southerly perimeters of the parcel hereby conveyed. The construction easement is also described on Exhibit A, and shown on Exhibit B.

Prior Title Reference: Being part of the same property conveyed to Ivan Blake and Leota Blake, his wife, by Deed dated February 10, 1947, of record in Deed Book 157, at page 532, in the Office of the Clerk of the County Commission of Gilmer County, West Virginia. Leota Blake died testate on October 23, 1984, and by her Will of record in Will Book 14, at page 465, she devised her interest in the above property to her husband, Ivan Blake. The said Ivan Blake died testate on December 23, 2006, and by his Will of record in Will Book 35, at page 479, he devised a life estate in the above property to his wife at the time of his death, Virginia Blake, with the remainder interest devised to his daughter, Carolyn Hanson (spelled "Hansen" in his Will). Paula Smith is executing this Deed as the attorney in fact for Virginia Blake, and such Power of Attorney is to be recorded herewith.

DECLARATION OF CONSIDERATION OR VALUE

The undersigned hereby declare that this is a conveyance to a public corporation and, therefore, exempt from State Excise Tax.



WITNESS the following signature:

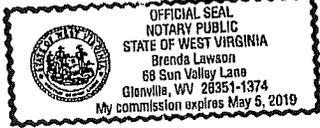
Carolyn Hanson
CAROLYN HANSON

Virginia Blake/ Paula Smith
VIRGINIA BLAKE
by Paula Smith her attorney-in-fact

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

The foregoing Deed was acknowledged before me on this the 30th day of March, 2012, by CAROLYN HANSON.

My commission expires: May 05, 2019

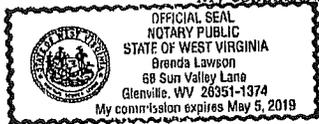


Brenda Lawson
Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

The foregoing Deed was acknowledged before me on this the 15th day of April, 2012, by Paula Smith, Attorney-in-Fact for VIRGINIA BLAKE, on her behalf.

My commission expires: May 05, 2019



Brenda Lawson
Notary Public

This instrument was prepared under direction and supervision of Steven R. Hardman, Attorney at Law, Parkersburg, West Virginia.

DESCRIPTION OF SURVEY
of a
PROPOSED PUMP STATION
and
PROPOSED TEMPORARY CONSTRUCTION EASEMENT
on the lands of
CAROLYN HANSON
for the
GILMER COUNTY PUBLIC SERVICE DISTRICT

A CERTAIN TRACT OR PARCEL OF LAND SITUATE ALONG GILMER COUNTY ROUTE 1, GLENVILLE DISTRICT, GILMER COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

PROPOSED PUMP STATION

Beginning at a ¼" iron rebar now set on the lands of Carolyn Hanson (Tax Map 4 Parcel 17, Will Book 35 Page 479), said rebar set bears, North 13 degrees 00 minutes 42 seconds West, a distance of 988.36 feet from a concrete monument with rebar found on a corner of a parcel of land now or formerly owned by Billy N. & Joan Kennedy (Tax Map 4 Parcel 19.1, Deed Book 368 Page 209);

Thence, through said Hanson for two (2) new lines of division, North 10 degrees 41 minutes 58 seconds West, a distance of 30.00 feet to a ¼" iron rebar now set;

Thence, North 79 degrees 18 minutes 02 seconds East, a distance of 30.00 feet to a ¼" iron rebar now set on the westerly right-of-way line of Gilmer County Route 1;

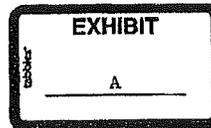
Thence, with said right-of-way for three (3) courses, South 08 degrees 48 minutes 53 seconds East, distance of 6.75 feet to a point;

Thence, South 10 degrees 39 minutes 58 seconds East, a distance of 21.90 feet to a point;

Thence, South 13 degrees 29 minutes 05 seconds East, a distance of 1.35 feet to a ¼" iron rebar now set, said rebar bears, North 27 degrees 17 minutes 32 seconds West, a distance of 1200.22 feet from a concrete monument with rebar found on said right-of-way of Gilmer County Route 1, being also a corner of said Kennedy;

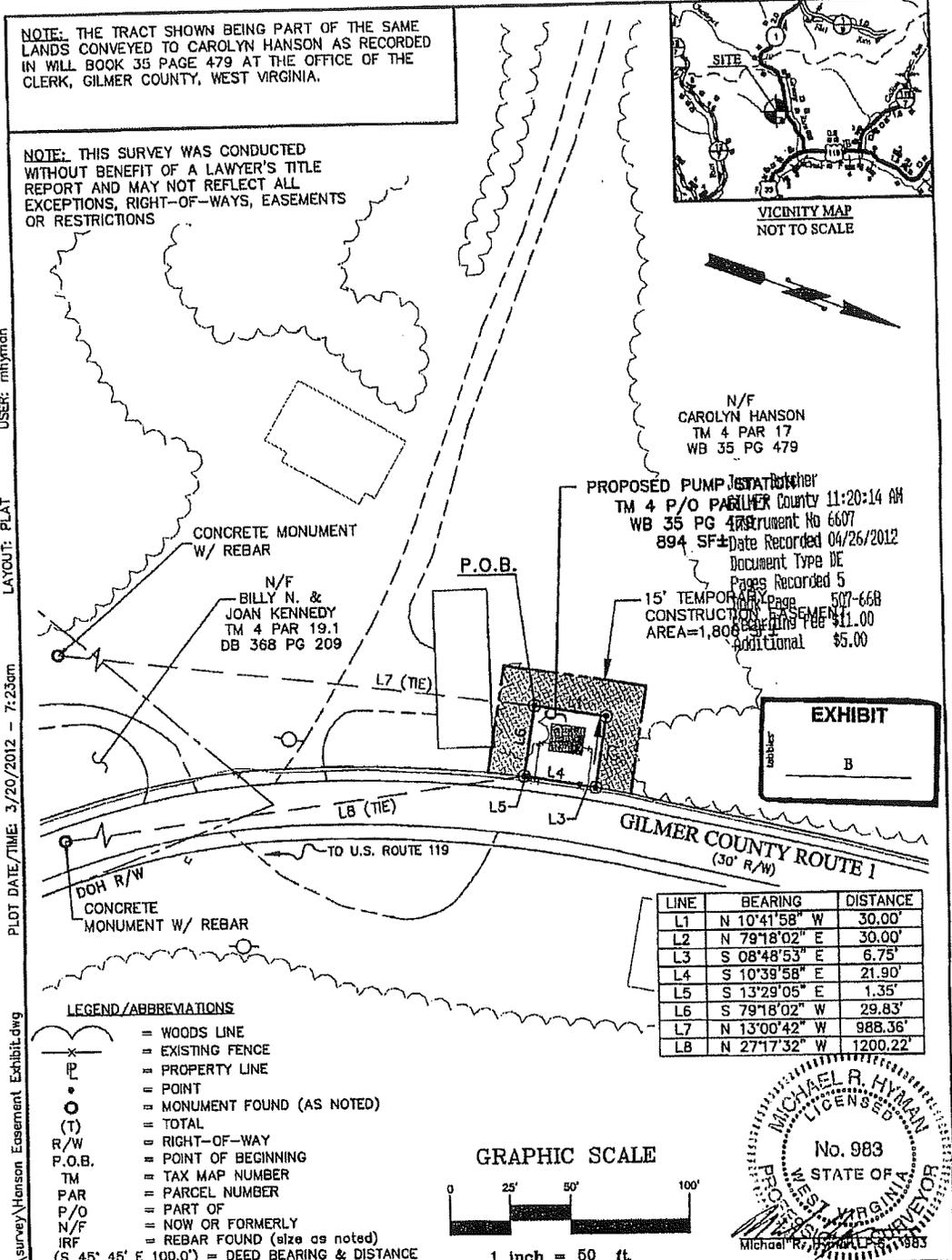
Thence, leaving said right-of-way and through said Hanson for one (1) new line of division, South 79 degrees 18 minutes 02 seconds West, a distance of 29.83 feet to the **Place of Beginning**, containing 894 square feet, MORE OR LESS, as shown on a plat attached hereto and made part of this description.

The Temporary Construction Easement shall be fifteen (15) feet in width on the northerly, westerly and southerly perimeters of the afore described pump station, containing a total area of 1,806 square feet, MORE OR LESS, as shown on a plat attached hereto and made a part of this description.



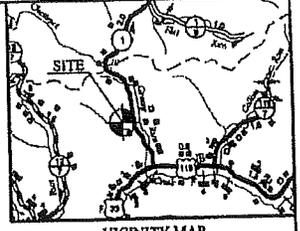
The tract or parcel of land herein described being part of the same lands conveyed to Carolyn Hanson as recorded in Will Book 35 Page 479 at the Office of the Clerk, Gilmer County, West Virginia.


Michael R. Hyman, P.S. 983
March 2012



NOTE: THE TRACT SHOWN BEING PART OF THE SAME LANDS CONVEYED TO CAROLYN HANSON AS RECORDED IN WILL BOOK 35 PAGE 479 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.

NOTE: THIS SURVEY WAS CONDUCTED WITHOUT BENEFIT OF A LAWYER'S TITLE REPORT AND MAY NOT REFLECT ALL EXCEPTIONS, RIGHT-OF-WAYS, EASEMENTS OR RESTRICTIONS



VICINITY MAP NOT TO SCALE



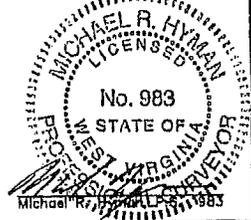
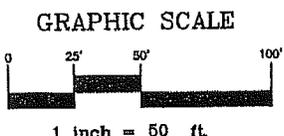
N/F CAROLYN HANSON
TM 4 PAR 17
WB 35 PG 479

PROPOSED PUMP STATION
TM 4 P/O PAR 17
WB 35 PG 479
894 SF ±
Date Recorded 04/26/2012
Document Type DE
Pages Recorded 5
15' TEMPORARY CONSTRUCTION EASEMENT
AREA=1,806 sq. ft.
Additional \$5.00

EXHIBIT
B

LINE	BEARING	DISTANCE
L1	N 10°41'58" W	30.00'
L2	N 79°18'02" E	30.00'
L3	S 08°48'53" E	6.75'
L4	S 10°39'58" E	21.90'
L5	S 13°29'05" E	1.35'
L6	S 79°18'02" W	29.83'
L7	N 13°00'42" W	988.36'
L8	N 27°17'32" W	1200.22'

- LEGEND/ABBREVIATIONS
- = WOODS LINE
 - = EXISTING FENCE
 - = PROPERTY LINE
 - = POINT
 - = MONUMENT FOUND (AS NOTED)
 - = TOTAL
 - = RIGHT-OF-WAY
 - = POINT OF BEGINNING
 - = TAX MAP NUMBER
 - = PARCEL NUMBER
 - = PART OF
 - = NOW OR FORMERLY
 - = REBAR FOUND (size as noted)
 - = DEED BEARING & DISTANCE



USER: mhlyman LAYOUT: PLAT PLOT DATE/TIME: 3/20/2012 - 7:23am CAD FILE: R:\Eng\10-497-COXS MILL\survey\Hanson Easement Exhibit.dwg

PLAT OF SURVEY FOR
GILMER COUNTY PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON WEST VIRGINIA STATE PLANE SOUTH ZONE SURVEY PERFORMED WITH A LEICA TC-405 ELECTRONIC TOTAL STATION. Ⓞ = 3/4" • 30" REBAR SET	TAX MAP 4	SHOWING PROPOSED PUMP STATION on the lands of CAROLYN HANSON SITUATE GILMER COUNTY WEST VIRGINIA MARCH 2012	
	PARCEL No. 17		
30 COLUMBIA BLVD. CLARKSBURG, WV 26301 PHONE 304-624-4108	JOB. No. 010-497	GLENVILLE DISTRICT SCALE: 1" = 50'	GILMER COUNTY WEST VIRGINIA MARCH 2012
	OWNER: CAROLYN HANSON	LAYOUT TAB: PLAT CAD FILE: R:\Eng\10-497-COXS MILL\survey\Hanson Easement Exhibit.dwg	DRAWN: JDJ
REFERENCE: WB 35 PG 479			

The information contained herein is the sole property of Thrasher Engineering, Inc. Reproduction of these documents in whole or in part, for any reason without prior written permission, is strictly prohibited. Copyright © 2012 Thrasher Engineering, Inc.

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Near Gilmer County Route 1 (Alice Road) Troy District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument), (Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

 as owner of surface

(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____, (Date)
 _____, at _____ a.m. and is recorded in _____
 _____ p.m. (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

Attachments

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

DEED AND EASEMENT

THIS DEED, made this 9th day of October, 2012, by and between, GARY D. BUSH and DINA L. BUSH, husband and wife, and IRENE BUSH, Grantors, and GILMER COUNTY PUBLIC SERVICE DISTRICT, Grantee.

WITNESSETH: That for and in consideration of the sum of Five (\$5.00) Dollars, cash in hand paid and other good and valuable considerations, the receipt of which is hereby acknowledged, Grantors hereby grant and convey, with Covenants of General Warranty and against liens and encumbrances, unto Grantee, in fee simple, the following described lot, tract or parcel of land situate in Troy District, Gilmer County, West Virginia, being more particularly described as follows:

The property being conveyed is more fully set forth on Exhibit A attached hereto ("Subject Property"). There are two plats of the Subject Property which are attached hereto at Exhibit B and Exhibit C; these plats also show easements as set forth below.

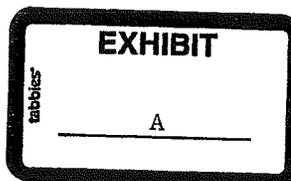
There is also conveyed a permanent access easement for ingress and egress to the Subject Property which easement is described on Exhibit A and shown on Exhibit C.

There are further conveyed two temporary construction easements. The Subject Property shall have a temporary construction easement for a tank site as described on Exhibit A and shown on Exhibit B. The permanent access easement for ingress and egress shall have a temporary construction easement as described on Exhibit A and shown on Exhibit C.

DECLARATION OF CONSIDERATION OR VALUE

The undersigned hereby declare that this is a conveyance to a public corporation and, therefore, exempt from State Excise Tax.

HOWES AND RICE
PO BOX 49
PARKERSBURG, WV 26102-0049
RETURN: S. HARCHUK
L. LES RICE



WITNESS the following signature:

Gary D. Bush
GARY D. BUSH

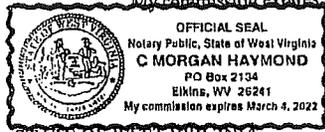
Dina L. Bush
DINA L. BUSH

Irene Bush
IRENE BUSH

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

The foregoing Deed and Easement was acknowledged before me on this the
12th day of October, 2012, by GARY D. BUSH and DINA L. BUSH, husband and wife.

My commission expires: March 4, 2022

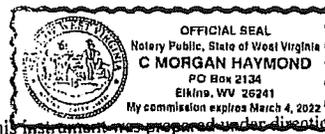


C Morgan Haymond
Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

The foregoing Deed and Easement was acknowledged before me on this the
12th day of October, 2012, by IRENE BUSH.

My commission expires: March 4, 2022



C Morgan Haymond
Notary Public

This instrument was prepared under direction and supervision of Steven R. Hardman, Attorney at Law, Parkersburg, West Virginia.

DESCRIPTION OF SURVEY
of a
PROPOSED TANK SITE &
PROPOSED PERMANENT ACCESS EASEMENT
on the lands of
GARY D. BUSH
for
GILMER COUNTY PSD

A CERTAIN TRACT OR PARCEL OF LAND, SITUATE NEAR GILMER COUNTY ROUTE 1 (ALICE ROAD), IN TROY DISTRICT, GILMER COUNTY, WEST, VIRGINIA, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

PROPOSED TANK SITE

Beginning at a 3/4" iron rebar now set on the lands of Gary D. Bush (Tax Map 29 part of Parcel 9, Deed Book 508 Page 173), which bears, North 76 degrees 12 minutes 28 seconds East, a distance of 193.47 feet from an iron rebar with cap found (Echard PLS 490) on a corner common to said Bush and a parcel of land now or formerly owned by Larry J. & Patricia A. Hale (Tax Map 4 Parcel 4, Deed Book 376 Page 219);

Thence, through said Bush for four (4) new lines of division, North 62 degrees 53 minutes 21 seconds West, a distance of 75.00 feet to a 3/4" iron rebar now set, which bears, South 51 degrees 59 minutes 43 seconds East, a distance of 491.79 feet from an iron rebar with cap found (Echard PLS 490) on a line common to said Bush and a parcel of land now or formerly owned by Irene Bush (Life Estate) (Tax Map 29 part of Parcel 9, Deed Book 465 Page 14);

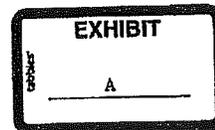
Thence, North 27 degrees 06 minutes 39 seconds East, a distance of 75.00 feet to a 3/4" iron rebar now set, which bears, South 33 degrees 25 minutes 29 seconds East, a distance of 649.58 feet from an iron rebar with cap found (Echard PLS 490) on a corner common to said Gary D. Bush and said Irene Bush (Life Estate);

Thence, South 62 degrees 53 minutes 21 seconds East, a distance of 75.00 feet to a 3/4" iron rebar now set;

Thence, South 27 degrees 06 minutes 39 seconds West, a distance of 75.00 feet to the **Point of Beginning**, containing 5,625 square feet, **More or Less**, or 0.13 acres, **More or Less**, as shown on a plat attached hereto and made a part of this description.

The Proposed Tank Site shall have a temporary construction easement, being twenty-seven (27) feet in width on the northeasterly perimeter, twenty-five (25) feet in width on the northwesterly and southeasterly perimeters and twenty-two (22) feet in width on the southwesterly perimeter, containing 9,446 square feet, **More or Less**.

The tract or parcel being part of the same lands conveyed to Gary D. Bush as recorded in Deed Book 508 Page 173 at the Office of the Clerk, Gilmer County, West, Virginia.



