

MASON COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2024 A
(United States Department of Agriculture)

BOND RESOLUTION

Table of Contents

ARTICLE I
STATUTORY AUTHORITY, FINDINGS
AND DEFINITIONS

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

ARTICLE II
AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF
THE PROJECT AND PAYMENT OF THE PRIOR NOTES

Section 2.01	Authorization of Acquisition and Construction of the Project
Section 2.02	Authorization of Payment of the Prior Notes

ARTICLE III
AUTHORIZATION, TERMS, EXECUTION,
REGISTRATION AND ISSUE OF BONDS

Section 3.01	Authorization of Bonds
Section 3.02	Description of Bonds
Section 3.03	Negotiability, Registration, Transfer and Exchange of Bonds
Section 3.04	Bond Registrar
Section 3.05	Execution of Bonds
Section 3.06	Bonds Mutilated, Destroyed, Stolen or Lost
Section 3.07	Bonds Secured by Pledge of Net Revenues
Section 3.08	Form of Bond
	FORM OF BOND

ARTICLE IV
SYSTEM REVENUES AND APPLICATION THEREOF;
DISPOSITION OF BOND PROCEEDS; FUNDS AND ACCOUNTS

- Section 4.01 Establishment of Funds and Accounts with Depository Bank; Commission
- Section 4.02 Bond Proceeds; Project Construction Account
- Section 4.03 Covenants of the Issuer as to System Revenues and Funds

ARTICLE V
GENERAL COVENANTS, ETC.

- Section 5.01 General Statement
- Section 5.02 Rates
- Section 5.03 Sale of the System
- Section 5.04 Issuance of Additional Parity Bonds or Obligations
- Section 5.05 Insurance and Bonds
- Section 5.06 Statutory Mortgage Lien
- Section 5.07 Events of Default
- Section 5.08 Enforcement
- Section 5.09 Fiscal Year; Budget
- Section 5.10 Compensation of Members of Governing Body
- Section 5.11 Covenant to Proceed and Complete
- Section 5.12 Books and Records; Audits
- Section 5.13 Maintenance of System
- Section 5.14 No Competition

ARTICLE VI
RATES, ETC.

- Section 6.01 Initial Schedule of Rates and Charges; Rules

ARTICLE VII
MISCELLANEOUS

- Section 7.01 Payment of Bonds
 - Section 7.02 Modification or Amendment
 - Section 7.03 Delivery of Bonds
 - Section 7.04 Severability of Invalid Provisions
 - Section 7.05 Conflicting Provisions Repealed
 - Section 7.06 Table of Contents and Headings
 - Section 7.07 Covenant of Due Procedure, Etc.
 - Section 7.08 Effective Time
- SIGNATURES
CERTIFICATION

MASON COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION

RESOLUTION AUTHORIZING THE PAYMENT OF THE PRIOR NOTES AND THE CONSTRUCTION OF CERTAIN PUBLIC SERVICE PROPERTIES CONSISTING OF ADDITIONS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING WASTEWATER SYSTEM OF MASON COUNTY PUBLIC SERVICE DISTRICT, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$5,100,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2024 A (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT

BE IT RESOLVED AND ORDERED BY THE PUBLIC SERVICE BOARD OF MASON COUNTY PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the “Act”), and other applicable provisions of law. Mason County Public Service District (the “Issuer”) is a public corporation, public service district and political subdivision of the State of West Virginia in Mason County of said State, duly created pursuant to the Act by The County Commission of Mason County.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

A. The Issuer currently owns and operates a public wastewater system and desires to finance and acquire, construct, operate and maintain certain additional public service properties consisting of additions, improvements and extensions to such existing wastewater facilities with all appurtenant facilities, within the boundaries of the Issuer to be owned and operated by the Issuer.

B. It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer, and, accordingly, it is hereby ordered, that

prior construction to the System be permanently financed, and that there be constructed and designed certain additions, improvements and extensions to the existing wastewater facilities of the Issuer, consisting of extending sewer service along the Sand Hill Road area from the Point Pleasant eastern boundary east to Camp Conley Road including approximately 98,000 LF of combined gravity and pressure sewers, approximately 180 grinder pumps and five lift stations to collect sewage and transmit approximately 61,000 GPD of flow through an approximate 16,000 LF force main to the District's existing Camp Conley wastewater treatment plant, together with all necessary appurtenant facilities (the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Secretary of the Public Service Board (the "Governing Body") of the Issuer. The existing wastewater of the Issuer, together with the Project and any further additions, improvements or extensions thereto, are herein called the "System." The Project and the financing hereby authorized and provided for are public purposes of the Issuer and are ordered for the purpose of meeting and serving public convenience and necessity.