PROPOSED PERMANENT ACCESS EASEMENT

Beginning at a point on the northeasterly line of the previously described Proposed Tank Site on the lands of Gary D. Bush (Tax Map 29 part of Parcel 9, Deed Book 508 Page 173), said point bears, South 62 degrees 53 minutes 21 seconds East, a distance of 37.50 feet from a ¼" iron rebar now set on the northwesterly most corner of said Proposed Tank Site;

Thence, leaving said Proposed Tank Site and through said Bush for thirty (30) courses, North 20 degrees 37 minutes 18 seconds East, a distance of 84.42 feet to a point;

Thence, North 13 degrees 07 minutes 26 seconds West, a distance of 48.89 feet to a point;

Thence, North 33 degrees 39 minutes 57 seconds West, a distance of 30.54 feet to a point;

Thence, North 60 degrees 07 minutes 46 seconds West, a distance of 29.01 feet to a point;

Thence, South 88 degrees 14 minutes 53 seconds West, a distance of 29.77 feet to a point;

Thence, South 81 degrees 20 minutes 15 seconds West, a distance of 47.11 feet to a point;

Thence, continuing with the centerline of an existing dirt road for twenty-four (24) courses, South 36 degrees 46 minutes 24 seconds West, a distance of 115.18 feet to a point;

Thence, South 45 degrees 17 minutes 50 seconds West, a distance of 153.02 feet to a point;

Thence, South 58 degrees 51 minutes 06 seconds West, a distance of 142.77 feet to a point;

Thence, South 64 degrees 27 minutes 50 seconds West, a distance of 43.91 feet to a point;

Thence, North 29 degrees 05 minutes 49 seconds East, a distance of 177.50 feet to a point;

Thence, North 01 degrees 25 minutes 54 seconds West, a distance of 55.31 feet to a point;

Thence, North 15 degrees 11 minutes 34 seconds West, a distance of 248.06 feet to a point;

Thence, North 16 degrees 34 minutes 19 seconds East, a distance of 118.73 feet to a point;

Thence, North 57 degrees 44 minutes 47 seconds East, a distance of 114.98 feet to a point;

Thence, South 88 degrees 27 minutes 34 seconds East, a distance of 171.20 feet to a point;

Thence, South 69 degrees 00 minutes 04 seconds East, a distance of 95.51 feet to a point;

Thence, South 83 degrees 14 minutes 30 seconds East, a distance of 85.97 feet to a point;

Thence, South 64 degrees 16 minutes 45 seconds East, a distance of 52.55 feet to a point;

Thence, South 46 degrees 53 minutes 07 seconds East, a distance of 240.87 feet to a point;

Thence, South 15 degrees 18 minutes 55 seconds East, a distance of 91.56 feet to a point;

Thence, South 23 degrees 39 minutes 08 seconds East, a distance of 233.67 feet to a point;

Thence, South 86 degrees 36 minutes 09 seconds East, a distance of 100.25 feet to a point;

Thence, North 75 degrees 12 minutes 20 seconds East, a distance of 216.18 feet to a point;

Thence, South 83 degrees 23 minutes 11 seconds East, a distance of 64.65 feet to a point;

Thence, North 77 degrees 28 minutes 52 seconds East, a distance of 89.36 feet to a point;

Thence, North 28 degrees 14 minutes 21 seconds East, a distance of 106.41 feet to a point;

Thence, North 39 degrees 57 minutes 27 seconds East, a distance of 29.21 feet to a point;

Thence, North 71 degrees 07 minutes 55 seconds East, a distance of 12.05 feet to a point;

Thence, North 85 degrees 01 minutes 22 seconds East, a distance of 47.61 feet to the **Point of Terminus** on the westerly right-of-way line of Gilmer County Route 1 (Alice Road), as shown on a plat attached hereto and made a part of this description.

The Proposed Permanent Access Road shall be twenty (20) feet in width, ten (10) feet either side of the centerline of the herein described easement, containing 61,527 square feet, **More or Less**, or 1.41 acres, **More or Less**.

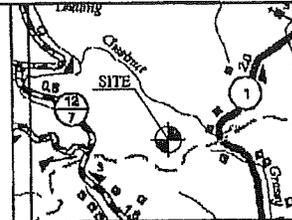
The Temporary Construction Easement shall be forty (40) feet in width, twenty (20) feet either side of the centerline of the herein described easement, containing 60,961 square feet, **More or Less**, or 1.40 acres, **More or Less**.

The tract or parcel being part of the same lands conveyed to Gary D. Bush as recorded in Deed Book 508 Page 173 at the Office of the Clerk, Gilmer County, West, Virginia.


Michael R. Hyman, P.S. 983
August 2012

NOTE: THE TRACT SHOWN BEING PART OF THE SAME LANDS CONVEYED TO GARY D. BUSH AS RECORDED IN DEED BOOK 508 PAGE 173 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.

= DENOTES TEMPORARY CONSTRUCTION EASEMENT
9,446 SQ. FT.±



VICINITY MAP
NOT TO SCALE

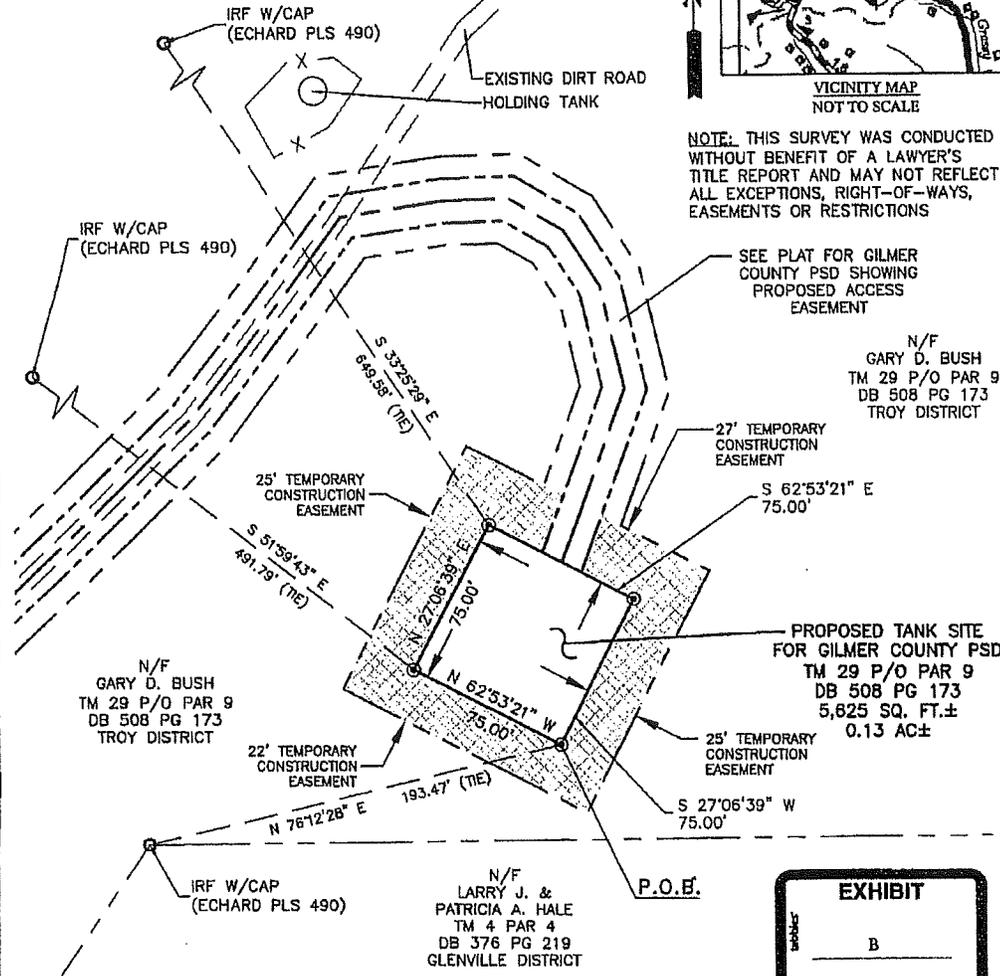
NOTE: THIS SURVEY WAS CONDUCTED WITHOUT BENEFIT OF A LAWYER'S TITLE REPORT AND MAY NOT REFLECT ALL EXCEPTIONS, RIGHT-OF-WAYS, EASEMENTS OR RESTRICTIONS

USER: jenkins

LAYOUT: PLAT

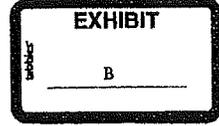
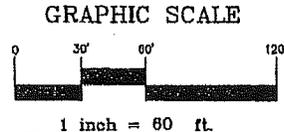
PLOT DATE/TIME: 8/30/2012 - 3:37pm

CAD FILE: R:\Eng\10-497-COX'S MILL\survey\10-497-GILMER TOPO.dwg



LEGEND/ABBREVIATIONS

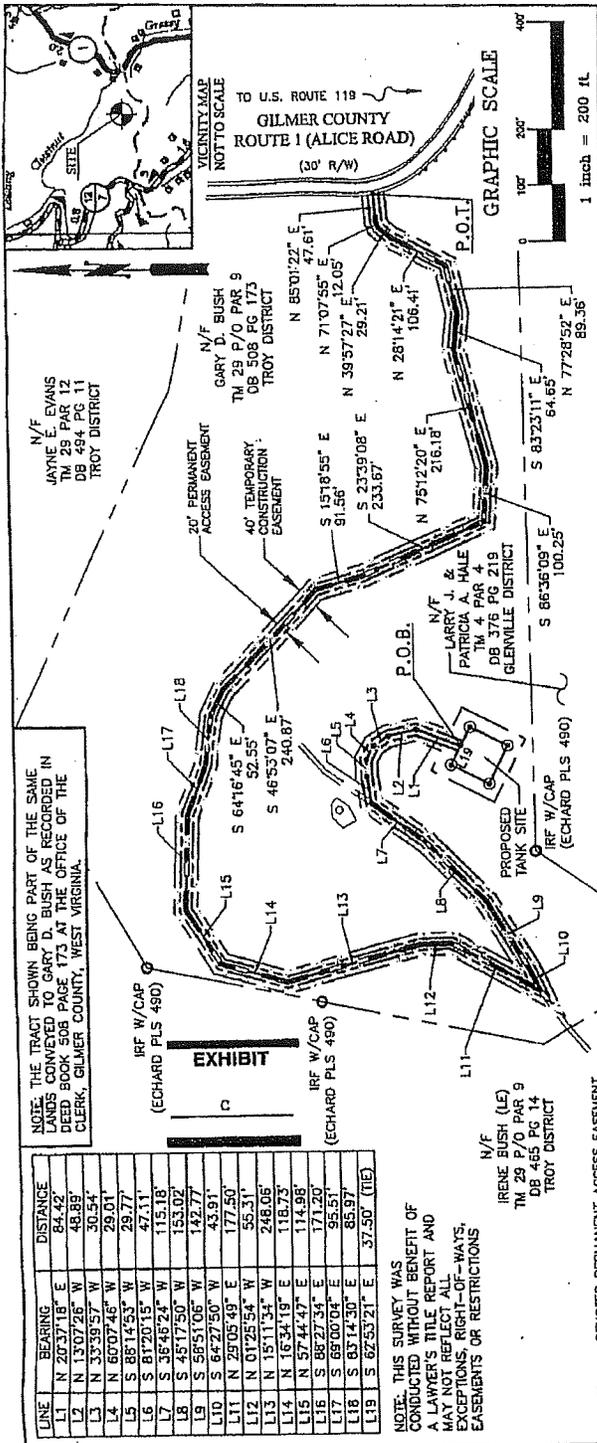
- x - = EXISTING FENCE
- = POINT
- = MONUMENT FOUND (AS NOTED)
- ∅ = TOTAL
- (T) = RIGHT-OF-WAY
- P.O.B. = POINT OF BEGINNING
- TM = TAX MAP NUMBER
- PAR = PARCEL NUMBER
- P/O = PART OF
- N/F = NOW OR FORMERLY
- IRF = REBAR FOUND (size as noted)
- (S 45° 45' E 100.0') = DEED BEARING & DISTANCE



PLAT OF SURVEY FOR
GILMER COUNTY PSD

<p>MISC. INFO: BEARINGS BASED ON GPS OBSERVATION, WEST VIRGINIA STATE PLANE SOUTH, NAD 83. SURVEY PERFORMED WITH A TRIMBLE R8 GPS UNIT.</p> <p>⊙ = 3/4" * 30" REBAR SET</p>	TAX MAP	SHOWING	
	29	PROPOSED WATER TANK SITE	
	PARCEL No.	on the lands of	
	P/O 9	GARY D. BUSH	
	JOB. No.	TROY DISTRICT	GILMER COUNTY
	010-0497	SCALE: 1" = 60'	WEST VIRGINIA
<p>THRASHER ENGINEERING</p> <p>30 COLUMBIA BLVD. CLARKSBURG, WV 26301 PHONE 304-624-4108</p>	OWNER: GARY D. BUSH	LAYOUT TAB: PLAT	AUGUST 2012
	REFERENCE: DB 508 PG 173	CAD FILE: R:\Eng\10-497-COX'S MILL\survey\10-497-GILMER TOPO.dwg	
		DRAWN: JDJ	SURVEY: KW BK: 12-8

The information contained herein is the sole property of Thrasher Engineering, Inc. Reproduction of these documents in whole or in part, for any reason without prior written permission, is strictly prohibited. Copyright © 2012 Thrasher Engineering, Inc.



NOTE: THE TRACT SHOWN BEING PART OF THE SAME LANDS CONVEYED TO GARY D. BUSH AS RECORDED IN DEED BOOK 508 PAGE 173 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.

LINE	BEARING	DISTANCE
L1	N 20°37'18" E	84.42
L2	N 13°07'26" W	48.89
L3	N 33°39'57" W	30.54
L4	N 60°07'45" W	29.01
L5	S 88°14'53" W	29.77
L6	S 81°20'15" W	47.11
L7	S 35°45'24" W	115.18
L8	S 45°17'50" W	153.02
L9	S 58°51'06" W	142.77
L10	S 84°27'50" W	43.91
L11	N 29°09'49" E	177.50
L12	N 01°25'34" W	95.31
L13	N 15°11'34" W	248.08
L14	N 16°34'19" E	118.73
L15	N 57°44'47" E	114.98
L16	S 88°27'34" E	171.20
L17	S 69°00'04" E	95.51
L18	S 83°14'30" E	85.97
L19	S 62°53'21" E	37.50 (TIE)

NOTE: THIS SURVEY WAS CONDUCTED WITHOUT BENEFIT OF A LAWYER'S TITLE REPORT AND MAY NOT REFLECT ALL EXCEPTIONS, RIGHT-OF-WAYS, EASEMENTS OR RESTRICTIONS

W/F
IRENE BUSH (LE)
TM 29 P/O PAR 9
DB 485 PG 14
TROY DISTRICT

■ DENOTES PERMANENT ACCESS EASEMENT
61,527 SQ. FT.±, 1.41 AC±
■ DENOTES TEMPORARY CONSTRUCTION EASEMENT
60,361 SQ. FT.±, 1.40 AC±

LEGEND/ABBREVIATIONS

- POINT
- MONUMENT FOUND (AS NOTED)
- TOTAL
- RIGHT-OF-WAY
- POINT OF BEGINNING
- TAX MAP NUMBER
- PARCEL NUMBER
- PART OF
- NOW OR FORMERLY
- REBAR FOUND (size as noted)
- DEED BEARING & DISTANCE
- (S 45° 45' E 100.0')

PLAT OF SURVEY FOR GILMER COUNTY PSD

SHOWING PROPOSED ACCESS EASEMENT FOR TANK SITE on the lands of GARY D. BUSH SITUATE GILMER COUNTY

TAX MAP 29 PARCEL No. P/O 9 JOB. No. 010-0497 SCALE: 1" = 200'

MISC. INFO: BEARINGS BASED ON GPS OBSERVATION, WEST VIRGINIA STATE PLANE SOUTH, NAD 83. SURVEY PERFORMED WITH A TRIMBLE R6 GPS UNIT. © = 3/4" x 30" REBAR SET

THRASHER
ENGINEERING
30 COLUMBIA BLVD.
CHARLOTTE, NC 28204
PHONE 304-627-4108

OWNER: GARY D. BUSH LAYOUT TAB: PLAT
C/O P.O. P.O. 10-497-005 MILL VERRY RD
REFERENCE: DB PG SURVEY: JDU SURVEY: KW BK: 12-B



The information contained herein is the sole property of Thrasher Engineering, Inc. Reproduction of this document in whole or in part, for any reason without prior written permission, is strictly prohibited. Copyright © 2012 Thrasher Engineering, Inc.

Jean Lutcher
Gilmer County 01:30:31 PM
Instrument No 10527
Date Recorded 10/22/2012
Document Type DE
Pages Recorded 7
Book-Page 508-617
Recording Fee \$13.00
Additional \$5.00

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Near US Route 33 & 119 and Gilmer Co. Rt. 119/19 Center District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) (Mortgage, etc.)
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
p.m. (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

THIS DEED, made this 28th day of June, 2005, by and between **EARL M. NICHOLSON**, party of the first part, hereinafter called "**GRANTOR**", and **GILMER COUNTY PUBLIC SERVICE DISTRICT**, a public corporation, party of the second part, hereinafter called "**GRANTEE**".

WITNESSETH:

That for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid by Grantee to Grantor, the receipt whereof being hereby acknowledged, the Grantor does hereby grant and convey with Covenants of **GENERAL WARRANTY** unto the said Grantee that certain lot, tract or parcel of land lying and being situate on the ridge between the head waters of Grass Run and White Oak Run, near United States Route 33 & 119 and Gilmer County 119/19 in Center District, Gilmer County, West Virginia, and being more particularly bounded and described as follows, to-wit:

PROPOSED WATER TANK SITE

Beginning at a 3/4" iron rebar set, at the northern most corner of said proposed water tank site and bears South 83° 01' 15" East, a distance of 256.12 feet from a 36" white oak in fence line a common corner to Louis Stephen Babich (Tax Map 16 Parcel 01, Deed Book 248 Page 194) and bears North 72° 02' 30" East, a distance of 283.60 feet from a 1/2" iron rebar found, a corner common to Samuel L. and Theresa A. Darby (Tax Map 16 Parcel 42, Deed Book 398 Page 327);

Thence, with four new line through Earl M. Nicholson (Tax Map 16 Parcel 02, Deed Book 259 Page 361), South 52° 01' 35" East, a distance of 75.00 feet to a 3/4" iron rebar set;

Thence, South 37° 58' 25" West, a distance of 75.00 feet to a 3/4" iron rebar set;

Thence, North 52° 01' 35" West, a distance of 75.00 feet to a 3/4" iron rebar set;

Thence, North 37° 58' 25" West, a distance of 75.00 feet to the **PLACE OF BEGINNING**, containing 5,625 square feet, **MORE OR LESS**, as shown on a plate attached hereto and made a part of this description.

In addition, and for the consideration aforesaid, Grantor further hereby conveys unto Grantee the following:

20 FOOT ACCESS EASEMENT

Beginning at a point on the southwesterly line of said Proposed Water Tank Site, from which a 3/4" iron rebar set (this survey) the western corner of the aforementioned Proposed Water Tank Site, bears, North 52° 01' 35" West a distance of 29.56 feet;

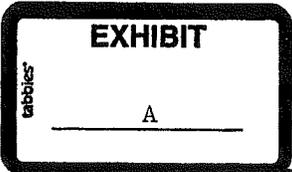
Thence, leaving said Proposed Water Tank Site and through said Nicholson for two (2) lines, South 34° 33' 05" West, a distance of 40.42 feet to a point;

Thence, South 45° 39' 25" West, a distance of 89.41 feet to a point on the northerly right of way line of Gilmer County Route 119/19;

The Permanent Access Easement shall be Twenty (20) feet in width, Ten (10) feet in width on either side of centerline of the herein described easement, containing 2,587 square feet, more or less, as shown on a plat attached hereto and made a part of this description.

The Temporary Construction Easement shall be Thirty (30) feet in width, Fifteen (15) feet

Return 5/30/05 to: Gilmer County, PO Box 799, Clarksburg, WV 26301



BOOK 464 PAGE 567

on either side of centerline of the herein described easement, containing a total area of 1,284 square feet, more or less, as shown on a plat attached hereto and made a part of this description.

The above described tract or parcel being a part of the same lands conveyed unto Earl M. Nicholson by deed of record in the Office of the Clerk of the Gilmer County Commission in Deed Book No. 259 at page No. 361 thereof.

It is expressly understood and agreed by and between all of the parties hereto that the grant herein contained is made and accepted subject to all reservations, exceptions, rights of way or easements, limitations and conditions, and other servitudes, if any, made, retained or otherwise created by deeds or other instruments constituting the record chain of title to the property herein and hereby conveyed.

The undersigned Grantor does hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

WITNESS the following signature:

Earl M. Nicholson
EARL M. NICHOLSON

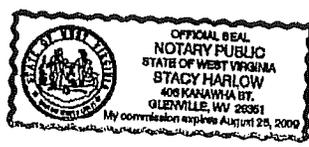
STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

I Stacy Harlow, a Notary Public in and for said County and State aforesaid, do hereby certify that EARL M. NICHOLSON whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 28th day of June, 2005.

Stacy Harlow
NOTARY PUBLIC

My Commission Expires August 25 of 2009.