C. The Issuer has heretofore temporarily financed the design and other preliminary costs of the Project by the issuance of the Sewerage System Bond Anticipation Notes, Series 2022 A (The Ohio Valley Bank Company), dated September 2, 2022, issued in the original aggregate principal amount of \$1,150,000 (the "Prior Notes").

D. It is deemed necessary and desirable for the Issuer to pay the Prior Notes.

E. The estimated revenues to be derived in each year from the operation of the System after completion of the Project will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Bonds (hereinafter defined) and all funds and accounts and other payments provided for herein.

F. The Issuer intends to permanently finance a portion of the costs of the Project through the issuance of its Sewer Revenue Bonds, Series 2024 A (United States Department of Agriculture), in the aggregate principal amount of \$5,100,000 (the "Series 2024 A Bonds"), to pay the Prior Notes, permanently finance a portion of the cost of such construction in the manner herein provided, and pay the costs of issuances thereof. The cost of such acquisition and construction shall be deemed to include, without being limited to, the acquisition and construction of the Project; the cost of all property rights, easements and franchises deemed necessary or convenient therefor and for the improvements and extensions thereto; interest on the Series 2024 A Bonds; engineering, fiscal agents and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and other expenses necessary or incident to determining the feasibility or practicability of the Project, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized; provided, that reimbursement to the Issuer for any amounts expended by it for the repayment of indebtedness incurred for costs of the Project by the Issuer shall be deemed costs of the Project.

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

H. Upon payment of the Prior Notes, there are outstanding obligations of the Issuer which will rank on a parity with the Series 2024 A Bonds as to liens, pledge and source of and security for payment being the Issuer's:

(1) Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated October 28, 2008, issued in the original aggregate principal amount of \$500,000 (the "Series 2008 A Bonds"); and

(2) Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated November 1, 2012, issued in the original aggregate principal amount of \$4,600,000 (the "Series 2012 A Bonds") (collectively, the "Prior Bonds").

Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which rank prior to or on a parity with the Series 2024 A Bonds as to liens, pledge and/or source of and security for payment.

The Issuer is not in default under the terms of the Prior Bonds, or the resolutions authorizing issuance of the Prior Bonds or any document in connection therewith, and has complied with all requirements of all the foregoing with respect to the issuance of parity bonds or has obtained a sufficient and valid consent or waiver thereof.

Prior to the issuance of the Series 2024 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consents of the Holders of the Prior Bonds to the issuance of the Series 2024 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

I. It is in the best interest of the Issuer that the Series 2024 A Bonds be sold to the Purchaser, pursuant to the terms and provisions of the Letters of Conditions, dated August 25, 2022, and all amendments thereto, if any (collectively, the "Letter of Conditions").

J. The Issuer has complied with all requirements of law relating to the authorization of 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 Series 2024 A Bonds, or will have so complied prior to issuance of the Series 2024 A Bonds, including, among other things and without limitation, obtaining a certificate of public convenience and necessity and approval of the financing and necessary user rates and charges from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired or shall have been duly waived or otherwise provided for.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2024 A Bonds by those who shall be the Registered Owner of the same from time to time, this Resolution (the "Bond Legislation") shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owner, and the covenants and agreements set forth

herein to be performed by the Issuer shall be for the benefit, protection and security of the Registered Owner of the Series 2024 A Bonds.

Section 1.04. Definitions. In addition to capitalized terms defined elsewhere herein, the following terms shall have the following meanings herein unless the text otherwise expressly requires:

“Act” means Chapter 16, Article 13A of the West Virginia Code of 1931, as amended.

“Bond Legislation” means this Resolution and all resolutions supplemental hereto and amendatory hereof.

“Bond Registrar” means the Issuer, which shall usually so act by its Secretary.

“Bonds” means, collectively, the Series 2024 A Bonds and the Prior Bonds.

“Cash Working Capital Reserve” means the cash working capital reserve required by Chapter 24, Article 1, Section 1(k) of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

“Chairman” means the Chairman of the Governing Body.

“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 Engineer” means The Thrasher Group, Inc., Charleston, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

“Costs” or “Costs of the Project” means those costs described in Section 1.02 (E) hereof.

“Depository Bank” means The Ohio Valley Bank, Gallipolis, Ohio, a bank or trust company which is a member of FDIC (herein defined), and its successors and assigns.

“Facilities” or “wastewater facilities” means all the tangible properties of the System and also any tangible properties which may hereafter be added to the System by additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

“FDIC” means the Federal Deposit Insurance Corporation.

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

“Governing Body” means the Public Service Board of the Issuer.

“Government Obligations” means direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America.

“Grants” means, collectively, all grants committed for the Project.

“Herein” or “herein” means in this Bond Legislation.

“Issuer,” “Borrower” or “District” means Mason County Public Service District, a public service district, a public corporation and a political subdivision of the State of West Virginia, in Mason County, West Virginia, and includes the Governing Body.

“Letter of Conditions” means, collectively, the Letter of Conditions of the Purchaser dated August 25, 2022, and all amendments thereto, if any.

“Minimum Reserve” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2024 A Bonds in the then current or any succeeding year.

“Net Revenues” means the balance of the Gross Revenues, as defined below, remaining after deduction of Operating Expenses, as defined below.

“Operating Expenses” means the current expenses, paid or accrued, of operation and maintenance of the Project and the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the Project and the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting principles and retention of a sum not to exceed one-sixth of the budgeted Operating Expenses stated above for the current year as working capital, and language herein requiring payment of Operating Expenses means also retention of not to exceed such sum as working capital; provided, that all monthly amortization payments upon the Bonds and into all funds and accounts have been made to the last monthly payment date prior to the date of such retention.

“Prior Bonds” means, collectively, the Series 2008 A Bonds and Series 2012 A Bonds.

“Prior Notes” means the Issuer’s Sewerage System Bond Anticipation Notes, Series 2022 A (The Ohio Valley Bank Company), dated September 2, 2022, issued in the original aggregate principal amount of \$1,150,000.

“Prior Notes Resolution” means the resolutions authorizing the Prior Notes.

“Prior Resolutions” means, collectively, the resolutions of the Issuer, respectively, adopted authorizing the issuance of the Prior Bonds.

“Project” shall have the meaning stated in Section 1.02B above.

“Purchaser” or “Government” means United States Department of Agriculture, Rural Utilities Service, and any successor thereof, acting for and on behalf of the United States of America.

“Qualified Investments” means and includes any investment permitted to be made by a municipality, public service district or public corporation of the State pursuant to State Law, specifically including but not limited to Chapter 8, Article 13, Section 22 of the Code of West Virginia and the West Virginia “consolidated fund” managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia.

“Registered Owners,” “Bondholders,” “Holders of the Bonds” or any similar term means any person who shall be the registered owner of the Bonds.

“Resolutions” means, collectively, the Prior Resolutions and the Bond Legislation.

“Revenues” or “Gross Revenues” means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

“Secretary” means the Secretary of the Governing Body.

“Series 2008 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated October 28, 2008, issued in the original aggregate principal amount of \$500,000.

“Series 2012 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated November 1, 2012, issued in the original aggregate principal amount of \$4,600,000.

“Series 2024 A Bonds” means the Sewer Revenue Bonds, Series 2024 A (United States Department of Agriculture), authorized hereby to be issued pursuant to this Bond Legislation.

“Series 2024 A Bonds Reserve Requirement” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2024 A Bonds in the then current or any succeeding year.

“System” means the complete public wastewater system of the Issuer, presently existing in its entirety or any integral part thereof, and shall include the Project and any improvements and extensions thereto hereafter acquired or constructed for the System from any sources whatsoever.

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

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 neuter gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Chairman or the Secretary shall mean that such Bonds, certificate or other document may be executed or attested by an Acting Chairman or Acting Secretary.

ARTICLE II
AUTHORIZATION OF ACQUISITION AND
CONSTRUCTION OF THE PROJECT AND PAYMENT
OF THE PRIOR NOTES

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the payment of the Prior Notes and the acquisition and construction of the Project, at an estimated cost of \$21,644,715, 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 project is estimated to cost \$21,644,715 of which \$5,100,000 will be obtained from the proceeds of sale of the Series 2024 A Bonds, herein authorized; \$3,664,000 will be obtained from a grant from the Purchaser; \$1,000,000 will be obtained as a West Virginia Infrastructure and Jobs Development Council grant; \$2,000,000 will be obtained from the proceeds of a CWSRF Debt Forgiveness Loan; and \$9,880,715 will be obtained from a WDA Economic Enhancement Grant.