This document was prepared by Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC @ 7 North Court Street, Glenville, WV 26351

GILMER COUNTY PUBLIC SERVICE DISTRICT
PROPOSED WATER TANK SITE,
20 FOOT ACCESS EASEMENT &
30 FOOT TEMPORARY CONSTRUCTION EASEMENT
from
EARL M NICHOLSON
CENTER DISTRICT, GILMER COUNTY, WV
TAX MAP 16 P/O PARCEL 02
DEED BOOK 259 PAGE 361

A CERTAIN TRACT OR PARCEL OF LAND SITUATE ON THE RIDGE BETWEEN THE HEAD
WATERS OF GRASS RUN AND WHITE OAK RUN, NEAR UNITED STATES ROUTE 33 & 119 AND
GILMER COUNTY ROUTE 119/19, CENTER DISTRICT, GILMER COUNTY, WEST VIRGINIA,
BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS

PROPOSED WATER TANK SITE

Beginning at a ¼" iron rebar set, at the northern most corner of said proposed water tank site and bears South 83° 01' 15" East, a distance of 256.12 feet from a 36" white oak in fence line a common corner to Louis Stephen Bubich (Tax Map 16 Parcel 01, Deed Book 248 Page 194) and bears North 72° 02' 30" East, a distance of 283.60 feet from a ½" iron rebar found, a corner common to Samuel L. and Theresa A. Darby (Tax Map 16 Parcel 42, Deed Book 398 Page 327);

Thence, with four new line through Earl M. Nicholson (Tax Map 16 Parcel 02, Deed Book 259 Page 361), South 52° 01' 35" East, a distance of 75.00 feet to a ¼" iron rebar set;

Thence, South 37° 58' 25" West, a distance of 75.00 feet to a ¼" iron rebar set;

Thence, North 52° 01' 35" West, a distance of 75.00 feet to a ¼" iron rebar set;

Thence, North 37° 58' 25" West, a distance of 75.00 feet to the PLACE OF BEGINNING, containing 5,625 square feet, MORE OR LESS, as shown on a plat attached hereto and made a part of this description.

20 FOOT ACCESS EASEMENT

Beginning at a point on the southwesterly line of said Proposed Water Tank Site, from which a ¼" iron rebar set (this survey) the western corner of the aforementioned Proposed Water Tank Site, bears, North 52° 01' 35" West a distance of 29.56 feet;

Thence, leaving said Proposed Water Tank Site and through said Nicholson for two (2) lines, South 34° 33' 05" West, a distance of 40.42 feet to a point;

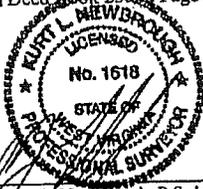
Thence, South 45° 39' 25" West, a distance of 89.41 feet to a point on the northerly right of way line of Gilmer County Route 119/19;

BOOK 464 PAGE 569

The Permanent Access Easement shall be Twenty (20) feet in width, Ten (10) feet in width on either side of centerline of the herein described easement, containing 2,587 square feet, more or less, as shown on a plat attached hereto and made part of this description.

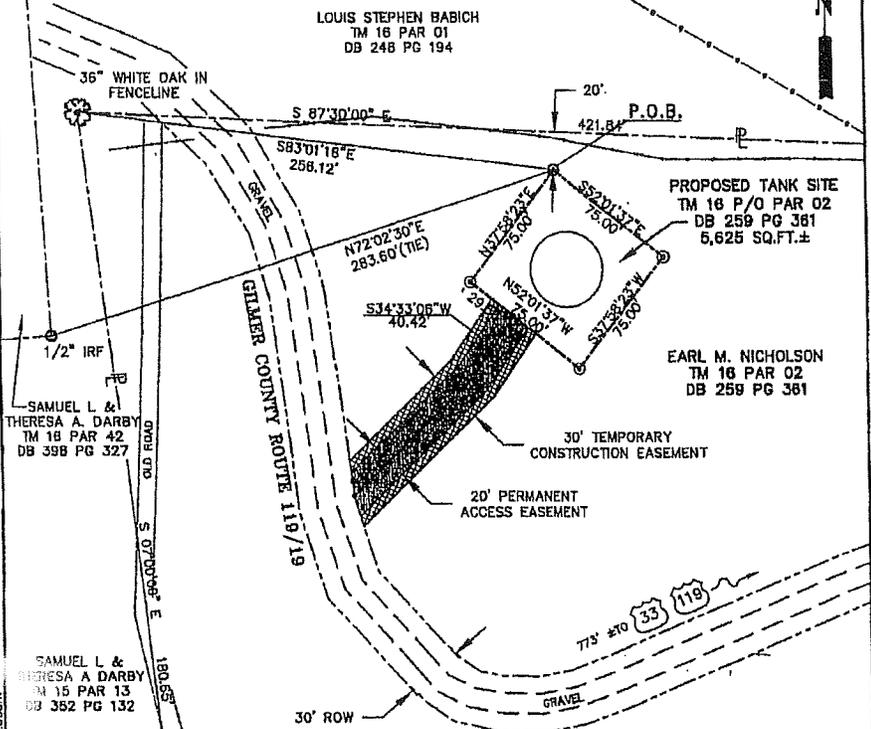
The Temporary Construction Easement shall be Thirty (30) feet in width, Fifteen (15) feet on either side of centerline of the herein described easement, containing a total area of 1,284 square feet, more or less, as shown on a plat attached hereto and made part of this description.

The above described tract or parcel being a part of the same lands conveyed to Earl M. Nicholson by deed as recorded in the Office of the Clerk Gilmer County, West Virginia, in Deed Book 358 at Page 361.



Kurt L. Newbrough, P.S. 1618
September 2003

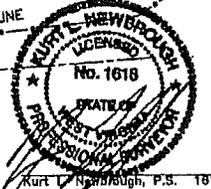
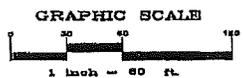
NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO EARL M. NICHOLSON BY DEED AS RECORDED IN DEED BOOK 259 PAGE 361 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.



PERMANENT EASEMENT = 2,587 SQ. FT. JUN 28 PM 2:12
 TEMPORARY CONSTRUCTION EASEMENT = 1,284 SQ. FT. GILMER COUNTY CLERK GLENVILLE, W.VA.

PLOT DATE/TIME: 6/18/2005 - 10:09am
 CAD FILE: P:\10-194\survey\DEED-PLAT.dwg

- LEGEND/ABBREVIATIONS**
- WOODS LINE
 - - - EXISTING FENCE
 - - - EXISTING GAS LINE
 - POINT CALLED FOR
 - MONUMENT FOUND (AS NOTED)
 - (T) TOTAL
 - P.O.B. POINT OF BEGINNING
 - TM TAX MAP NUMBER
 - PAR PARCEL NUMBER
 - P/O PART OF
 - ROW RIGHT OF WAY
 - IRF REBAR FOUND (size as noted)
 - (S 45° 45' E 100.0') = DEED BEARING & DISTANCE



PLAT OF SURVEY FOR GILMER COUNTY PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON DEED BOOK 257 PAGE 378 TRACT 1. SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION. © - 3/4" = 30" REBAR SET	TAX MAP 16	SHOWING A PROPOSED WATER TANK SITE on the lands of EARL M. NICHOLSON SITUATE CENTER DISTRICT GILMER COUNTY WEST VIRGINIA SCALE: 1" = 60' SEPTEMBER 2003	
	PARCEL No. P/O 02		
THRASHER ENGINEERING 30 COLUMBIA BLVD. CLARKSBURG, WV 26301 PHONE 304-824-4108		OWNER: EARL M. NICHOLSON	LAYOUT TAB: NICHOLSON TANK CAD FILE: P:\10-194\survey\DEED-PLAT.dwg DRAWN: CI SURVEY: PT BK: 03-35
REFERENCE: DB 259 - PAGE 361			

STATE OF WEST VIRGINIA,
 GILMER COUNTY COMMISSION CLERK'S OFFICE *June 28, 2005*
 The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.
 TESTE: *Beverly Marks* CLERK.

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Gilmer Co. Route 35/16 Glenville District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District
as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____, _____, at _____ a.m. and is recorded in _____ p.m.
(Priority) (Mortgage, etc.) (Date) (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph 1, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

Book Page 528-554
Cross Reference
DE 528-554

THIS CORRECTION DEED, made this 21st day of April, 2015, by and between, LULAH BELLE KING, formerly known as LULAH BELLE MOORE, and JESSICA LYNN HIXSON DRAKE, Grantors, and GILMER COUNTY PUBLIC SERVICE DISTRICT, Grantee.

WHEREAS by Deed dated the 19th day of December, 2014, the granting parties conveyed to Gilmer County Public Service District a certain tract of land situate in Glenville District, Gilmer County, West Virginia, for a booster pump site with a plat showing the description attached thereto, which Deed was recorded in Deed Book 528, at page 554, of the Office of the Clerk of the County Commission of Gilmer County, West Virginia.

WHEREAS the engineer has revised the description of the property needed for the booster pump site; and

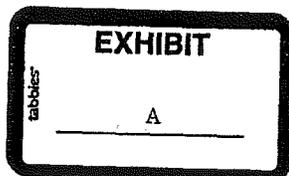
WHEREAS, both parties desire to correct said description by recording this Correction Deed with a new description and new survey.

NOW THEREFORE WITNESSETH: That for and in consideration of the sum of Five (\$5.00) Dollars, cash in hand paid and other good and valuable considerations, the receipt of which is hereby acknowledged, Grantors hereby grant and convey, with Covenants of General Warranty and against liens and encumbrances, unto Grantee, in fee simple, the following described lot, tract or parcel of land situate in Glenville District, Gilmer County, West Virginia, being more particularly described as follows:

The property being conveyed is more fully set forth on Exhibit A attached hereto. A plat of this property is attached as Exhibit B.

Prior Title Reference: Deed Book 528, at page 554;
Deed Book 370, at page 80; and
Deed Book 521, at page 99.

GILMER CO FSB
PO BOX 729
GLENVILLE, WV 26031-0729



DECLARATION OF CONSIDERATION OR VALUE

The undersigned hereby declare that this is a Correction Deed without consideration, and therefore no transfer tax is due.

WITNESS the following signatures:

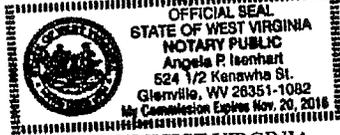
Lula Belle King
LULA BELLE KING, formerly known as
LULA BELLE MOORE

Jessica Lynn Hixson Drake
JESSICA LYNN HIXSON DRAKE

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

The foregoing Correction Deed was acknowledged before me on this the 30th day of April, 2015, by LULA BELLE KING, formerly known as LULA BELLE MOORE.

My commission expires: Nov. 20, 2016

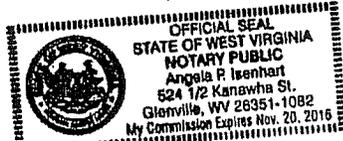


Angela P. Isenhart
Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

The foregoing Correction Deed was acknowledged before me on this the 30th day of April, 2015, by JESSICA LYNN HIXSON DRAKE.

My commission expires: Nov. 20, 2016



Angela P. Isenhart
Notary Public

This instrument was prepared under direction and supervision of Steven R. Hardman, Attorney at Law, Parkersburg, West Virginia.

DESCRIPTION OF SURVEY
for the
GILMER COUNTY PUBLIC SERVICE DISTRICT
showing the
EXISTING GLUCK RUN BOOSTER PUMP SITE

A CERTAIN TRACT OR PARCEL OF LAND SITUATE ALONG GILMER COUNTY ROUTE 35/16, GLENVILLE DISTRICT, GILMER COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

Beginning at a ¾" iron rebar now set on the southerly right-of-way line of Gilmer County Route 35/16 and being on lands now or formerly owned by Lulah Belle Moore (Tax Map 10 Parcel 59, Deed Book 370 Page 80), which bears, North 67 degrees 27 minutes 15 seconds East, a distance of 198.91 feet from a 2" iron pipe found on the line between Robert E. and Barbara J. Jones (Tax Map 10 Parcel 59.3, Deed Book 404 Page 252), and other lands of said Robert E. and Barbara J. Jones (Tax Map 10 Parcel 59.2, Deed Book 362 Page 626);

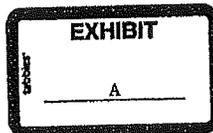
Thence, with said Gilmer County Route 35/16, North 37 degrees 00 minutes 52 seconds East, a distance of 20.05 feet to a ¾" rebar now set), which bears, South 22 degrees 22 minutes 19 seconds East, a distance of 51.79 feet from a 1 ½" iron pipe found on the northerly side of said Gilmer County Route 35/16 and being on the line between said Jones (Parcel 59.3), and said Moore (Parcel 59.1);

Thence, through said Moore (Parcel 59) for three (3) lines, South 52 degrees 44 minutes 23 seconds East, a distance of 20.07 feet to a ¾" rebar now set;

Thence, South 37 degrees 11 minutes 44 seconds West, a distance of 19.99 feet to a ¾" rebar now set;

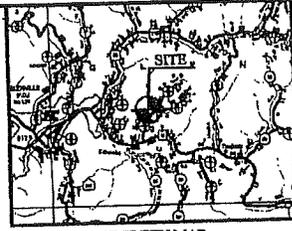
Thence, North 52 degrees 54 minutes 26 seconds West, a distance of 20.01 feet to the **Point of Beginning**, containing 401 square feet, MORE OR LESS, as shown on a plat attached hereto and made part of this description.

The tract or parcel of land herein described being part of the same lands conveyed to Lulah Belle Moore from James Waggy and Flora Waggy as recorded in Deed Book 370 Page 80 at the Office of the Clerk, Gilmer County, West Virginia.



NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO LULAH BELLE MOORE FROM JAMES WAGGY AND FLORA WAGGY AS RECORDED IN DEED BOOK 370 PAGE 80 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.

NOTE: THIS SURVEY WAS CONDUCTED WITHOUT BENEFIT OF A LAWYER'S TITLE REPORT AND MAY NOT REFLECT ALL EXCEPTIONS, RIGHT-OF-WAYS, EASEMENTS OR RESTRICTIONS



VICINITY MAP NOT TO SCALE

USER: jmdlow
 LAYOUT: BPS PLAT
 PLOT DATE/TIME: 4/16/2015 - 2:49pm
 CAD FILE: R:\010-0497 Gilmer County PSD\Survey\GLUCK RUN PLAT 100.dwg

N/F
 ROBERT E. &
 BARBARA J. JONES
 TM 10 PAR 59.2
 DB 362 PG 626

N/F
 ROBERT E. &
 BARBARA J. JONES
 TM 10 PAR 59.3
 DB 404 PG 252

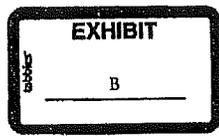
N/F
 LULAH BELLE MOORE
 TM 10 PAR 59.1
 DB 259 PG 631

EXISTING BOOSTER
 PUMP SITE
 TM 10 P/O PAR 59
 DB 370 PG 80
 401 SQ FT±

N/F
 LULAH BELLE MOORE
 TM 10 PAR 59
 DB 370 PG 80

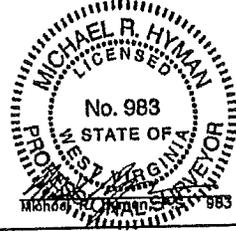
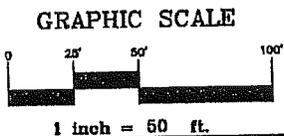
Jean Butcher
 Gilmer County 02:38:10 PM
 Instrument No 47532
 Date Recorded 05/28/2015
 Document Type DE
 Pages Recorded 4
 Book-Page 538-486
 Recording Fee \$11.00
 Additional \$5.00

LINE	BEARING	DISTANCE
L1	N 37°00'52" E	20.05'
L2	S 52°44'23" E	20.07'
L3	S 37°11'44" W	19.99'
L4	N 52°54'28" W	20.01'



- LEGEND/ABBREVIATIONS**
- ▭ = WOODS LINE
 - - - = EXISTING FENCE
 - ▭ = PROPERTY LINE
 - = POINT
 - = MONUMENT FOUND (AS NOTED)
 - (T) = TOTAL
 - R/W = RIGHT-OF-WAY
 - P.O.B. = POINT OF BEGINNING
 - TM = TAX MAP NUMBER
 - PAR = PARCEL NUMBER
 - P/O = PART OF
 - N/F = NOW OR FORMERLY
 - IRF = REBAR FOUND (size as noted)
 - (S 45° 45' E 100.0') = DEED BEARING & DISTANCE

THIS SURVEY IS NOT VALID WITHOUT ORIGINAL BLUE SIGNATURE AND SEAL. DECLARATIONS MADE HEREIN ON THE DATE INDICATED ARE TO THE OWNERS(S) OR BUYER(S) LISTED BELOW AND ARE NOT TRANSFERABLE TO ADDITIONAL INSTITUTIONS OR SUBSEQUENT OWNERS OR BUYERS.



**PLAT OF SURVEY FOR
 GILMER COUNTY PUBLIC SERVICE DISTRICT**

MISC. INFO: BEARINGS BASED ON WEST VIRGINIA STATE PLANE SOUTH ZONE NAD 83 (CORS) TRIMBLE S3 TOTAL STATION
 © = 3/4" x 30" REBAR SET

TAX MAP 10
 PARCEL No. P/O 59
 JOB. No. 010-497

SHOWING
EXISTING BOOSTER PUMP SITE
 on the lands of
LULAH BELLE MOORE
 SITUATE
 GLENVILLE DISTRICT WEST VIRGINIA
 GILMER COUNTY
 SCALE: 1" = 50' APRIL 2015

THRASHER
 THE THRASHER GROUP, INC.
 800 WHITE OAKS BLVD.
 BRIDGEPORT, WV 26330
 PHONE 304-624-4108

OWNER: LULAH BELLE MOORE
 REFERENCE: DB 370 PG 80
 LAYOUT TAB: BPS PLAT
 CAD FILE: R:\010-0497 Gilmer County PSD\Survey\GLUCK RUN PLAT 100.dwg
 DRAWN: CJ SURVEY: BK:

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION West Virginia Rt. 5 Glenville Corporation 0.251 acres See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District
as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____, at _____ a.m. and is recorded in _____ p.m.
(Priority) (Mortgage, etc.) (Date) (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

No. 6046

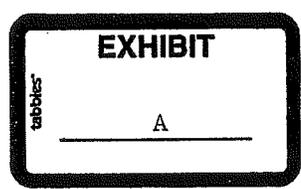
THIS DEED, Made this the 31st day of January, 1996, by and between GILMER REALTY COMPANY, A Corporation, party of the first part, hereinafter called "GRANTOR", and THE GILMER COUNTY PUBLIC SERVICE DISTRICT, party of the second part, hereinafter called "GRANTEE".

W I T N E S S E T H:

THAT FOR AND IN CONSIDERATION of the sum of Ten Thousand and No/100 Dollars (\$10,000.00), cash in hand paid, the receipt whereof being hereby acknowledged, Grantor does hereby grant and convey, with Covenants of General Warranty, unto the said Grantee, all that certain lot or parcel of land situate in the Collins Addition to the City of Glenville, Glenville Corporation, Gilmer County, West Virginia, stated to contain 0.251 acres, more or less, more particularly bounded and described by courses and distances on "DESCRIPTION OF SURVEY FOR THE GILMER COUNTY PUBLIC SERVICE DISTRICT", and plat attached hereto, made part hereof and accompanies this deed for recordation.

BEING the same real estate as that reserved by Gilmer Realty Company in it;s deed to L. J. Putnam, dated April 17, 1984, of record in the Office of the Clerk of the County Commission of Gilmer County, West Virginia, in Deed Book No. 341 at page 572. Also see Gilmer County Deed Book No. 282 at page 432.

Reference is hereby made to the aforementioned deed and other instruments in Chain of Title for the exceptions



and reservations therein contained, to all of which this Deed is expressly made subject.