Section 2.02. Authorization of Payment of Prior Notes. The Prior Notes outstanding as of the date of issuance of the Series 2024 Bonds are hereby ordered to be paid in full, and the pledge of assets, if any, in favor of the Holders of the Prior Notes, and the monies in the funds and accounts created by the Prior Notes pledged to payment of the Prior Notes, if any, and any other funds pledged to pay of the Prior Notes, if any, are hereby ordered terminated, discharged and released upon the payment to the Holder of the Prior Notes from the proceeds of the Series 2024 Bonds and from other monies available therefor, of the following: an amount equal to the fiscal and paying agent charges to become due and payable in connection with the Prior Notes and an amount which will provide for the payment of the entire outstanding principal of and all accrued interest on the Prior Notes, plus the premium, if any, on the Closing Date.

ARTICLE III
AUTHORIZATION, TERMS, EXECUTION,
REGISTRATION AND ISSUE OF BONDS

Section 3.01. Authorization of Bonds. Subject and pursuant to the provisions of the Bond Legislation, the Series 2024 A Bonds of the Issuer, to be known as “Sewer Revenue Bonds, Series 2024 A” (United States Department of Agriculture), are hereby authorized to be issued in the aggregate principal amount of \$5,100,000, for the purpose of financing a portion of the cost of the construction and design of the Project.

Section 3.02. Description of Bonds. The Series 2024 A Bonds shall be issued in single form, numbered AR-1, only as a fully registered Bond, and shall be dated the date of delivery thereof. The Series 2024 A Bonds shall bear interest from the date of delivery, payable monthly at the rate of 2% per annum, and shall be sold for the par value thereof. The said principal and interest shall be paid in the following installments on the following dates: Annual installments of interest only, on December 5, 2025, and December 5, 2026 (the first 24 months after the date hereof), and thereafter monthly installments of \$16,014, covering principal and interest, beginning January 5, 2027, to and including December 5, 2064 (40 years from the date of this Bond).

The Series 2024 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall be payable as provided in the respective Bond forms hereinafter set forth.

Section 3.03. Negotiability, Registration, Transfer and Exchange of Bonds. The Series 2024 A Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but the Series 2024 A Bonds, and the right to principal of and stated interest on the Series 2024 A Bonds, may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 3.04 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in writing, upon surrender of the Series 2024 A Bonds for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Bond Registrar.

Whenever the Series 2024 A Bonds shall be surrendered for registration of transfer, the Issuer shall execute and deliver a new Bond or Bonds in authorized denominations, for a like aggregate principal amount. The Bond Registrar shall require the payment by the new owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, but the Issuer shall pay any other expenses incurred by the Bond Registrar with respect to such transfer.

No registration of transfer of the Series 2024 A Bonds shall be permitted to be made after the 15th day next preceding any installment payment date on the Series 2024 A Bonds.

Section 3.04. Bond Registrar. The Issuer shall be the Bond Registrar and will keep, or cause to be kept by its agent, at its office, sufficient books for the registration and transfer of the Series 2024 A Bonds, and, upon presentation for such purpose, the Bond Registrar shall, under such

reasonable regulations as it may prescribe, register the Series 2024 A Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Series 2024 A Bonds as hereinbefore provided.

The Bond Registrar shall accept the Series 2024 A Bonds for registration or transfer only if ownership thereof is to be registered in the name of the Purchaser, an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or the social security numbers of the settlor and beneficiaries of each trust and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law. The Series 2024 A Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America. So long as the Series 2024 A Bonds shall be registered in the name of the United States of America, the address of the United States of America for registration purposes shall be National Finance Office, St. Louis, Missouri 63103, or such other address as shall be stated in writing to the Issuer by the United States of America.

Section 3.05. Execution of Bonds. The Series 2024 A Bonds shall be executed in the name of the Issuer by the Chairman and its corporate seal shall be affixed thereto and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2024 A Bonds shall cease to be such officer of the Issuer before the Series 2024 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. The Series 2024 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 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Series 2024 A Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bonds or in lieu of and substitution for the Bonds destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The Series 2024 A Bonds so surrendered shall be canceled and held for the account of the Issuer. If the Series 2024 A Bonds shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the same, and, if such Bond be destroyed, stolen or lost, without surrender thereof.

Section 3.07. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2024 A Bonds shall be secured forthwith by a first lien on the Net Revenues derived from the System, on a parity with the Prior Bonds. The Net Revenues derived from the System in an amount sufficient to pay the principal of and interest on the Series 2024 A Bonds and the Prior Bonds, and to make the payments as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Series 2024 A Bonds and the Prior Bonds as the same become due.

Section 3.08. Form of Bond. Subject to the provisions hereof, the text of the Series 2024 A Bonds and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or by any resolution adopted after the date of adoption hereof and prior to the issuance thereof:

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(FORM OF BOND)

UNITED STATES OF AMERICA
MASON COUNTY PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2024 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

\$ _____

No. AR-1

Date: _____

FOR VALUE RECEIVED, MASON COUNTY PUBLIC SERVICE DISTRICT (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of _____ (\$ _____), plus interest on the unpaid principal balance at the rate of _____% per annum. The said principal and interest shall be paid in the following installments on the following dates: Annual installments of interest only, on _____, 20__ and _____, 20__ (the first 24 months after the date hereof), and thereafter monthly installments of \$ _____, covering principal and interest, beginning _____, 20__, to and including _____, 20__ (40 years from the date of this Bond). The final payment shall be on _____, 20__ equal to the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of additions, extensions and improvements to the wastewater system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Borrower, as Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Resolutions and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions 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, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond is issued to (i) pay the Sewerage System Bond Anticipation Notes, Series 2022 A (The Ohio Valley Bank Company), dated September 2, 2022, issued in the original aggregate principal amount of \$1,150,000 (the "Prior Notes"); (ii) pay the pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the public sewerage

system of the Issuer (the "Project"); and (iii) pay certain costs of issuance hereof and related costs. The existing public sewerage system of the Issuer, the Project, and any further extensions, additions, betterments or improvements thereto are herein called the "System." This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 16, Article 13A of the West Virginia Code, as amended (the "Act"), and a Resolution of the Borrower duly adopted _____, 2024, authorizing issuance of this Bond (the "Resolution").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act of 1965, as amended. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

THIS BOND IS ISSUED ON A PARITY, AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, WITH THE BORROWER'S:

(1) SEWER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED OCTOBER 28, 2008, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2008 A BONDS"); AND

(2) SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 1, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,600,000 (THE "SERIES 2012 A BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

In accordance with the requirements of the United States Department of Agriculture, the Bonds will be in default should any proceeds of the Bonds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity.

IN WITNESS WHEREOF, MASON COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be executed by its Chairman and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Secretary, all as of the date hereinabove written.

MASON COUNTY PUBLIC SERVICE DISTRICT

[CORPORATE SEAL]

Chairman

ATTEST:

Secretary

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(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 \$ _____

(Form of Assignment)

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:

ARTICLE IV
**SYSTEM REVENUES AND APPLICATION THEREOF;
DISPOSITION OF BOND PROCEEDS; FUNDS AND ACCOUNTS**

Section 4.01. A. Establishment of Funds and Accounts with Depository Bank.

The following special funds or accounts are created (or continued if established by Prior Resolutions) with and shall be held by the Depository Bank, separate and apart from all other funds or accounts of the Depository Bank and from each other:

- (1) Revenue Fund (established by Prior Resolutions and continued hereby);
- (2) Renewal and Replacement Fund (established by Prior Resolutions and continued hereby);
- (3) Cash Working Capital Reserve; and
- (4) Series 2024 A Bonds Project Construction Account.

B. Establishment of Funds and Accounts with Commission. The following special funds or accounts are created (or continued if 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 from each other:

- (1) Series 2008 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
- (2) Series 2008 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
- (3) Series 2012 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
- (4) Series 2012 A Bonds Reserve Account (established by Prior Resolutions and continued hereby); and
- (5) Series 2024 A Bonds Reserve Account.

Section 4.02. Bond Proceeds; Project Construction Account. The proceeds of the sale of the Series 2024 A Bonds shall be deposited upon receipt by the Issuer in the Series 2024 A Bonds Project Construction Account. The monies in the Series 2024 A Bonds Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Monies in the Series 2024 A Bonds Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Monies in the Series 2024 A Bonds Project Construction Account shall be used solely to pay the cost of acquisition and construction of the Project upon vouchers and other documentation approved by the Purchaser.

Until completion of acquisition and construction of the Project, the Issuer will additionally transfer from the Series 2024 A Bonds Project Construction Account and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installments on the Series 2024 A Bonds if there are not sufficient Net Revenues to make such monthly payment.