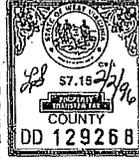
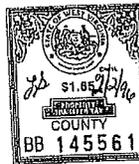
This instrument prepared by J. W. Perrill, Lawyer, P. O. Drawer 428, Glenville, West Virginia 26351.

The undersigned Grantor does hereby declare the total consideration paid for the property transferred hereby is Ten Thousand and No/100 Dollars (\$10,000.00).



GILMER REALTY COMPANY, A Corporation,

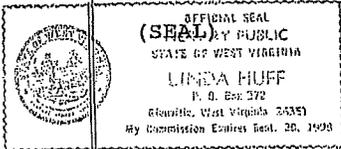
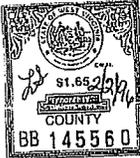
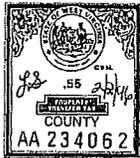
By Billy B. Burke
BILLY B. BURKE, President



STATE OF WEST VIRGINIA,
COUNTY OF GILMER, To-Wit:

The foregoing deed was acknowledged before me this the 2nd day of February, 1996, by BILLY B. BURKE, President of GILMER REALTY COMPANY, A Corporation, for and on behalf of said Corporation.

My commission expires Sept. 20, 1998



Linda Huff
NOTARY PUBLIC

DESCRIPTION OF SURVEY

FOR

THE GILMER COUNTY PUBLIC SERVICE DISTRICT

10,913 sq. ft.± (0.251 Ac.±)

A lot or parcel of land situate on the north side of West Virginia Route 5, about 560 feet ± west of the junction of Sycamore Run Road, and adjacent to the east end of the Collins Addition, in Glenville Corporation, Gilmer County, West Virginia, more particularly described as follows:

Beginning at a 1/2-inch by 30-inch Reinforcing Rod, with a yellow plastic cap stamped "SLS Inc. 462-5634", hereinafter referred to as a "Rebar", set, on the northern Right-of-Way of said Route 5 corner to Lot 2 of the Gilmer County Commission, (EMS Building Lot) from which a Fire Hydrant bears N 50-54-50 W at 8.38 feet, a Utility Pole (electric) bears S 41-54-40 W at 1.50 feet, and the southwest corner of the EMS Building bears N 76-39-00 E at 9.70 feet, thence with said Right-of-Way;

N 45-00-50 W 116.16 feet to a Rebar, set, corner to Gerald B. Hough's portion of Lot 25 in Collins Addition, thence with said Hough;

N 44-13-20 E 93.11 feet to a 2-inch Iron Pipe, found, corner to Smith & Stalnaker from which a 2-inch Iron Pipe, found, corner of Hough, and Smith & Stalnaker bears N 44-13-20 E at 52.79 feet, thence with said Smith & Stalnaker;

S 47-30-00 E 112.25 feet to a Rebar, set, corner to the aforesaid County Commission lot, thence with the same;

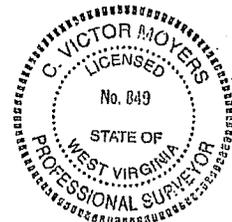
S 41-54-40 W 98.11 feet to the place of beginning, containing 10,913 square feet, or 0.251 acres, more or less, as surveyed in January, 1996 by Smith Land Surveying, Inc. and as shown on a Plat of Survey attached hereto and made a part of this description.

Being the same lot or parcel of land designated as Lot "A" on that certain Plat attached to the lease agreement, dated the 1st day of July, 1976 between Gilmer Realty Co., Lessor, and The Gilmer County Commission, Lessee, and recorded in the Office of The County Clerk of Gilmer County, West Virginia in Deed Book 282 on Pg 432.

Smith Land Surveying, Inc.
 P.O. Box 150
 Glenville, WV 26351

C. Victor Moyers, P.S. No. 849
 Project Surveyor
 3486DES

January 25, 1996



C. Victor Moyers

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION West Virginia Rt. 5 Glenville Corp. Lot 24 & Part Lot 23 See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____, _____, at _____ a.m. and is recorded in _____ p.m.
(Priority) (Mortgage, etc.) (Date) (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

Attachments

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

THIS DEED, made this the 3rd day of December, 2001, by and between SUZANNE A.R. BROWN, party of the first part, hereinafter referred to GRANTOR, and GILMER PUBLIC SERVICE DISTRICT, party of the second part, hereinafter referred to as GRANTEE.

WITNESSETH:

That for and in consideration of the sum of One (\$1.00) Dollars, cash in hand paid, the receipt of which is hereby acknowledged, the said party of the first part does hereby grant and convey, with covenants of general warranty, unto Grantee all that certain tract or parcel of land, together with the Housetrailer located thereon, lying and being situate on the north side of West Virginia State Route No. 5, in Collins Addition to the City of Glenville, Glenville Corporation, Gilmer County, West Virginia, said lots being more particularly bounded and described as follows, to-wit:

PARCEL ONE

Being 7 fee, 7 inches off of the East side of Lot No. 23; all of Lot No. 24; and 30 feet off of the west side of Lot No. 25 of said Collins Addition; and having total frontage of 112.5 feet on said State Road No. 5 as said Lots are laid down and described on a plat of said Addition, of record in the Office of the Clerk of the County Commission of Gilmer County, West Virginia, in Plat Record Book No. 1 at Page No. 96, to which plat reference is hereby made for a more complete description of the lots or parcels of land hereby conveyed.

PARCEL TWO

Being 52 feet 5 inches off the west side of Lot No. 23; being all of that part of Lot No. 23.

EXCEPT: 24 feet 11 inches off the west side of Lot No. 23 of said Addition, being that.

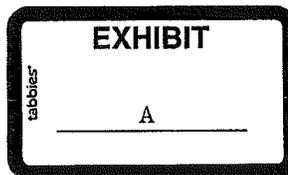
Being those same parcels or tracts of land as those conveyed unto Suzanne A. R. Brown by deed of Gerald B. Hough and Tamara S. Hough, his wife, dated the 22nd day of October, 1996, of record in the Office of the Clerk of the Gilmer County Commission in Deed Book No. 418 at Page No. 287 thereof.

Reference is hereby made to all restrictions, exceptions, reservations, rights of way, easements, mineral conveyances as appear in the Grantor's chain of title to the property hereby conveyed, to all of which this deed is expressly made subject.

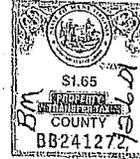
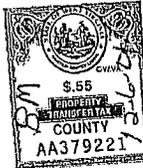
Under pain of penalty by fine and/or imprisonment, the Grantor herein does hereby declare that the total consideration paid for the conveyance evidenced

Gilmer Public Service District
7 North Court St.
Glenville, West Virginia 26351

Return To:
12-13-01

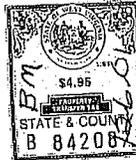


hereby is TEN THOUSAND (\$10,000.00) DOLLARS.



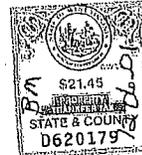
WITNESS the following signature:

Suzanne A. R. Brown
SUZANNE A. R. BROWN

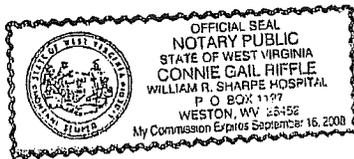


STATE OF WEST VIRGINIA
COUNTY OF Lewis to-wit:

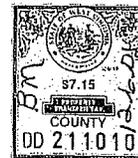
I, a Notary Public, in a for the State and County last aforesaid, do hereby certify that SUZANNE A. R. BROWN, whose name is signed to the foregoing and annexed writing bearing date the 3rd day of December, 2001, have this day acknowledged the same before me in my said county.



Given under my hand this the 6th day of December, 2001.



Connie Gail Riffle
NOTARY PUBLIC



My Commission Expires: Sept 16, 2008

Note: No title examination was done by the preparer of this deed. The preparer of this deed does not make any representation or any assurance of any kind as to the extent or quality of the property conveyed hereby.

This document was prepared by:

Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC@
7 North Court Street
Glenville, WV 26351
(304) 462-7007 phone
(304) 462-7010 fax

FILED

01 DEC -6 PM 1:54

GILMER COUNTY CLERK
GLENVILLE, W.VA.

STATE OF WEST VIRGINIA,
GILMER COUNTY COMMISSION CLERK'S OFFICE December 6, 2001

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: Sherly Marks, CLERK.

MSL
7 Ref
GAM

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Pt. Lot 25 Glenville Corp. See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) (Mortgage, etc.)
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
(Book, page, and office) p.m.
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

THIS DEED, made this the 8th day of August, 2001,
by and between GERALD B. HOUGH, party of the first part, hereinafter
referred to GRANTOR, and GILMER COUNTY PUBLIC SERVICE
DISTRICT, party of the second part, hereinafter referred to as
GRANTEE.

WITNESSETH:

That for and in consideration of the sum of One (\$1.00)
Dollar, cash in hand paid, the receipt of which is hereby
acknowledged, the said party of the first part does hereby grant and
convey, with covenants of general warranty, unto Gilmer County
Public Service District that certain tract or parcel of land, and all
appurtenances there unto belonging, lying and being situate in
Collins Addition to the City of Glenville, Glenville Corporation,
Gilmer County, West Virginia, more particularly bounded and
described as follows, to-wit:

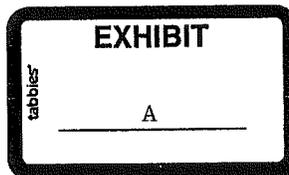
*BEGINNING at a stake in the public road, corner to
lot formerly owned by Boyd C. Collins, and running
thence with a line of said lot, N. 39 3/4 E 150 feet
to a stake in line of Collins Heirs; thence N 43 1/2 W.
50 feet to a stake; thence S. 39 3/4 E 150 feet to a
stake in public road; thence S. 50 E. 50 feet with
said road to the place of beginning, containing
7,500 square feet, more or less, and being part of
Lot No. 25 designated and described on a plat of
Collins Addition to the Town of Glenville, which plat
is of record in the Office of the Clerk of the
County Commission of Gilmer County, West Virginia
in Plat Record No. 1, at Page No. 96 thereof.*

There is, however, EXCEPTED and RESERVED and NOT HEREBY

PO BOX 729
Glenville, WV 26351

8-23-01

Law Clinic, LLC
11th Court Street
Glenville, WV 26351



CONVEYED the following, to-wit:

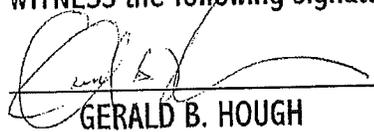
Thirty (30) feet off of the West Side of the aforementioned Lot No. 25, thereby leaving Twenty (20) feet, more particularly bounded and described in that certain Deed by and between Gerald B. Hough and Tamara S. Hough, his wife, Grantors to Susanne A.R. Brown, Grantee, dated October 22, 1996, of record in the Office of the Clerk of the County Commission of Gilmer County, West Virginia in Deed Book No. 418 at Page No. 287 thereof.

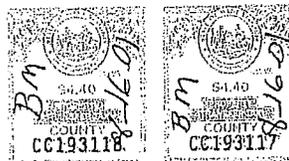
Being that same tract or parcel of land as that conveyed unto Gerald B. Hough and Virginia H. Hough, his wife, by deed of Kyle Emerson and Alta J. Emerson, his wife, dated the 21st day of September, 1982, of record in the Office of the Clerk of the Gilmer County Commission in Deed Book No. 327 at Page No. 439 thereof. Further, Gerald B. Hough later acquired the undivided 1/2 interest of Virginia H. Hough in and to the property hereby conveyed by virtue of that certain Quitclaim Deed from her dated June 15, 1987, of record in the aforesaid Clerk's Office in Deed Book No. 362 at Page No. 655 thereof.

Reference is hereby made to all restrictions, exceptions, reservations, rights of way, easements, mineral conveyances as appear in the Grantor's chain of title to the property hereby conveyed, to all of which this deed is expressly made subject.

The Grantor hereby declares that the consideration for the transfer evidenced hereby is EIGHT THOUSAND (\$8,000.00) DOLLARS.

WITNESS the following signature:


GERALD B. HOUGH



STATE OF WEST VIRGINIA
COUNTY OF GILMER, to-wit:

I, a Notary Public, in a for the State and County last aforesaid, do hereby certify that GERALD B. HOUGH, whose name is signed to the foregoing and annexed writing bearing date the 8th day of August, 2001, has this day acknowledged the same before me in my said county.

Given under my hand this the 13th day of August, 2001.



Stacy Harlow

NOTARY PUBLIC

My Commission Expires: August 25, 2009

This document was prepared by Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC@ 7 North Court Street, Glenville, WV 26351

FILED
01 AUG 16 PM 1:33
GILMER COUNTY CLERK
GLENVILLE, W.VA.

STATE OF WEST VIRGINIA,
GILMER COUNTY COMMISSION CLERK'S OFFICE August 16, 2001

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: Beverly Marks, CLERK.

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Gilmer County Route 32 Center District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II, B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) (Mortgage, etc.)
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
p.m. (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

Attachments

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

BOOK 465 PAGE 140
No: 1582

THIS DEED, made this 25th day of July, 2005 , by and between **ROGER GREENLIEF, DONNIE GREENLIEF, KENNETH GREENLIEF, DIANA WALLBROWN, JOSEPH GREENLIEF** and **SARA GREENLIEF**, parties of the first part, hereinafter called "**GRANTORS**", and **GILMER COUNTY PUBLIC SERVICE DISTRICT**, a public corporation, party of the second part, hereinafter called "**GRANTEE**".

WITNESSETH:

That for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid by Grantee to Grantors, the receipt whereof being hereby acknowledged, the Grantors do hereby grant and convey with Covenants of **GENERAL WARRANTY** unto the said Grantee that certain lot, tract or parcel of land lying and being situate on the waters of Kelly Run, Center District, Gilmer County, West Virginia, more particularly bounded and described as follows, to-wit:

Beginning at a 3/4 inch rebar (set), 15 feet east of the center of Kelly Run Road (Gilmer Co. Route 32), said rebar bears North 37 degrees 57 minutes 20 seconds East, a distance of 631.30 feet from a point in the center of said road at a fence extension, and said rebar also bears North 27 degrees 04 minutes 55 seconds West, a distance of 905.73 feet, from a 5/8 inch rebar with cap at a fence corner near a crab apple tree, a corner to Willie B. Greenlief (Tax Map 7 Parcel 10, Dead Book 277 Page 395, Third Tract);

Thence, with the easterly right of way line of said Kelly Run Road, North 05 degrees 14 minutes 40 seconds West, a distance of 21.10 feet, to a point;

Thence, North 36 degrees 19 minutes 10 seconds West, a distance of 4.43 feet a 3/4 inch rebar, (set);

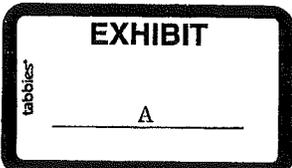
Thence, leaving said Kelly Run Road and through lands of said Greenlief for three (3) lines, North 79 degrees 30 minutes 40 seconds East, a distance of 20.00 feet, to a 3/4 inch rebar, (set);

Thence, South 10 degrees 29 minutes 20 seconds East, a distance of 25.00 feet, to a 3/4 inch rebar, (set);

Thence, South 79 degrees 30 minutes 40 seconds West, a distance of 20.00 feet, to the place of beginning, containing 476 square feet, more or less, as shown on a plat attached hereto and made a part of this description.

The above described tract or parcel being a part of the same lands devised unto the Grantors herein by will of Virginia Greenlief duly probated in the Office of the Clerk of the

RETURN TO: A+ LAW CLINIC
STACY HARLOW
GLENVILLE WV 26351
AUGUST 18, 2005



BOOK 465 PAGE 141

Gilmer County Commission in Will Book No. 19 at Page No. 132.

It is expressly understood and agreed by and between all of the parties hereto that the grant herein contained is made and accepted subject to all reservations, exceptions, rights of way or easements, limitations and conditions, and other servitudes, if any, made, retained or otherwise created by deeds or other instruments constituting the record chain of title to the property herein and hereby conveyed.

The undersigned Grantor does hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

WITNESS the following signatures:

Roger Greenlief
ROGER GREENLIEF

Donnie Greenlief
DONNIE GREENLIEF

Kenneth Greenlief
KENNETH GREENLIEF

Diana Wallbrown
DIANA WALLBROWN

Joseph Greenlief
JOSEPH GREENLIEF

Sarah Greenlief
SARA GREENLIEF

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

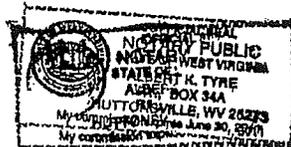
I Albert K. Tyne, a Notary Public in and for said County and State aforesaid, do hereby certify that ROGER GREENLIEF whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 4 day of August, 2005.

Albert K. Tyne
NOTARY PUBLIC

My Commission Expires June 20 of 2011.

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:



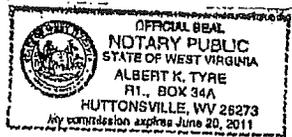
Albert K. Tyne, a Notary Public in and for said County and State aforesaid, do hereby certify that DONNIE GREENLIEF whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 4 day of August, 2005.

Albert K. Tyne
NOTARY PUBLIC

My Commission Expires June 20 of 2011.

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:



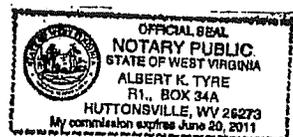
I Albert K. Tyne, a Notary Public in and for said County and State aforesaid, do hereby certify that KENNETH GREENLIEF whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 4 day of August, 2005.

Albert K. Tyne
NOTARY PUBLIC

My Commission Expires June 20 of 2011.

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:



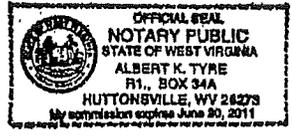
I Albert K. Tyne, a Notary Public in and for said County and State aforesaid, do hereby certify that DIANA WALLBROWN whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 4 day of August, 2005.

Albert K. Tyne
NOTARY PUBLIC

My Commission Expires June 20 of 2011.

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:



I Albert K. Tyne, a Notary Public in and for said County and State aforesaid, do hereby certify that JOSEPH GREENLIEF whose name is signed to the writing above have acknowledged the same before me.

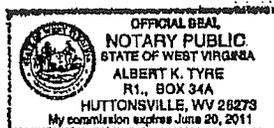
BOOK 465 PAGE 143

Given under my hand this the 4 day of August, 2005.

Albert K. Tyre
NOTARY PUBLIC

My Commission Expires June 20 of 2011.

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

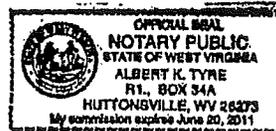


I Albert K. Tyre a Notary Public in and for said County and State aforesaid, do hereby certify that SARA GREENLIEF whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 4 day of August, 2005.

Albert K. Tyre
NOTARY PUBLIC

My Commission Expires June 20 of 2011.