Pending application as provided in this Section 4.02, money and funds in the Series 2024 A Bonds Project Construction Account shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When acquisition and construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Series 2024 A Bonds Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

Section 4.03. Covenants of the Issuer as to System Revenues and Funds. So long as any of the Series 2024 A Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 2024 A Bonds Reserve Account, a sum sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the Series 2024 A Bonds remaining unpaid, together with interest accrued and to accrue thereon, the Issuer further covenants with the Holders of the Series 2024 A Bonds as follows:

A. REVENUE FUND. The entire Gross Revenues derived from the operation of the System, and all parts thereof, and all Tap Fees received, shall be deposited as collected by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in the Resolutions 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 provided in the Resolutions.

B. DISPOSITION OF REVENUES. All Revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority, subject to the provisions of the Prior Resolutions not otherwise modified herein:

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

(2) The Issuer shall next, each month, on or before the due date thereof, transfer from the Revenue Fund and remit to the National Finance Office, commencing 24 months following the date of delivery of the Series 2024 A Bonds, the amount required to pay interest on the Series 2024 A Bonds.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously, on or before the due date thereof, remit (i) to the Commission the amount required by Prior Resolutions to pay the principal of the Prior Bonds; and (ii) remit to the National Finance Office, commencing 24 months following the date of delivery of the Series 2024 A Bonds, the amount required to amortize the principal of the Series 2024 A Bonds.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by the Prior Resolutions to be deposited in the respective Reserve Accounts for the Prior Bonds; and (ii) beginning on the date specified by the Purchaser, but in any event not later than the 24th monthly anniversary of the Closing Date, and continuing on each monthly anniversary of the Closing Date thereafter, transfer from the Revenue Fund, for deposit in the Series 2024 A Bonds Reserve Account, an amount equal to 10% of the monthly payment amount, until the amount in the Series 2024 A Bonds Reserve Account equals the Series 2024 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2024 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 2024 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, an amount 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. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Accounts (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.

(6) The Issuer shall next, each month, transfer from the monies remaining in the Revenue Fund the amount required, if any, to fund or maintain the Cash Working Capital Reserve at the required level. All funds in the Cash Working Capital Reserve shall be kept separate and apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in Qualified Investments. Withdrawals

and disbursements may be made from the Cash Working Capital Reserve for such purposes as permitted by the laws and regulations of the State in effect at such time. The Cash Working Capital Reserve is not pledged to the payment of the principal of, or interest on, the Bonds or any Prior Bonds of the Issuer.

Whenever the money in the Series 2024 A Bonds Reserve Account shall be sufficient to prepay the Series 2024 A Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Series 2024 A Bonds at the earliest practical date and in accordance with applicable provisions hereof.

The Commission is hereby designated as the Fiscal Agent for the administration of the Series 2024 A Bonds Reserve Account. All amounts required for the Series 2024 A Bonds Reserve Account will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein, together with written advice stating the amount remitted for deposit into each such fund.

The Revenue Fund shall constitute a Trust Fund and shall be used only for the purposes and in the order provided herein, and until so used, the Purchaser shall have a lien thereon for further securing payment of the Series 2024 A Bonds and the interest thereon, on a parity with the lien of the Prior Bonds.

The Series 2024 A Bonds Reserve Account shall constitute a trust fund and shall be used only for the purposes and in the order provided herein, and until so used, the Purchaser shall have a lien thereon for further securing payment of the Series 2024 A Bonds and the interest thereon.

If on any payment date the Revenues are insufficient to make the payments and transfers as hereinabove provided, the deficiency shall be made up in the subsequent payments and transfers in addition to those which would otherwise be required to be made on the subsequent payment dates.

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 2024 A Bonds and the Prior Bonds, in accordance with the respective principal amounts then Outstanding.

Subject to the Prior Resolutions, the Commission shall keep the monies in the Series 2024 A Bonds Reserve Account invested and reinvested to the fullest extent possible in accordance with applicable law, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof. Investments in any fund or account under this Bond Legislation shall, unless otherwise provided herein or required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia Board of Treasury Investments. 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 interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings from monies in the Series 2024

A Bonds Reserve Account, so long as the Minimum Reserve is on deposit and maintained therein, shall be paid annually by the Commission to the Issuer and deposited in the Revenue Fund.

C. CHANGE OF DEPOSITORY BANK. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank if the Depository Bank should cease for any reason to serve or if the Governing Body determines by resolution that the Depository Bank or its successor should no longer serve as Depository Bank. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser.

D. USER CONTRACTS. The Issuer shall, prior to delivery of the Series 2024 A Bonds, provide evidence that there will be bona fide users upon the System on completion, in full compliance with the requirements and conditions of the Purchaser.