This document was prepared by Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC @ 7 North Court Street, Glenville, WV 26351

BOOK 465 PAGE 144

DESCRIPTION OF A PROPOSED CONVEYANCE
for
GILMER CO. P.S.D.
a
(PROPOSED) PRESSURE REDUCING VALVE LOT
on the lands of
Willie B. and Virginia Greenleaf
CENTER DIST., GILMER COUNTY
TAX MAP 7 part of PARCEL 10

A CERTAIN TRACT OR PARCEL OF LAND, ON THE WATERS OF KELLY RUN,
CENTER DISTRICT, GILMER COUNTY, WEST VIRGINIA, MORE PARTICULARLY
BOUNDED AND DESCRIBED AS FOLLOWS:

Beginning at a ¼ inch rebar (set), 15 feet east of the center of Kelly Run Road (Gilmer Co. Route 32), said rebar bears North 37 degrees 57 minutes 20 seconds East, a distance of 631.30 feet from a point in the center of said road at a fence extension, and said rebar also bears North 27 degrees 04 minutes 55 seconds West, a distance of 905.73 feet, from a 5/8 inch rebar with cap at a fence corner near a crab apple tree, a corner to Willie B. Greenleaf (Tax Map 7 Parcel 10, Deed Book 277 Page 395, Third Tract);

Thence, with the easterly right of way line of said Kelly Run Road, North 05 degrees 14 minutes 40 seconds West, a distance of 21.10 feet, to a point;

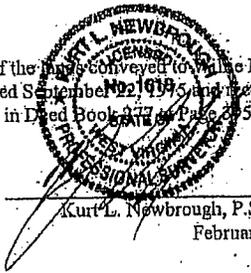
Thence, North 36 degrees 19 minutes 10 seconds West, a distance of 4.43 feet a ¼ inch rebar, (set);

Thence, leaving said Kelly Run Road and through lands of said Greenleaf for three (3) lines, North 79 degrees 30 minutes 40 seconds East, a distance of 20.00 feet, to a ¼ inch rebar, (set);

Thence, South 10 degrees 29 minutes 20 seconds East, a distance of 25.00 feet, to a ¼ inch rebar, (set);

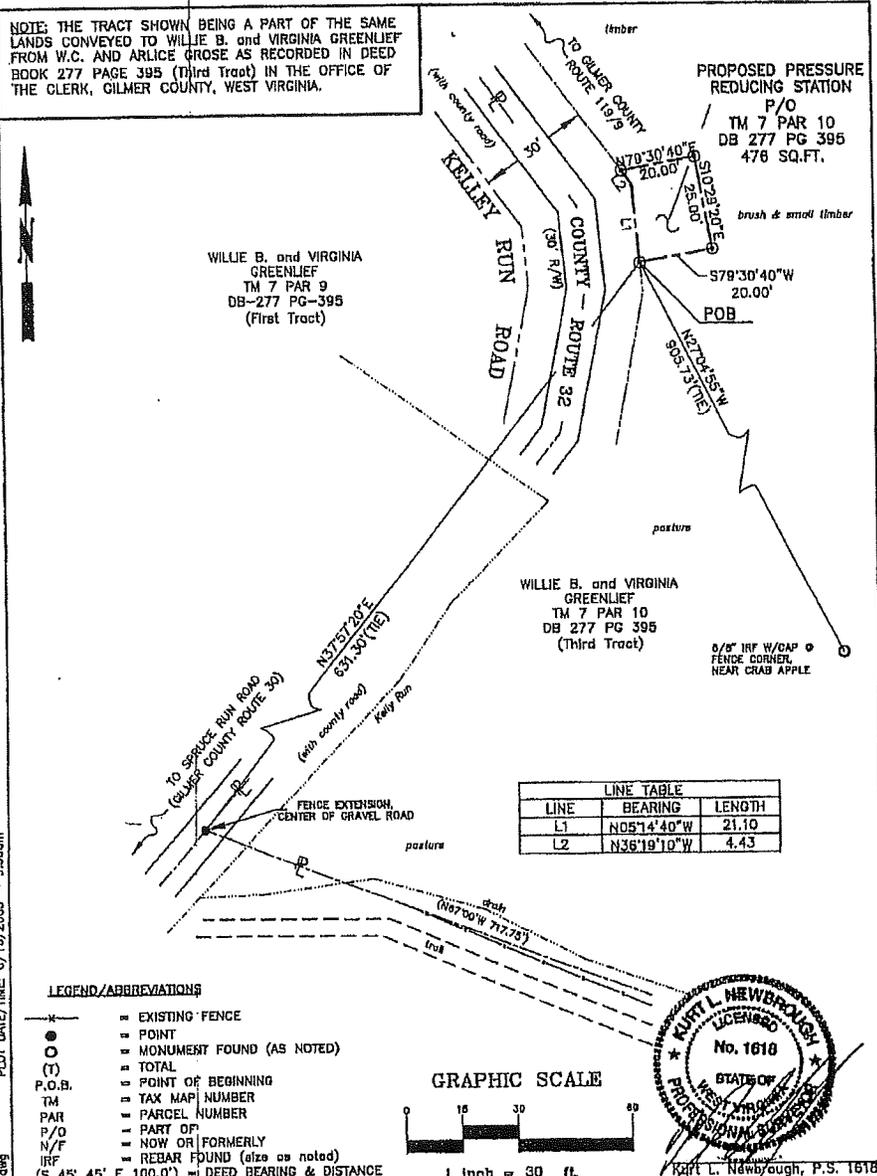
Thence, South 79 degrees 30 minutes 40 seconds West, a distance of 20.00 feet, to the Place of Beginning, containing 476 square feet, More or Less, as shown on a plat attached hereto and made a part of this description.

The parcel of land and herein described being part of the lands conveyed to Willie B. and Virginia Greenleaf from W.C. and Arlice Grose by deed dated September 22, 1995 and recorded in the Office of the Clerk of Gilmer County, West Virginia, in Deed Book 277 Page 395.



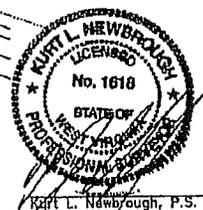
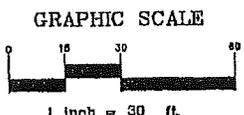
Kurt L. Newbrough, P.S. 1618
February 2004

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO WILLIE B. and VIRGINIA GREENLIEF FROM W.C. AND ARLICE GROSE AS RECORDED IN DEED BOOK 277 PAGE 395 (Third Tract) IN THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.



LINE TABLE		
LINE	BEARING	LENGTH
L1	N05°14'40"W	21.10
L2	N36°19'10"W	4.43

- LEGEND/ABBREVIATIONS**
- EXISTING FENCE
 - POINT
 - MONUMENT FOUND (AS NOTED)
 - (T) TOTAL
 - P.O.B. POINT OF BEGINNING
 - TM TAX MAP NUMBER
 - PAR PARCEL NUMBER
 - P/O PART OF
 - N/F NOW OR FORMERLY
 - IRF REBAR FOUND (size as noted)
 - (S 45° 45' E 100.0') DEED BEARING & DISTANCE



PLOT DATE/TIME: 8/18/2005 - 9:50am
CAD FILE: P:\10-194\survey\DEED-PLAT.dwg

PLAT OF SURVEY FOR GILMER COUNTY PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON GPS NAD 83 SOUTH ZONE. SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION. © - 3/4" x 30" REBAR SET	TAX MAP 7	SHOWING FILED PROPOSED CONVEYANCE OF PROPERTY
	PARCEL NO. 10	from WILLIE B. and VIRGINIA GREENLIEF
THRASHER ENGINEERING 30 COLUMBIA BLVD. CLARKSBURG, WV 26301 PHONE 304-824-4108	JOB. GILMER COUNTY PUBLIC SERVICE DISTRICT GLENVILLE, W.VA.	SITUATE ON THE WATERS OF KELLEY RUN GILMER COUNTY WEST VIRGINIA
	10-194	SCALE: 1" = 30' FEBRUARY 2004
OWNER: WILLIE B. and VIRGINIA GREENLIEF	LAYOUT TAB: KELLEY RUN PRIV CAD FILE: P:\10-194\survey\DEED-PLAT.dwg	DRAWN: CJ SURVEY: PT BK: 03-52
REFERENCE: DB 277 PG 395		

STATE OF WEST VIRGINIA,
 GILMER COUNTY COMMISSION CLERK'S OFFICE *August 11, 2005*
 The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.
 TESTE: *Sueley Marks* CLERK.

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION US Route 33 & 119 Center District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) (Mortgage, etc.)
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
p.m. (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

No. 1588

THIS DEED, made this 25th day of July, 2005, by and between **ELLA JANE SMITH, ROBERT H. SMITH**, and **AARON L. SMITH**, parties of the first part, hereinafter called "**GRANTORS**", and **GILMER COUNTY PUBLIC SERVICE DISTRICT**, a public corporation, party of the second part, hereinafter called "**GRANTEE**".

WITNESSETH:

That for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid by Grantee to Grantors, the receipt whereof being hereby acknowledged, the Grantors do hereby grant and convey with Covenants of **GENERAL WARRANTY** unto the said Grantee that certain lot, tract or parcel of land lying and being situate on the waters of White Oak Run, Center District, Gilmer County, West Virginia, more particularly bounded and described as follows, to-wit:

Beginning at a 3/4 inch rebar (set), 20 feet east of the center of U.S. Route 33 & 119, said rebar bears South 49 degrees 11 minutes 55 seconds East, a distance of 45.0 feet from a pasture (corner) fence post, in the lands of Lowell G. McNemar, (Tax Map 15 Parcel 12) and said rebar also bears North 35 degrees 32 minutes 05 seconds East, a distance of 243 feet, from point in the center of U.S. Route 33 & 119, in the extension of a fence;

Thence, with the easterly right of way line of said U.S. Route 33 & 119, and 20 feet east of the center, North 33 degrees 50 minutes 40 seconds East, a distance of 25.00 feet, to a 3/4 inch rebar; (set);

Thence, leaving said road, and through lands of, now or formerly, Ethel Moore (Tax Map 16 Parcel 8, Will Book 23 page 542), for three (3) lines, South 56 degrees 09 minutes 20 seconds East, a distance of 20.00 feet a 3/4 inch rebar, (set);

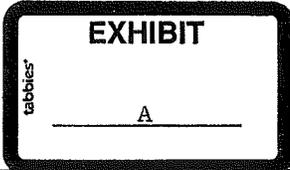
Thence, South 33 degrees 50 minutes 40 seconds West, a distance of 25.00 feet, to a 3/4 inch rebar, (set);

Thence, North 56 degrees 09 minutes 20 seconds West a distance of 20.00 feet, to the **Place of Beginning**, containing 500 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

Being a portion of that same tract or parcel of land as that conveyed unto the Grantors herein by deed of Ella Jane Smith dated April 18, 2005 and being of record in the Office of the Clerk of the Gilmer County Commission in Deed Book No. 462 at Page No. 55 thereof.

It is expressly understood and agreed by and between all of the parties hereto

RETURN TO: AF LAW CLINIC
SPACY BARLOW
GREENVILLE WV 26351
AUGUST 18, 2005



BOOK 465 PAGE 147

that the grant herein contained is made and accepted subject to all reservations, exceptions, rights of way or easements, limitations and conditions, and other servitudes, if any, made, retained or otherwise created by deeds or other instruments constituting the record chain of title to the property herein and hereby conveyed.

The undersigned Grantor does hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

WITNESS the following signatures:

Ella Jane Smith
ELLA JANE SMITH

Robert H. Smith
ROBERT H. SMITH

Aaron L. Smith
AARON L. SMITH

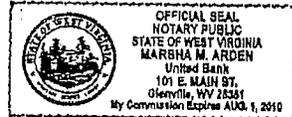
STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

I Marsha M. Arden, a Notary Public in and for said County and State aforesaid, do hereby certify that ELLA JANE SMITH whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 9th day of August, 2005.

Marsha M. Arden
NOTARY PUBLIC

My Commission Expires Aug. 1 of 2010.



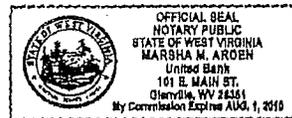
STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

I Marsha M. Arden, a Notary Public in and for said County and State aforesaid, do hereby certify that ROBERT H. SMITH whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the 9th day of August, 2005.

Marsha M. Arden
NOTARY PUBLIC

My Commission Expires Aug. 1, of 2010.



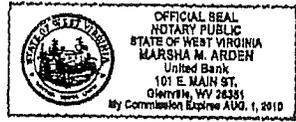
STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

I Marsha M. Arden a Notary Public in and for said County and State
aforesaid, do hereby certify that AARON L. SMITH whose name is signed to the writing
above have acknowledged the same before me.

Given under my hand this the 9th day of August, 2005.

Marsha M. Arden
NOTARY PUBLIC

My Commission Expires Aug. 1, of 2010.



This document was prepared by Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC @ 7 North Court Street, Glenville, WV 26351

BOOK 465 PAGE 149

DESCRIPTION OF A PROPOSED CONVEYANCE
for
GILMER CO. P.S.D.

a
(PROPOSED) PRESSURE REDUCING VALVE LOT
on the lands of, now or formerly
ETHEL MOORE
CENTER DIST., GILMER COUNTY
TAX MAP 16 part of PARCEL 8

A CERTAIN TRACT OR PARCEL OF LAND, ALONG U.S. ROUTE 33 & 119, ON
THE WATERS OF WHITEOAK RUN, CENTER DISTRICT, GILMER COUNTY, WEST
VIRGINIA, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

Beginning at a 3/4 inch rebar (set), 20 feet east of the center of U.S. Route 33 & 119, said rebar
bears South 49 degrees 11 minutes 55 seconds East, a distance of 45.0 feet from a pasture
(corner) fence post, in the lands of Lowell G. McNemar, (Tax Map 15 Parcel 12) and said rebar
also bears North 35 degrees 32 minutes 05 seconds East, a distance of 243 feet, from point in the
center of U.S. Route 33 & 119, in the extension of a fence;

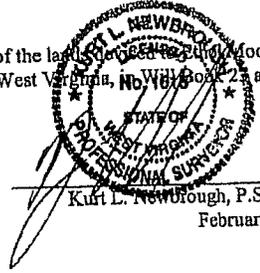
Thence, with the easterly right of way line of said U.S. Route 33 & 119, and 20 feet east of the
center, North 33 degrees 50 minutes 40 seconds East, a distance of 25.00 feet, to a 3/4 inch rebar,
(set);

Thence, leaving said road, and through lands of, now or formerly, Ethel Moore (Tax Map 16
Parcel 8, Will Book 23 Page 542), for three (3) lines, South 56 degrees 09 minutes 20 seconds
East, a distance of 20.00 feet a 3/4 inch rebar, (set);

Thence, South 33 degrees 50 minutes 40 seconds West, a distance of 25.00 feet, to a 3/4 inch
rebar, (set);

Thence, North 56 degrees 09 minutes 20 seconds West, a distance of 20.00 feet, to the Place of
Beginning, containing 500 square feet, More or Less, as shown on a plat attached hereto and
made a part of this description.

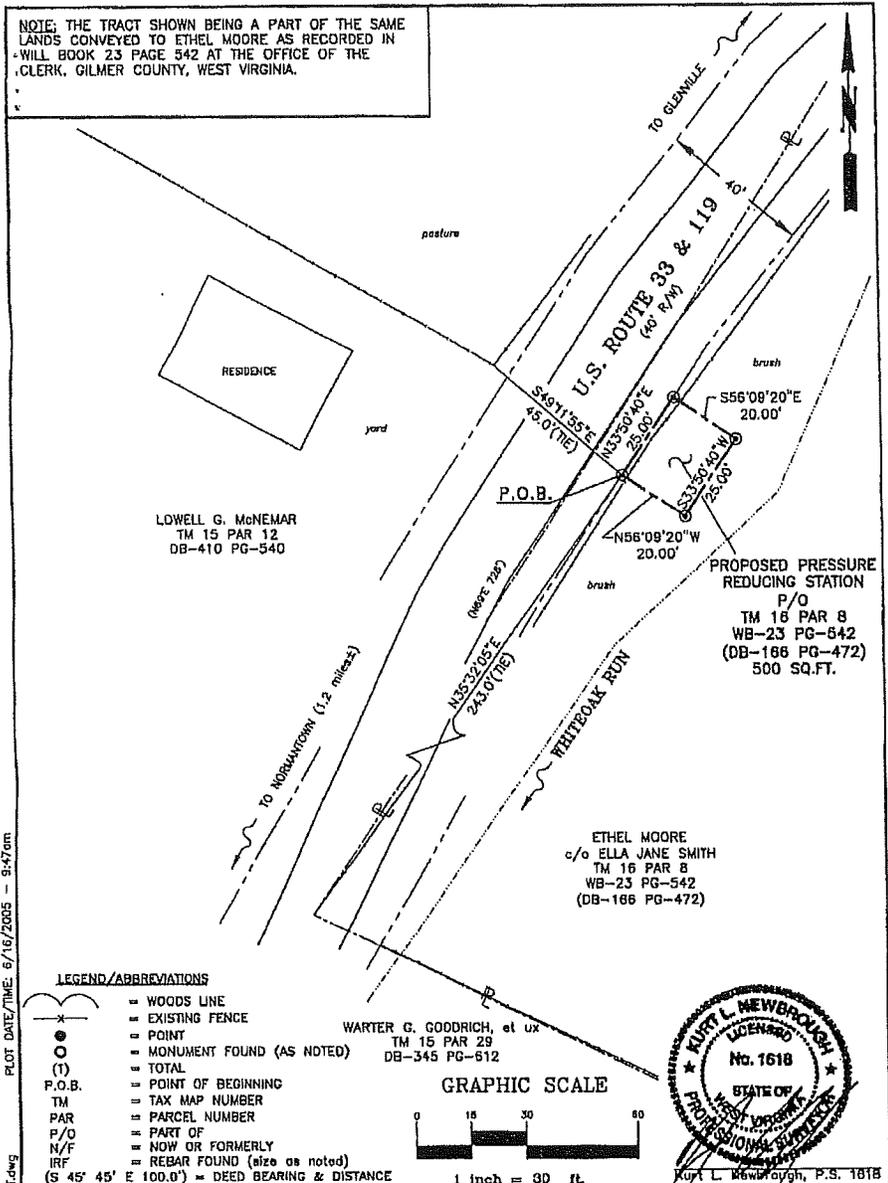
The parcel of land and herein described being part of the lands of Ethel Moore
and recorded in the Office of the Clerk of Gilmer County, West Virginia, No. Will Book 23 at
Page 542.



Kurt L. Newbrough, P.S. 1618
February 2004

BOOK 465 PAGE 150

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO ETHEL MOORE AS RECORDED IN WILL BOOK 23 PAGE 542 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.

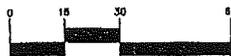


LEGEND/ABBREVIATIONS

- WOODS LINE
- EXISTING FENCE
- POINT
- MONUMENT FOUND (AS NOTED)
- (T) TOTAL
- P.O.B. POINT OF BEGINNING
- TM TAX MAP NUMBER
- PAR PARCEL NUMBER
- P/O PART OF
- N/F NOW OR FORMERLY
- IRF REBAR FOUND (size as noted)
- (S 45° 45' E 100.0') = DEED BEARING & DISTANCE

WALTER G. GODDRICH, et ux
TM 15 PAR 29
DB-345 PG-612

GRAPHIC SCALE



PLAT OF SURVEY FOR GILMER COUNTY PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON DEED BOOK 166 PAGE 472.		TAX MAP 16 2005 AUG 1 11:00 AM		SHOWING PROPOSED CONVEYANCE OF PROPERTY	
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.		PARCEL No. 8		from ETHEL MOORE	
© = 3/4" x 30" REBAR SET		GILMER COUNTY CLERK GLENVILLE, W.VA.		SITUATE ON THE WATERS OF WHITEOAK RUN GILMER COUNTY WEST VIRGINIA	
THRASHER ENGINEERING 30 COLUMBIA BLVD. CLARKSBURG, WV 26301 PHONE 304-624-4108		JOB. No. 10-194		SCALE: 1" = 30'	
		OWNER: ETHEL MOORE		LAYOUT TAB: RT 33 PRV CAD FILE: P:\10-194\survey\DEED-PLAT.dwg	
REFERENCE: WB 23 PG 542		DRAWN: CI		SURVEY: PT BK: 03-52	

STATE OF WEST VIRGINIA.

GILMER COUNTY COMMISSION CLERK'S OFFICE

August 11, 2005

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: Beverly Marks, CLERK.

PLOT DATE/TIME: 6/16/2005 - 9:47am

CAD FILE: P:\10-194\survey\DEED-PLAT.dwg

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION Glenville District 0.36 Acres See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) (Mortgage, etc.)
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
p.m. (Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

Returned to: William Stehler
Chairman, Public Service Dist
9/1/94

BOOK 404 PAGE 595

No 3047

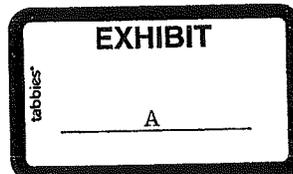
THIS DEED, Made this the 12th day of April, 1994, by and between ROBERT R. JONES and JUDY C. JONES, his wife, parties of the first part, hereinafter called "GRANTORS", and GILMER COUNTY PUBLIC SERVICE DISTRICT, party of the second part, hereinafter called "GRANTEE".

W I T N E S S E T H:

THAT FOR AND IN CONSIDERATION of the sum of One Dollar (\$1.00) cash in hand paid, the receipt whereof being hereby acknowledged, Grantors do hereby grant and convey unto the said Grantee, subject to the following exceptions and reservations, that certain lot or parcel of real estate situate on the waters of Sand Fork and the Little Kanawha River, Glenville District, Gilmer County, West Virginia, more particularly described as follows:

BEGINNING at a point on the Northern side of the existing gas well road 1025 feet from the intersection of said gas well road and West Virginia State Route #5, thence leaving the gas well road N 16'58"26" E 123.56 feet to a stake; thence S 73'01"34" E 145.00 feet to a stake; thence S 16'58"26" W 105.00 feet to a stake in the northern boundary of the aforementioned gas well road, thence with the northern boundary of said road in a southerly direction to the beginning, containing 0.36 acres, more or less, all which is

J.W. PERRILL
ATTORNEY AT LAW
DRAWER 428
GLENVILLE, WV 26351



BOOK 404 PAGE 596

more particularly shown, laid down and designated on a map or plat thereof which is attached hereto and accompanies this deed for recordation.

The property hereby conveyed is part of an original tract of 120 acres, and further is a part of the lands conveyed to Grantors herein by deed of Ray Gum and Thelma Gum, his wife, dated March 19, 1971, of record in the Office of the Clerk of the County Commission of Gilmer County, West Virginia, in Deed Book No. 256 at page 315.

There is excepted and reserved from the operation of this conveyance, and not conveyed hereby, all minerals, coal, oil and gas, in, on and underlying said real estate, together with the necessary, convenient and usual rights and privileges for the mining, drilling, operating and removal therefrom.

This conveyance is in the nature of a gift to Grantee for it's use in and about the construction and operation of a water system with grant made upon the condition that said land will be dedicated to such use. In the event that at any time in the future this land is no longer used for the purposes aforesaid, the property hereby conveyed will automatically revert to and become the property of the party or parties then owning the surrounding land from which this 0.36 acres was taken.

The parties hereto agree that they will jointly

DECLARATION OF CONSIDERATION OR VALUE

I hereby declare the total consideration paid or the actual value of the property conveyed by the document to which this declaration is appended is

(\$ 0).

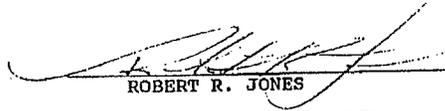
Given under my hand this 18 day of 9, 1974.

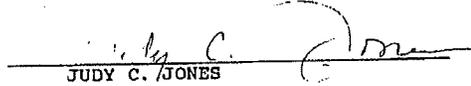

Grantor or Grantee or
Party presenting document for recordation

share the cost of maintenance needed to keep the present existing tank and gas well access road in passable and working condition.

This instrument prepared by J. W. Perrill, Attorney at Law, Drawer 428, Glenville, West Virginia 26351.

WITNESS the following signatures.


ROBERT R. JONES

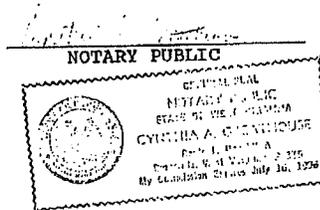

JUDY C. JONES

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, To-Wit:

The foregoing deed was acknowledged before me this the 11th day of July, 1994, by ROBERT R. JONES and JUDY C. JONES, his wife.

My commission expires July 16, 1996

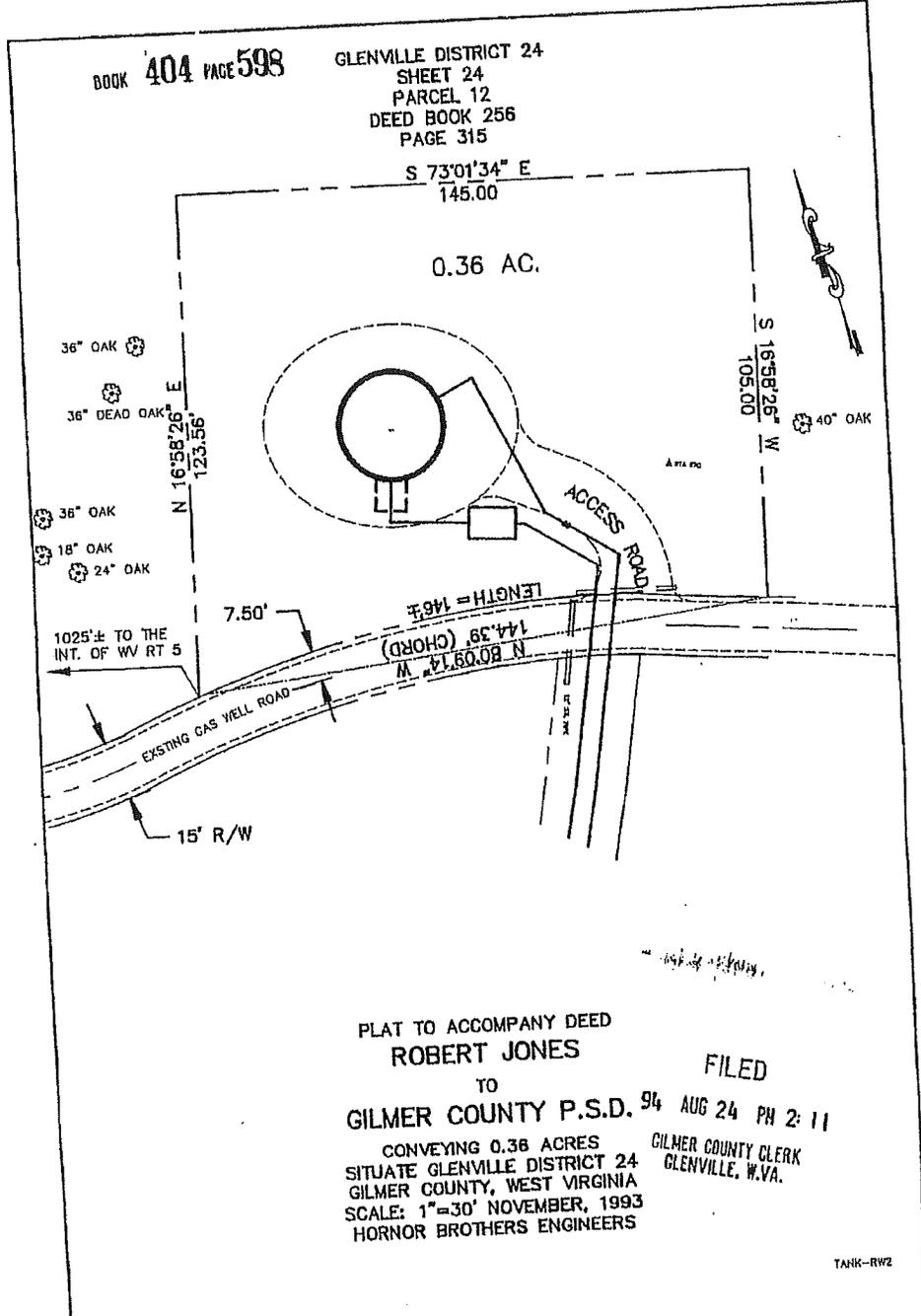
(SEAL)



J.W. PERRILL
ATTORNEY AT LAW
DRAWER 428
GLENVILLE, WV 26351

BOOK 404 PAGE 598

GLENVILLE DISTRICT 24
SHEET 24
PARCEL 12
DEED BOOK 256
PAGE 315



PLAT TO ACCOMPANY DEED
ROBERT JONES

FILED

TO
GILMER COUNTY P.S.D. 94 AUG 24 PM 2:11

CONVEYING 0.36 ACRES
SITUATE GLENVILLE DISTRICT 24
GILMER COUNTY, WEST VIRGINIA
SCALE: 1"=30' NOVEMBER, 1993
HORNOR BROTHERS ENGINEERS

TANK-RW2

STATE OF WEST VIRGINIA,

GILMER COUNTY COMMISSION CLERK'S OFFICE

August 24, 1994

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: *Lezella Thalmaker* CLERK.

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION West Virginia Route 5 Near Gilmer Co. Rt. 20 DeKalb District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) *p.m.*
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) *(Mortgage, etc.)*
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
p.m. *(Book, page, and office)*
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

BOOK 486 PAGE 143
No. 2336

THIS DEED, made this 3rd day of December, 2008 by and between **PEARL M. HEINEY**, party of the first part, hereinafter called "**GRANTOR**", and **GILMER COUNTY PUBLIC SERVICE DISTRICT**, a public corporation, party of the second part, hereinafter called "**GRANTEE**".

WITNESSETH:

That for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid by Grantee to Grantor, the receipt whereof being hereby acknowledged, the Grantor does hereby grant and convey with Covenants of **GENERAL WARRANTY** unto the said Grantee that certain lot, tract or parcel of land lying and being situate on West Virginia Route 5, near Gilmer County Route 20, DeKalb District, Gilmer County, West Virginia, more particularly bounded and described as follows, to-wit:

PROPOSED CHLORINATION STATION

BEGINNING at a 3/4" rebar set on the lands of Pearl M. Heiney (Tax Map 22 Parcel 5.2, Will book 35 Page 297), which bears North 09 degrees 45 minutes 50 seconds West, a distance of 90.09 feet from the intersection of Third Run and the easterly right-of-way line of West Virginia Route 5;

Thence, through said Pearl M. Heiney for four (4) lines, North 73 degrees 18 minutes 41 seconds West, a distance of 22.00 feet to a 3/4" iron rebar set;

Thence, North 16 degrees 41 minutes 19 seconds East, a distance of 20.00 feet to a 3/4" iron rebar set;

Thence, South 73 degrees 18 minutes 41 seconds East, a distance of 22.00 feet to a 3/4" iron rebar set;

Thence, South 16 degrees 41 minutes, 19 seconds West, a distance of 20.00 feet to the Place of Beginning, containing 440 square feet, more or less, as shown on a plat attached hereto and made a part of this description.

20' PERMANENT ACCESS EASEMENT

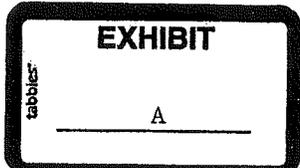
Beginning at a point on the westerly line of the aforementioned chlorination station, which bears, North 16 degrees 41 minutes 19 seconds East, a distance of 10.0 feet from a 3/4" iron rebar set at the southwesterly corner of said chlorination station;

Thence, leaving said chlorination station, North 73 degrees 18 minutes 41 seconds West, a distance of 31.33 feet to a point on the easterly right-of-way line of West Virginia Route 5.

The Permanent Access Easement shall be Twenty (20) feet in width; Ten (10) feet on each side of centerline of the herein described easement, containing 663 square feet, more or less, as shown on a plat attached hereto and made part of this description.

Being a portion of that same tract or parcel of land as that conveyed unto Forest L. Heiney and Pearl May Heiney, as joint tenants with right of survivorship and not as tenants in common, by deed of Waitman Doyle Heckert and Eska Heckert dated January 30, 1964

RETURN TO:
GILMER COUNTY PSD
P O BOX 729
GLENVILLE WV 26351
1-8-2009



and being of record in the Office of the Clerk of the Gilmer County Commission in Deed Book No. 226 at Page No. 07 thereof. Thereafter, on or about August 15, 2006, the said Forest L. Heiney deceased and in accordance with the survivorship provisions in the aforesaid deed, the subject tract or parcel of land vested in Pearl May Heiney.

It is expressly understood and agreed by and between all of the parties hereto that the grant herein contained is made and accepted subject to all reservations, exceptions, rights of way or easements, limitations and conditions, and other servitudes, if any, made, retained or otherwise created by deeds or other instruments constituting the record chain of title to the property herein and hereby conveyed.

The undersigned Grantor does hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

WITNESS the following signature:

Pearl M. Heiney
PEARL M. HEINEY

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, to-wit:

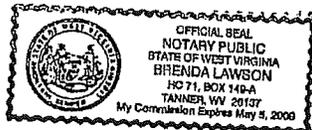
I *BRENDA LAWSON*, a Notary Public in and for said County and State aforesaid, do hereby certify that PEARL M. HEINEY whose name is signed to the writing above have acknowledged the same before me.

Given under my hand this the *16th* day of *December*, 2008.

Brenda Lawson
NOTARY PUBLIC

My Commission Expires *May 05* of *2009*.

This document was prepared by Gerald B. Hough, Attorney at Law
A+ Law Clinic, LLC @ 7 North Court Street, Glenville, WV 26351



BOOK 486 PAGE 145

DESCRIPTION OF SURVEY
for
PROPOSED CHLORINATION STATION
and
20' PERMANENT ACCESS EASEMENT
on the lands of
PEARL M. HEINEY

A CERTAIN TRACT OR PARCEL OF LAND, SITUATE IN DEKALB DISTRICT, ON WEST VIRGINIA ROUTE 5, NEAR GILMER COUNTY ROUTE 20, GILMER COUNTY, WEST VIRGINIA, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

PROPOSED CHLORINATION STATION

Beginning at a ¾" rebar set on the lands of Pearl M. Heiney (Tax Map 22 Parcel 5.2, Will Book 35 Page 297), which bears, North 09 degrees 45 minutes 50 seconds West, a distance of 90.09 feet from the intersection of Third Run and the easterly right-of-way line of West Virginia Route 5;

Thence, through said Pearl M. Heiney for four (4) lines, North 73 degrees 18 minutes 41 seconds West, a distance of 22.00 feet to a ¾" iron rebar set;

Thence, North 16 degrees 41 minutes 19 seconds East, a distance of 20.00 feet to a ¾" iron rebar set;

Thence, South 73 degrees 18 minutes 41 seconds East, a distance of 22.00 feet to a ¾" iron rebar set;

Thence, South 16 degrees 41 minutes 19 seconds West, a distance of 20.00 feet to the **Place of Beginning**, containing 440 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

20' PERMANENT ACCESS EASEMENT

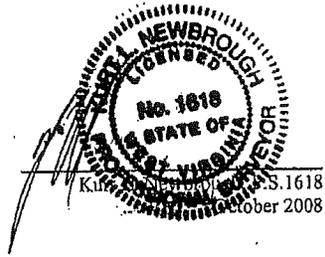
Beginning at a point on the westerly line of the aforementioned chlorination station, which bears, North 16 degrees 41 minutes 19 seconds East, a distance of 10.0 feet from a ¾" iron rebar set at the southwesterly corner of said chlorination station;

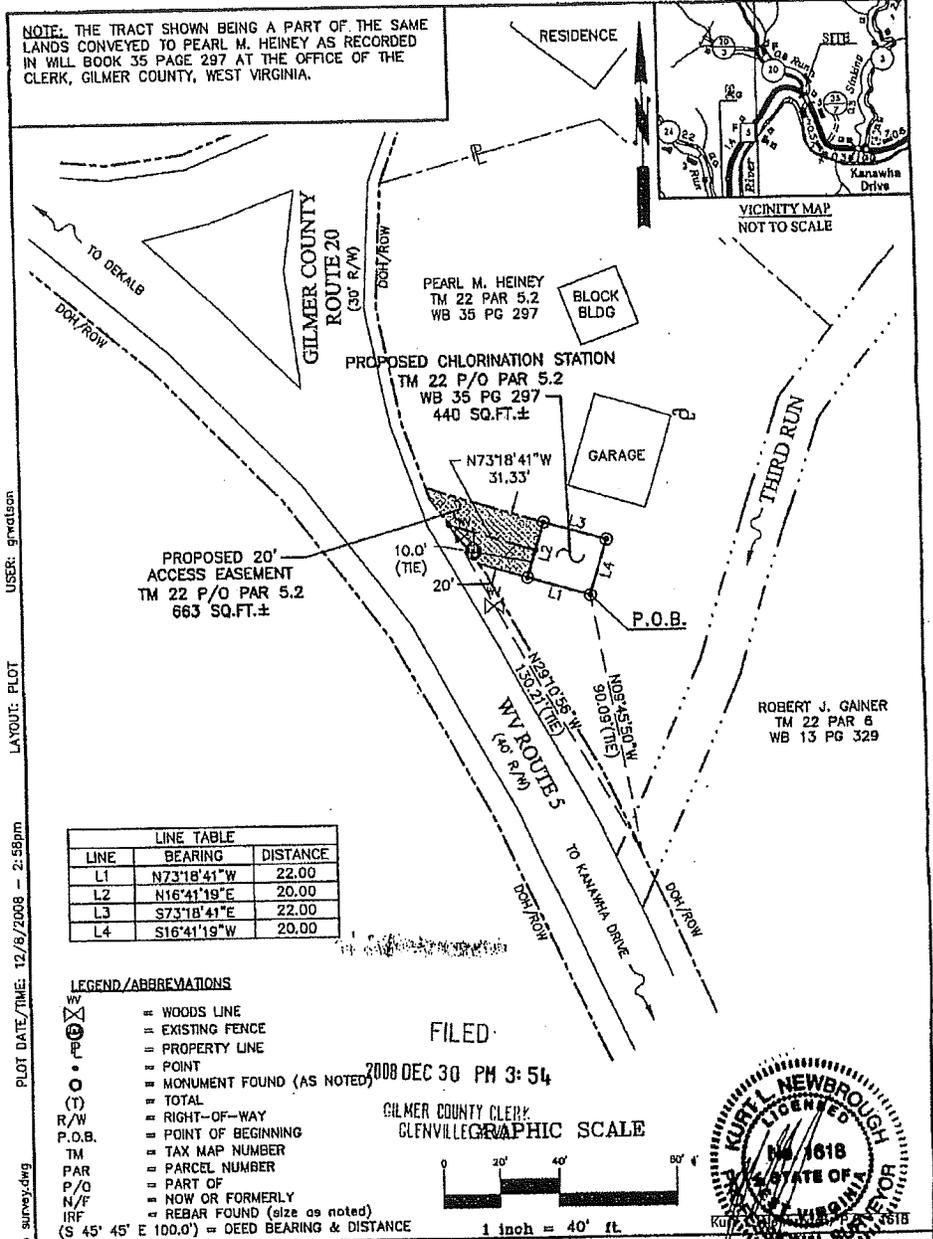
Thence, leaving said chlorination station, North 73 degrees 18 minutes 41 seconds West, a distance of 31.33 feet to a point on the easterly right-of-way line of West Virginia Route 5.

The Permanent Access Easement shall be Twenty (20) feet in width; Ten (10) feet on each side of centerline of the herein described easement, containing 663 square feet, more or less, as shown on a plat attached hereto and made part of this description.

BOOK 486 PAGE 146

The tract or parcel being a part of the same lands conveyed to Pearl M. Heiney as recorded in Will Book 35 Page 297 at the Office of the Clerk, Gilmer County, West Virginia.





USER: gfwadlton
 LAYOUT: PLOT
 PLOT DATE/TIME: 12/18/2008 - 2:58pm
 CAD FILE: R:\Eng\10-305\Survey\Prop_survey.dwg

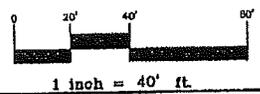
NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO PEARL M. HEINEY AS RECORDED IN WILL BOOK 35 PAGE 297 AT THE OFFICE OF THE CLERK, GILMER COUNTY, WEST VIRGINIA.