E. CHARGES AND FEES. The Issuer shall remit from the Revenue Fund to the Depository Bank and the Commission such additional sums as shall be necessary to pay the charges and fees of the Depository Bank or the Commission then due.

F. INVESTMENT OF EXCESS BALANCES. The monies in excess of the sum insured by FDIC in any of such funds or 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 of West Virginia.

G. REMITTANCES. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

H. GROSS REVENUES. The Gross Revenues of the System shall only be used for purposes of the System.

ARTICLE V

GENERAL COVENANTS, ETC.

Section 5.01. General Statement. So long as the Series 2024 A Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 2024 A Bonds Reserve Account, sums sufficient to prepay the entire principal of the Series 2024 A Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Holder of the Series 2024 A Bonds.

Section 5.02. Rates. So long as the Prior Bonds are outstanding, the Issuer will maintain rates as required in the Prior Resolutions. The Issuer will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide Revenues in each Fiscal Year sufficient to produce Net Revenues equal to not less than 110% of the annual debt service on the Series 2024 A Bonds and the Prior Bonds and sufficient to make the payments required herein into all

funds and accounts and all the necessary expenses of operating and maintaining the System during such Fiscal Year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate Revenues for such purposes.

Section 5.03. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System or any part thereof, except as provided in the Prior Resolutions. The System will not be sold without the prior written consent of the Purchaser so long as the Series 2024 A Bonds are outstanding. Such consent will provide for disposition of the proceeds of any such sale.

Section 5.04. Issuance of Additional Parity Bonds or Obligations. No additional Parity Bonds or obligations payable out of any of the Revenues of the System shall be issued, except with the prior written consent of the Purchaser. No Parity Bonds shall be issued after issuance of the Series 2024 A Bonds unless the provisions contained in the Prior Resolutions with respect to the issuance of Parity Bonds have been satisfied.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2024 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 Series 2024 A 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 Series 2024 A Bonds, representing 75% of the then-outstanding principal indebtedness. In the event the foregoing limitation is waived or when the Series 2024 A Bonds are no longer outstanding, the following parity requirement shall be met:

So long as the Prior 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, 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 2024 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 2024 A Bonds.

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 5.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Series 2024 A Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System and mechanical and electrical equipment in place or stored on the site in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(b) PUBLIC LIABILITY INSURANCE, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured not later than the date of delivery of the Series 2024 A Bonds.

(c) VEHICULAR PUBLIC LIABILITY INSURANCE, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(d) **WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF THE DISTRICT ELIGIBLE THEREFOR AND PERFORMANCE AND PAYMENT BONDS**, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds have been or will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(e) **FLOOD INSURANCE** to be procured, to the extent available at reasonable cost to the Issuer; however, if the System is located in a community which has been notified as having special flood or mudslide prone areas, flood insurance must be obtained.

(f) **FIDELITY BONDS** will be provided as to every member of the Governing Body and as to every officer and employee thereof having custody of the Revenue Fund or of any revenues or other funds of the Issuer in such amount as may be requested by the Purchaser from time to time.

(g) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Series 2024 A Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Purchaser may specify, with insurance carriers or bonding companies acceptable to the Purchaser.

Section 5.06. Statutory Mortgage Lien. For the further protection of the Holder of the Series 2024 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, on a parity with the Prior Bonds, which statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take effect immediately upon the delivery of the Series 2024 A Bonds.

Section 5.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

- (a) Failure to make payment of any monthly amortization installment upon the Series 2024 A Bonds at the date specified for payment thereof;
- (b) Failure to duly and punctually observe or perform any of the covenants, conditions and agreements on the part of the Issuer

contained in the Series 2024 A Bonds or herein, or violation of or failure to observe any provision of any pertinent law; and

- (c) If a default occurs with respect to the Prior Bonds or the Prior Resolutions.

Section 5.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the Purchaser may proceed to protect and enforce its rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by the Purchaser, such court may, upon proof of such default, appoint a receiver for the affairs of the Issuer and the System. The receiver so appointed shall administer the System on behalf of the Issuer, shall exercise all the rights and powers of the Issuer with respect to the System, shall proceed under the direction of the court to obtain authorization to increase rates and charges of the System, and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct; provided, that all rights and remedies of the Series 2024 A Bonds shall be on a parity with the Holders of the Prior Bonds.

Section 5.09. Fiscal Year; Budget. While the Series 2024 A Bonds are outstanding and unpaid and to the extent not prohibited by law, the System shall be operated and maintained on a Fiscal Year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than 30 days prior to the beginning of each Fiscal Year, the Issuer agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such Fiscal Year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Purchaser by the beginning of each Fiscal Year.