LINE	BEARING	DISTANCE
L1	N73°18'41"W	22.00
L2	N16°41'19"E	20.00
L3	S73°18'41"E	22.00
L4	S16°41'19"W	20.00

- LEGEND/ABBREVIATIONS**
- ⊗ = WOODS LINE
 - ⊖ = EXISTING FENCE
 - = PROPERTY LINE
 - = POINT
 - ⊙ = MONUMENT FOUND (AS NOTED)
 - ⊕ = TOTAL
 - R/W = RIGHT-OF-WAY
 - P.O.B. = POINT OF BEGINNING
 - TM = TAX MAP NUMBER
 - PAR = PARCEL NUMBER
 - P/O = PART OF
 - N/F = NOW OR FORMERLY
 - IRF = REBAR FOUND (size as noted)
 - (S 45° 45' E 100.0') = DEED BEARING & DISTANCE

FILED
 2008 DEC 30 PM 3:54

GILMER COUNTY CLERK
 GLENVILLE GRAPHIC SCALE



**PLAT OF SURVEY FOR
 GILMER COUNTY PUBLIC SERVICE DISTRICT**

MISC. INFO: BEARINGS BASED ON PROJECT CONTROL GILMER COUNTY PSD WATER LINE EXTENSION SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION. ⊙ = 3/4" • 30" REBAR SET	TAX MAP 22	SHOWING PROPOSED CHLORINATION STATION and 20' ACCESS EASEMENT on the lands of PEARL M. HEINEY SITUATE DEKALB DISTRICT SCALE: 1" = 40' WEST VIRGINIA GILMER COUNTY OCTOBER 2008
	PARCEL No. P/O 5.2	
	JOB. No. 10-305	
THRASHER ENGINEERING 30 COLUMBIA BLVD. CLARKSBURG, WV 26301 PHONE 304-624-4108	OWNER: PEARL M. HEINEY REFERENCE: WB 35 PG 297	LAYOUT TAB: PLOT CAD FILE: R:\Eng\10-305\Survey\Prop_survey.dwg DRAWN: CI SURVEY: DP BK: 08-49

The information contained herein is the sole property of Thrasher Engineering, Inc. Reproduction of these documents in whole or in part, for any reason without prior written permission, is strictly prohibited. Copyright © 2008 Thrasher Engineering, Inc.

STATE OF WEST VIRGINIA,
 GILMER COUNTY COMMISSION CLERK'S OFFICE December 30, 2008
 The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.
 TESTE: Beverly Marks CLERK.

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION US Rt. 33 & 19 1,200 Sq. Feet Glenville District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) p.m.
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural
(Priority) (Mortgage, etc.)
Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____,
(Date)
_____, at _____ a.m. and is recorded in _____
p.m. *(Book, page, and office)*
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph 1, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

Attachments

No: 1686

THIS DEED, Made this the 10th day of May, 1999, by and between ED BROOME, INC., a West Virginia Corporation, party of the first part, hereinafter referred to as "GRANTOR", and GILMER COUNTY PUBLIC SERVICE DISTRICT, a public corporation, party of the second part, hereinafter referred to as "GRANTEE".

WITNESSETH: That for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid by Grantee unto Grantor, and other good and valuable consideration, the receipt all of which is hereby acknowledged, the said Grantor does hereby grant and convey with Covenants of General Warranty unto the said Grantee that certain lot, tract or parcel of land lying and being situate on Stewarts Creek, in Glenville District, Gilmer County, West Virginia, and more particularly bounded and described as follows:

BEGINNING at a point which lies N 88°19'51" E 483.48 feet from the center face of headwall of a 3' x 2' box culvert under U. S. Route 33 and 119 and running thence N 01°04'32" W 30 feet to a point in the right-of-way of U. S. Route 33 and 119; thence with the right-of-way of U. S. Route 33 and 119 N 88°55'28" E 40 feet to a point; thence S 01°04'32" E 30 feet to a point; thence S 88°55'28" W 40 feet to the point of beginning and containing 1,200 square feet, as surveyed by Hornor Brothers Engineers, a Plat of which Survey being attached hereto and by reference made a part hereof;

BEING part of a certain 1.682 acre tract or parcel of land conveyed unto Grantor herein by deed of Kenneth D. Broome and Pamela C. Broome, his wife, dated February 13, 1996, of record in the Office of the Clerk of the County Commission of Gilmer County, West Virginia, in Deed Book No. 413, at page 463.

Reference is hereby made to all rights-of-way and easements as appear of record in Grantor's Chain of Title to the property hereby conveyed, to all of which this Deed is expressly made subject.

The undersigned Grantor does hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

WITNESS the following signature:

[Corporate Seal]

ED BROOME, INC.

By: [Signature]
Its President

Attest: [Signature]
Secretary

Nos. 1686 & 1687
Returned to: Paul Woodford II
10-6-1999

EXHIBIT

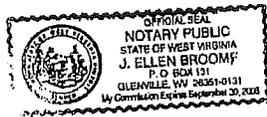
tabbies

A

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, To-Wit:

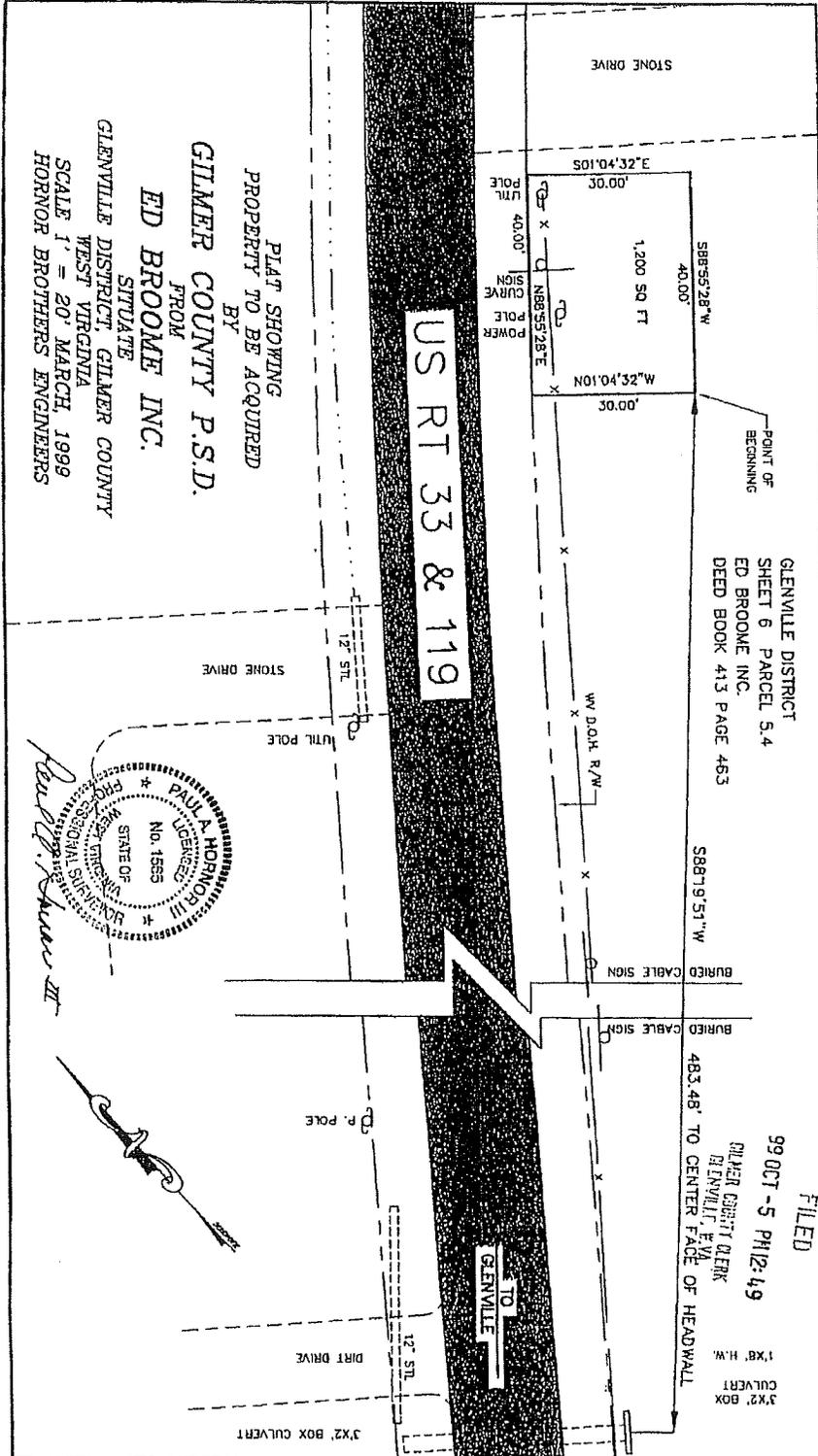
The foregoing instrument was acknowledged before me this
the 9th day of June, 1999, by ED BROOME, President of
ED BROOME, INC., a West Virginia Corporation, on behalf of the
corporation.

My commission expires: September 30, 2008
[Affix Notary Seal]



J. Ellen Broome
NOTARY PUBLIC

This instrument prepared by: Paul H. Woodford II
Attorney at Law
P. O. Box 218
Glenville, WV 26351



STATE OF WEST VIRGINIA.

GILMER COUNTY COMMISSION CLERK'S OFFICE *October 5, 1999*

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: *Beverly Marks*, CLERK.

FINAL TITLE OPINION

LOAN APPLICANT Gilmer County Public Service District	ADDRESS OR PROPERTY COVERED BY THIS OPINION State Road Run Troy District See Exhibit A	
APPLICANT FOR TITLE EXAMINATION	COUNTY Gilmer	STATE West Virginia

- I. I have examined title to the property described in the security instrument described in paragraph II. B. below. My examination covered the period from the time of termination of title search covered by my Preliminary Title Opinion on Form RD 1927-9; or the time of recordation of the initial loan security instrument if this opinion covers land already owned by the loan applicant in a subsequent loan case, to October 6, 2016 at 12:00 ~~XXX~~ (including the time of filing the current security instrument).
(Date) *p.m.*
- II. Based on said title examination, my preliminary title examination if any, and any additional information concerning the title which has come to my attention, it is my opinion that:
- A. Good and marketable title, in accordance with title examination standards prevailing in the area, to said property (real estate and any water rights offered as security) is now vested in Gilmer County Public Service District

as owner of surface
(Joint tenants, tenants by the entirety, etc.)
- B. The United States of America holds a valid Grant Agreement ~~XXX~~ on said property as required by Rural *(Priority)* *(Mortgage, etc.)* Development or the Farm Service Agency, or their successor (Agency), which lien was filed for record on _____, _____, at _____ a.m. and is recorded in _____ *(Date)*
(Book, page, and office)
- C. Said property and lien are subject only to encumbrances, reservations, exceptions, and defects which were approved by written administrative waivers of the Agency attached hereto or to my Preliminary Title Opinion.
- III. If a water right is involved and is not covered by the current security instrument, it is subject only to the encumbrances, reservations, exceptions, and defects set forth in said administrative waivers and was made available as security in the following manner (Water stock would normally be reissued in the names of said land owners and the United States of America and delivered to the Agency Official at the time of loan closing):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0147. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

- IV. The term "encumbrances, reservations, exceptions, and defects" means all matters which would prevent the United States from obtaining the required lien on the property identified in paragraph I, including but not limited to (a) mortgages, deeds of trust, and vendors', mechanics', materialmen's, and all other liens, including any provisions thereof for future advances which could take priority over the said lien to the United States, (b) Federal, State, and local taxes, including county, school, improvement, water, drainage, sewer, inheritance, personal property, and income, (c) State and Federal bankruptcy, insolvency, receivership, and probate proceedings, (d) judgments and pending suits, in State and Federal courts, (e) recorded covenants; conditions; restrictions; reservations; liens; encumbrances; easements; rights-of-way; leases; mineral, oil, gas, and geothermal rights (regardless of the right of surface entry); timber rights; water rights; pending court proceedings and other matters of record which affect the title of the property or the ability of the buyer or seller to convey or accept title.
- V. This opinion is issued expressly for the benefit of the above-named applicant for title examination and the United States of America acting through the United States Department of Agriculture Agency which provided the assistance, and I assume liability to each hereunder.

October 6, 2016

(Date)

Attachments

BOWLES RICE LLP

Bowles Rice LLP

(Attorney's signature)

P.O. Box 49

Parkersburg, WV 26102

(Address, include ZIP Code)

No. 1687

THIS DEED, Made this the 10th day of May, 1999, by and between JACK N. WHITING, single, party of the first part, hereinafter referred to as "GRANTOR", and GILMER COUNTY PUBLIC SERVICE DISTRICT, a public corporation, party of the second part, hereinafter referred to as "GRANTEE".

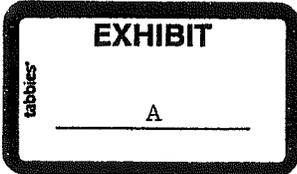
WITNESSETH: That for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid by Grantee unto Grantor, and other good and valuable consideration, the receipt all of which is hereby acknowledged, the said Grantor does hereby grant and convey with Covenants of General Warranty unto the said Grantee that certain lot, tract or parcel of land lying and being situate on State Road Run, in Troy District, Gilmer County, West Virginia, and more particularly bounded and described as follows:

BEGINNING at a point which lies S 46°53'42" E 47.01 feet from the southeast corner of an existing garage and running thence N 45°00' E 35.36 feet to a point, thence N 90°00' E 50 feet to a point; thence S 00°00' E 75 feet to a point; thence N 90°00' W 75 feet to a point; thence N 00°00' E 50 feet to the point of beginning containing 5,312 square feet, as surveyed by Hornor Brothers Engineers, a Plat of which Survey being of record in the Office of the Clerk of the County Commission of Gilmer County, West Virginia, in Plat Book No. 4, at Page 36, to which Plat reference is hereby made;

BEING part of two tracts containing in the aggregate 3.53 acres, more or less, conveyed unto Lorraine M. Whiting and Jack N. Whiting, her husband, as joint tenants with right of survivorship, by deed of Lorraine M. Whiting dated October 10, 1989, of record in the aforesaid Clerk's Office in Deed Book No. 376, at page 406. The said Lorraine M. Whiting died on February 5, 1996, thereby vesting in her husband, Jack N. Whiting (Grantor herein), full title to said property as the surviving joint tenant.

In addition, and for the consideration aforesaid, Grantor further hereby conveys unto Grantee the following WATER LINE EASEMENT and ACCESS ROAD RIGHT-OF-WAY:

- 1. WATER LINE EASEMENT - a perpetual easement to erect, construct, install, lay and thereafter use, operate, inspect, repair, maintain, replace and remove a water line through, over, and across the above mentioned 3.53 acres, together with the right of ingress and egress to and from said easement, which easement is



more particularly bounded and described as follows:

BEGINNING at a point in the right-of-way of U. S. Route 33 and 119, said point lies S 85°24'46" W 283.76 feet from the center line intersection of U. S. Route 33 and 119 and West Virginia Secondary Route 26 and running thence with U. S. Route 33 and 119 S 88°06'29" E 20.61 feet to a point; thence S 07°55'15" W 257.83 feet to a point in property to be acquired by the Gilmer County Public Service District and running thence with two calls S 90° 00' W 13.71 feet to a point; thence S 45°00' W 8.57 feet to a point; thence N 7°55'15" E 268.05 feet to the point of beginning, as surveyed by Hornor Brothers Engineers and being more particularly shown and set forth on the aforementioned plat.

2. ACCESS ROAD RIGHT-OF-WAY - a perpetual right-of-way 20 feet in width for an existing road extending from County Route 26 approximately 400 feet through, over and across the above mentioned 3.53 acres to the 5,312 square foot lot hereby conveyed, to be used as a means of ingress and egress to and from said lot.

For a more particular description of said right-of-way, reference is hereby made to the aforementioned Plat. Grantee herein covenants to place four inches of crusher run stone on that portion of the above mentioned "existing drive" for which a right-of-way has been hereby granted.

Reference is hereby made to all rights-of-way and easements as appear of record in Grantor's Chain of Title to the property hereby conveyed, to all of which this Deed is expressly made subject.

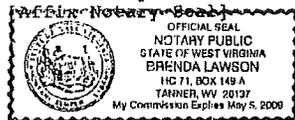
The undersigned Grantor does hereby declare that the transfer evidenced by this Deed is not subject to taxation for the reason that this is a conveyance to a public corporation and political subdivision of the State of West Virginia.

WITNESS the following signature:

Jack N. Whiting

JACK N. WHITING

STATE OF WEST VIRGINIA,
COUNTY OF GILMER, To-Wit:
The foregoing instrument was acknowledged before me this the 9th day of June, 1999, by JACK N. WHITING, single.
My commission expires: May 5, 2004



Brenda Lawson

NOTARY PUBLIC

99 JUN 5 PM 12:50
FILED
GILMER COUNTY CLERK
GLENVILLE, WVA

This instrument prepared by Paul H. Woodford II, Attorney at Law, P. O. Box 218, Glenville, WV 26351.

STATE OF WEST VIRGINIA,
GILMER COUNTY COMMISSION CLERK'S OFFICE October 5, 1999

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: *Beverly Marks*, CLERK.

SWEEP RESOLUTION

WHEREAS, the Gilmer County Public Service District (the “Issuer”) is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the “Bonds”);

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the “MBC”) which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

WHEREAS, Pursuant to Chapter 13, Article 3, Section 5a, the MBC has established fees for its services (the “MBC Fee”);

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer **sweeping** the Issuer’s account.

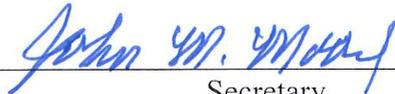
NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

- 1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, shall be made to the MBC by electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.
- 2) The Chairman and Secretary are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.
- 3) This resolution shall be effective immediately upon adoption.

Adopted this 20th day of September, 2016.



Chairman



Secretary

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

UNITED BANK, INC., Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Gilmer County Public Service District Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated October 6, 2016, issued in the aggregate principal amount of \$160,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 6th day of October, 2016.

UNITED BANK, INC.

By:  _____
Its: Authorized Officer

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

UNITED BANK, INC., Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of Gilmer County Public Service District (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer, dated October 6, 2016, in the principal amount of \$160,000, numbered AR-1, was registered as to principal and interest in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of United Bank, Inc., as Registrar.

WITNESS my signature on this 6th day of October, 2016.

UNITED BANK, INC.

By: 

Its: Authorized Officer

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 6th day of October, 2016, by and between GILMER COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia (the "Issuer"), and UNITED BANK, INC., Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$160,000 Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), in fully registered form (the "Bonds"), pursuant to the Bond Resolution of the Issuer duly adopted September 20, 2016, and the Supplemental Resolution of the Issuer duly adopted September 20, 2016 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exclusion of interest on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: Gilmer County Public Service District
 P.O. Box 729
 Glenville, West Virginia 26531
 Attn: Chairman

REGISTRAR: United Bank, Inc.
 500 Virginia Street, East
 Charleston, West Virginia 25301
 Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first written about.

GILMER COUNTY PUBLIC SERVICE DISTRICT

By: William Stabaker
Its: Chairman

UNITED BANK, INC.

By: [Signature]
Its: Authorized Officer

329470.00005

EXHIBIT A

Bond Legislation included in bond transcript as Documents Nos. 1 and 2.

SCHEDULE OF COMPENSATION

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. LOAN AGREEMENT
11. RATES
12. INSURANCE
13. VERIFICATION OF SCHEDULE
14. PUBLIC SERVICE COMMISSION ORDERS
15. SIGNATURES AND DELIVERY
16. BOND PROCEEDS
17. PUBLICATION OF NOTICE OF PSC FILING
18. SPECIMEN BONDS
19. GRANTS
20. CONFLICT OF INTEREST
21. PROCUREMENT OF ENGINEERING SERVICES
22. EXECUTION OF COUNTERPARTS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Gilmer County Public Service District in Gilmer County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify on this the 6th day of October, 2016, in connection with the Issuer's Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Resolution of the Issuer duly adopted September 20, 2016, and the Supplemental Resolution duly adopted September 20, 2016 (collectively, the "Bond Legislation").

2. LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the acquisition or construction of the Project, the operation of the System, or in any

way contesting or affecting the validity of the Bonds, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, or the operation of the System. There is one pending civil action against the District, styled *Gilmer County Civil Action No. 15-C-11, Brenda K. Lawson v. Gilmer County Public Service District*. The plaintiff has alleged unlawful discrimination in violation of the Workers' Compensation Act, disability discrimination, and retaliatory discharge, all of which have been denied by the District. The matter is being defended by AIG Property and Casualty, on behalf of National Union Fire Insurance Company, subject to a reservation of rights. The District believes in the merits of its pleadings, and that the action is defensible. If the action is resolved in a manner unfavorable to the District, it would not adversely affect the transactions contemplated by the Loan Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, or the validity of the Bonds, but it could lead to the District having insufficient Net Revenue to meet its payment obligations to its bondholders. The District is aware that in that circumstance, under the terms of its bond covenants, the District would be obligated to seek an immediate rate increase from the Public Service Commission so that the District would meet all of its bond obligations

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

There are Outstanding obligations of the Issuer which will rank on a parity with the Series 2016 A Bonds as to liens, pledge and source of and security for payment, being the Issuer's:

- (1) Water Revenue Bonds, Series 1994 (United States Department of Agriculture), dated August 18, 1994, issued in the original aggregate principal amount of \$550,000 (the "Series 1994 Bonds");
- (2) Water Revenue Bonds, Series 2000 (United States Department of Agriculture), dated February 25, 2000, issued in the original aggregate principal amount of \$200,000 (the "Series 2000 Bonds");
- (3) Water Revenue Bonds, Series 2005 A Bonds (West Virginia Infrastructure Fund), dated April 19, 2005, issued in the original aggregate principal amount of \$1,470,000 (the "Series 2005 A Bonds");

- (4) Water Revenue Bonds, Series 2005 B Bonds (West Virginia DWTRF Program), dated April 19, 2005, issued in the original aggregate principal amount of \$1,639,000 (the “Series 2005 B Bonds”);
- (5) Water Revenue Bonds, Series 2008 A Bonds (West Virginia Infrastructure Fund), dated April 16, 2008, issued in the original aggregate principal amount of \$1,325,000 (the “Series 2008 A Bonds”); and
- (6) Water Revenue Bonds, Series 2013 A Bonds (West Virginia DWTRF Program), dated May 24, 2013, issued in the original aggregate principal amount of \$1,725,000 (the “Series 2013 A Bonds”); (collectively, the “Prior Bonds”).

The Series 2016 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2016 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no Outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Resolutions.

5. CERTIFICATION OF COPIES OF DOCUMENTS: The copies of the below-listed documents hereto attached or delivered herewith or heretofore delivered are true, correct and complete copies of the originals of the documents of which they purport to be copies, and such original documents are in full force and effect and have not been repealed, rescinded, amended, supplemented or changed in any way unless modification appears from later documents also listed below:

- Bond Resolution
- Supplemental Resolution
- Series 2016 A Bonds Loan Agreement
- Public Service Commission Orders
- Infrastructure and Jobs Development Council Approval
- County Commission Orders Creating and Enlarging the District and Public Service Commission Orders relating thereto
- County Commission Orders Appointing Current Board Members Oaths of Office of Current Board Members
- Rules of Procedure
- Minutes on Organizational Meeting
- Minutes on Adoption of Bond Resolution, Supplemental Resolution, First Draw Resolution and Sweep Resolution
- Environmental Health Services Permit
- Evidence of Insurance
- Infrastructure Fund Grant Agreement
- Evidence of ARC Grant Prior Bond Resolutions
- United States Department of Agriculture Consent to Parity
- West Virginia Water Development Authority Consent to Parity

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Gilmer County Public Service District." The Issuer is a public service district duly created by The County Commission of Gilmer County and presently existing under the laws of, and a public corporation and political subdivision of, the State of West Virginia. The governing body of the Issuer is its Public Service Board consisting of 3 duly appointed, qualified and acting members whose names and dates of commencement and termination of current terms of office are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
William Stalnaker	7/1/2016	6/30/2022
Sallie Mathess	7/1/2012	6/30/2018
Jack McCartney	7/1/2015	6/30/2021

The names of the duly elected, appointed, qualified and acting officers of said Public Service Board of said Issuer for the calendar year 2016 are as follows:

Chairman - William R. Stalnaker
 Secretary - John Moore

The duly appointed and acting Attorney for the Issuer is Bowles Rice, Charleston, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Bonds.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body was

present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Workers' Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Legislation. The successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code. All insurance for the System required by the Bond Legislation and Loan Agreement is in full force and effect.

10. LOAN AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the Loan Agreement is true and correct in all material respects as if made on the date hereof; (ii) the Loan Agreement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (iii) to the best knowledge of the undersigned, no event affecting the Issuer has occurred since the date of the Loan Agreement which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information in the Loan Agreement not misleading; and (iv) the Issuer is in compliance with all covenants, terms and representations in the Loan Agreement.

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the West Virginia Water Development Authority. Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

11. RATES: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia entered on April 12, 2013 which became a Final Order on April 27, 2013 per Commission Order Waiving the Exception Period in Case No. 12-1380-PWD-CN-PC, approving the rates and charges for the services of the System. The time for appeal of such Final Order has expired prior to the date hereof without any appeal. Such Final Order remains in full force and effect.

12. INSURANCE: The Issuer will maintain or, as appropriate, will require all contractors to maintain workers' compensation, public liability, property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Bond Legislation and the Loan Agreement. All insurance for the System required by the Bond Legislation and the Loan Agreement are in full force and effect.

13. VERIFICATION OF SCHEDULE: The final Schedule B attached to the Certificate of Consulting Engineer, accurately represents the estimated Costs of the Project, the sources of funds available to pay the Costs of the Project and the costs of financing of the Bonds.

14. PUBLIC SERVICE COMMISSION ORDERS: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia entered on December 29, 2015 which became a Final Order on January 18, 2016 in Case No. 15-1598-PWD-CN among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The Order is in full force and effect.

15. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, numbered AR-1 dated the date hereof, by his or her manual signature, and the undersigned Secretary did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

16. BOND PROCEEDS: On the date hereof, the Issuer also received \$58,264.32 from the Authority and the Council, being a portion of the principal amount of the Series 2016 A Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

17. PUBLICATION OF NOTICE OF PSC FILING: The Issuer has published any required notice with respect to, among other things, the acquisition and construction of the Project, anticipated user rates and charges, the issuance of the Bonds and filing of a formal application for a certificate of public convenience and necessity with the Public Service Commission of West Virginia.

18. SPECIMEN BONDS: Delivered concurrently herewith is a true and accurate specimen of the Bonds.

19. GRANTS. As of the date hereof the ARC Grant in the amount of \$390,000.00, the \$50,000 Calhoun-Gilmer Career Center Grant, and the Infrastructure Fund grant in the amount of \$123,930 are committed and in full force and effect.

20. CONFLICT OF INTEREST: No member, officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

21. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied in all respects with the requirements of Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended, in the procurement of engineering services to be paid from proceeds of the Bonds.

22. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

WITNESS our signatures and the official seal of GILMER COUNTY PUBLIC SERVICE DISTRICT on this day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

William Stelnak

Chairman

John W. May

Secretary

Counsel to Issuer

WITNESS our signatures and the official seal of GILMER COUNTY PUBLIC SERVICE DISTRICT on this day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Chairman

Secretary

James V. Kelly

Counsel to Issuer

Gilmer County Public Service District
Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, Matthew W. Fluharty Registered Professional Engineer, West Virginia License No. 016375, of The Thrasher Group, Inc., Bridgeport, West Virginia, hereby certify on this 6th day of October, 2016 as follows:

1. My firm is engineer for the acquisition and construction of certain improvements and extensions (the "Project") to the existing public waterworks facilities (the "System") of Gilmer County Public Service District (the "Issuer") to be constructed in Gilmer and Calhoun Counties, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (collectively, the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Resolution adopted by the Issuer on September 20, 2016, as supplemented by Supplemental Resolution duly adopted on September 20, 2016, the Loan Agreement for the Series 2016 A Bonds, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated October 6, 2016 (the "Loan Agreement").

2. The Series 2016 A Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance of the Bonds and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the West Virginia Bureau for Public Health ("BPH") and the Council and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the schematic design for the Project began before July 1, 2012; (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and the Issuer's counsel, Bowles Rice LLP, has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (v) the successful bidders received any and all addenda to the original bid documents; (vi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (vii) the bid documents relating to the Project reflect the Project as approved by the BPH and the bid forms provided to the bidders contain the critical operational components of the Project; (viii) the successful bids include prices for every item on such bid forms; (ix) the uniform bid procedures were

followed; (x) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the System; (xi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the BPH; and (xii) attached hereto as Exhibit A is the final amended “Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing” for the Project.

4. The Project has been designed to, and the construction contracts provide for, water service for up to 24 new customers in the Route 5/Hattie Road areas in Gilmer County.

[Remainder of Page Intentionally Blank]

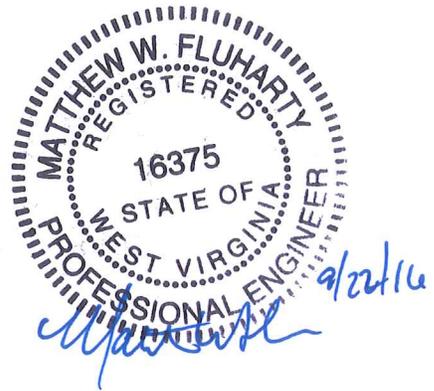
WITNESS my signature and seal on day and year first written above.

THE THRASHER GROUP, INC.

(SEAL)



Matthew W. Fluharty, P.E.
West Virginia License No. 016375



GILMER COUNTY PSD
Route 5/Hattie Road Water Extension
 Schedule B
 IJDC Project#: 2014W-1496

Post Bid

8/9/2016

A. Cost of Project	Post Bid Total	ARC	IJDC LOAN	IJDC Grant [Note 1]	CALHOUN-GILMER CAREER CENTER
1. Construction (Tri-State Pipeline, Inc.)	443,151.00	390,000.00	7,945.00	0.00	45,206.00
2. Construction Contingency	22,158.00	0.00	0.00	17,364.00	4,794.00
Proposed Underrun					
Chemical Feed Station	9,172.00		0.00	9,172.00	0.00
Drive-By Reading Laptop System	28,488.00	0.00	0.00	28,488.00	0.00
HTT Telemetry for 6 Locations	68,906.00	0.00	0.00	68,906.00	0.00
3. Technical Services (Thrasher)					
a. Design	23,000.00	0.00	23,000.00	0.00	0.00
b. Inspection	25,000.00	0.00	25,000.00	0.00	0.00
c. Engineering During Construction	3,000.00	0.00	3,000.00	0.00	0.00
4. Legal	20,000.00	0.00	20,000.00	0.00	0.00
5. Accounting	7,500.00	0.00	7,500.00	0.00	0.00
6. Administration (Region VII)	37,500.00	0.00	37,500.00	0.00	0.00
7. Sites & Other Lands	0.00	0.00	0.00	0.00	0.00
8. WV DOH Fees/Permits	19,555.00	0.00	19,555.00	0.00	0.00
9. Project Contingency	0.00	0.00	0.00	0.00	0.00
10. Total of Lines 1 through 9	707,430.00	390,000.00	143,500.00	123,930.00	50,000.00
B. Cost of Financing					
11. Registrar Fees	500.00	0.00	500.00	0.00	0.00
12. Bond Counsel (S&J)	16,000.00	0.00	16,000.00	0.00	0.00
13. Cost of Financing	16,500.00	0.00	16,500.00	0.00	0.00
14. TOTAL PROJECT COST	723,930.00	390,000.00	160,000.00	123,930.00	50,000.00
C. Sources of Funds					
15. Local Grants	50,000.00	0.00	0.00	0.00	50,000.00
16. State Grants (IJDC)	123,930.00	0.00	0.00	123,930.00	0.00
17. Federal Grants (ARC)	390,000.00	390,000.00	0.00	0.00	0.00
18. TOTAL GRANTS	563,930.00	390,000.00	0.00	123,930.00	50,000.00
19. Size of Bond Issue	160,000.00	0.00	160,000.00	0.00	0.00

Note 1: IJDC grant committed at \$150,000 - reduced after bids received



GILMER COUNTY PSD



 THRASHER GROUP

9-20-16

DATE

9/22/16

 DATE



Bennett & Dobbins PLLC

CERTIFIED PUBLIC ACCOUNTANTS

317 Cleveland Avenue
Fairmont, WV 26554-1604
Telephone: (304) 366-4295 Fax: (304) 366-4311

ZACHARY D. DOBBINS, CPA
PHILLIP J. NUCE, CPA

October 6, 2016

Gilmer County Public Service District
Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

Gilmer County Public Service District
Glennville, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure & Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the Recommended Decision of the Public Service Commission of West Virginia April 12, 2013 which became a Final Order on April 27, 2013 per Commission Order Waiving the Exception Period in Case No. 12-1380-PWD-CN-PC, and the current operation and maintenance expenses and customer usage as furnished to us by Gilmer County Public Service District (the "Issuer"), it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system (the "System") of the Issuer, will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Issuer's Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated October 6, 2016, issued in the principal amount of \$160,000 (the "Series 2016 A Bonds"), and all other obligations secured by a lien on or payable from the revenues of the System, on a parity with the Bonds, including the Issuer's:

- (1) Water Revenue Bonds, Series 1994 (United States Department of Agriculture), dated August 18, 1994, issued in the original aggregate principal amount of \$550,000 (the "Series 1994 Bonds");

(2) Water Revenue Bonds, Series 2000 (United States Department of Agriculture), dated February 25, 2000, issued in the original aggregate principal amount of \$200,000 (the "Series 2000 Bonds");

(3) Water Revenue Bonds, Series 2005 A Bonds (West Virginia Infrastructure Fund), dated April 19, 2005, issued in the original aggregate principal amount of \$1,470,000 (the "Series 2005 A Bonds");

(4) Water Revenue Bonds, Series 2005 B Bonds (West Virginia DWTRF Program), dated April 19, 2005, issued in the original aggregate principal amount of \$1,639,000 (the "Series 2005 B Bonds");

(5) Water Revenue Bonds, Series 2008 A Bonds (West Virginia Infrastructure Fund), dated April 16, 2008, issued in the original aggregate principal amount of \$1,325,000 (the "Series 2005 A Bonds"); and

(6) Water Revenue Bonds, Series 2013 A Bonds (West Virginia DWTRF Program), dated May 24, 2013, issued in the original aggregate principal amount of \$1,725,000 (the "Series 2013 A Bonds"); (collectively, the "Prior Bonds").

It is further our opinion that (i) the Net Revenues for the Fiscal Year following the year in which the Series 2016 A Bonds are issued will be at least 120% of the average annual debt service on the Prior Bonds and the Series 2016 A Bonds and that (ii) the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Series 2016 A Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by the Series 2016 A Bonds, are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for the principal of and interest, if any, on the Prior Bonds and the Series 2016 A Bonds.

Very truly yours,

Bennett & Dobbins PLLC

Bennett & Dobbins PLLC

GILMER COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Chairman of the Public Service Board of Gilmer County Public Service District in Gilmer County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of \$160,000 Water Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer, dated October 6, 2016 (the "Bonds"), hereby certify this 6th day of October, 2016 as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Resolution duly adopted by the Issuer on September 20, 2016 and the Supplemental Resolution duly adopted September 20, 2016 (collectively, the "Bond Legislation"), authorizing the Bonds.

2. This certificate may be relied upon as the certificate of the Issuer.

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on October 6, 2016, the date on which the Bonds are being physically delivered in exchange for an initial advance of the principal amount of the Series 2016 A Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Resolution pursuant to which the Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority") or the West Virginia Infrastructure and Jobs Development Council (the "Council"), as the case may be, from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2016 A Bonds were sold on October 6, 2016, to the Authority, pursuant to a loan agreement dated October 6, 2016, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of \$160,000 (100% of par), at which time, the Issuer received \$58,264.32 from the Authority and the Council, being the first advance of the principal amount of the Series 2016 A Bonds. No accrued interest has been or will be paid on the Series 2016 A Bonds. The balance of the principal amount of the Series 2016 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2016 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion. All of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of Costs of the Project on or before August 1, 2017. The acquisition and construction of the Project is expected to be completed by February 1, 2017.

8. The total Cost of the Project is estimated at \$723,930. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2016 A Bonds	\$160,000
ARC Grant	\$390,000
Calhoun-Gilmer Career Center Grant	\$50,000
Infrastructure Fund Grant	<u>\$123,930</u>
Total Sources	<u>\$723,930</u>

USES

Costs of Acquisition and Construction of the Project	\$707,430
Costs of Issuance	<u>\$16,500</u>
Total Uses	<u>\$723,930</u>

9. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued relative to the Series 2016 A Bonds:

- (1) Revenue Fund (established by Prior Resolutions);
- (2) Renewal and Replacement (established by Prior Resolutions);
- (3) Series 2016 A Bonds Construction Trust Fund;
- (4) Series 2016 A Bonds Sinking Fund; and
- (5) Series 2016 A Bonds Reserve Account.

10. Pursuant to Article VI of the Bond Resolution, the proceeds of the Bonds will be deposited as follows:

(1) Series 2016 A Bond proceeds in the amount of \$-0- will be deposited in the Series 2016 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2016 A Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(2) Series 2016 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2016 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2016 A Bonds will be deposited in the Series 2016 A Bonds Construction Trust Fund as received from time to time and applied solely to payment of Costs of the Project, including costs of issuance of the Series 2016 A Bonds and related costs.

11. Monies held in the Series 2016 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2016 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2016 A Bonds Sinking Fund and Series 2016 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2016 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

12. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 4 months of the date hereof.

13. With the exception of the amount deposited in the Series 2016 A Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 2016 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 10 months from the date of issuance thereof.

14. The Issuer does not expect to sell or otherwise dispose of the Project in whole or in part prior to the last maturity date of the Bonds.

15. The amount designated as costs of issuance of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds.

16. All property financed with the proceeds of the Bonds will be owned and held by (or on behalf of) a qualified governmental unit.

17. No proceeds of the Bonds will be used, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit.

18. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue.

19. The Issuer shall use the Bond proceeds solely for the Costs of the Project, and the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

20. The Bonds are not federally guaranteed.

21. The Issuer has retained the right to amend the Bond Resolution authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain public purpose bonds.

22. The Issuer has either (a) funded the Series 2016 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due, on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2016 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2016 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Monies in the Series 2016 A Bonds Reserve Account and the Series 2016 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to pay Costs of the Project.

23. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Series 2016 A Bonds, (b) are to be sold pursuant to a common plan of financing together with the 2016 A Bonds and (c) will be paid out of substantially the same sources of funds or will have substantially the same claim to be paid out of substantially the same sources of funds as the Bonds.

24. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

25. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

26. To the best of my knowledge, information and belief, the foregoing expectations are reasonable.

[Remainder of Page Intentionally Blank]

WITNESS my signature on the day and year first written above.

GILMER COUNTY PUBLIC SERVICE DISTRICT

By: William Stalnaker
Its: Chairman

329470.00005