If for any reason the Issuer shall not have adopted the Annual Budget before the 1st day of any Fiscal Year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the next year preceding by more than 10%; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Purchaser.

Section 5.10. Compensation of Members of Governing Body. The Issuer hereby covenants and agrees that no compensation for policy direction shall be paid to the members of the Governing Body in excess of the amount permitted by the Act. Payment of any compensation to any such member for policy direction shall not be made if such payment would cause the Net Revenues to fall below the amount required to meet all payments provided for herein, nor when there is default in the performance of or compliance with any covenant or provision hereof.

Section 5.11. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the acquisition and construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer on file with the Secretary on the date of adoption hereof, subject to permitted changes.

Section 5.12. Books and Records; Audits. 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 the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser. The Issuer shall further comply with the Act with respect to such books, records and accounts.

Section 5.13. Maintenance of System. The Issuer covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the Series 2024 A Bonds are outstanding.

Section 5.14. No Competition. To the extent legally allowable, the Issuer will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the Issuer or within the territory served by the System.

ARTICLE VI **RATES, ETC.**

Section 6.01. Initial Schedule of Rates and Charges; Rules. A. The initial schedule of rates and charges for the services and facilities of the System, subject to change consonant with the provisions hereof, shall be as set forth in the Resolution adopted by the Issuer on April 26, 2022, and approved by the Mason County Commission on May 26, 2022, and are incorporated herein by reference as a part hereof.

B. There shall not be any discrimination or differential in rates between customers in similar circumstances.

C. All delinquent fees, rates and charges for services or facilities of the System shall be liens on the premises served of equal degree, rank and priority with the lien on such premises of state, county, school and municipal taxes, as provided in the Act. The Issuer shall have all remedies and powers provided under the Act and other applicable provisions of law with regard to the collection and enforcement of such fees, rates and charges.

D. The Issuer will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the Issuer or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other Revenues of the System.

E. The Issuer may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

F. The Issuer, to the extent permitted by law, will not accept payment of any water bill from a customer served with water and sewer services by the Issuer without payment at the same time of a sewer bill owed by such customer for the same premises.

ARTICLE VII **MISCELLANEOUS**

Section 7.01. Payment of Bonds If the Issuer shall pay or there shall otherwise be paid, to the Holder of the Series 2024 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 2024 A Bonds, 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 Owner of the Series 2024 A Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied.

Except through such direct payment to the Holder of the Series 2024 A Bonds, the Issuer may not defease the Series 2024 A Bonds or otherwise provide for payment thereof by escrow or like manner.

Section 7.02. Modification or Amendment. The Bond Legislation may not be modified or amended after final passage without the prior written consent of the Purchaser.

Section 7.03. Delivery of Bonds. The Chairman, Secretary and Treasurer of the Governing Body are hereby authorized and directed to cause the Series 2024 A Bonds, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

Section 7.04. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall

be deemed severable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Series 2024 A Bonds.

Section 7.05. Conflicting Provisions Repealed. The Prior Resolutions and all parts thereof not expressly hereby changed shall continue in full force and effect and this Bond Legislation shall be supplemental to the Prior Resolutions.

All resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided, that this Section shall not be applicable to the Loan Resolution (Form FmHA 442-47) or the Prior Resolutions.

Section 7.06. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 7.07. 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]

Section 7.08. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted this 14th day of November, 2024.

MASON COUNTY PUBLIC SERVICE DISTRICT

By: 
Its: Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of
MASON COUNTY PUBLIC SERVICE DISTRICT on the 14th day of November, 2024.

Dated: December 5, 2024.

[SEAL]



Secretary

Mason County Public Service District
Sewer Revenue Bonds, Series 2024 A
(United States Department of Agriculture)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2024 A (UNITED STATES DEPARTMENT OF AGRICULTURE); AUTHORIZING AND APPROVING THE SALE OF THE SERIES 2024 A BONDS TO THE UNITED STATES DEPARTMENT OF AGRICULTURE; DESIGNATING A DEPOSITORY BANK; APPROVING CONTRACTS FOR THE PROJECT; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the “Governing Body”) of Mason County Public Service District (the “Issuer”) has duly and officially adopted a bond resolution on November 14, 2024 (the “Bond Resolution” or the “Resolution”), entitled:

RESOLUTION AUTHORIZING THE PAYMENT OF THE PRIOR NOTES AND THE CONSTRUCTION OF CERTAIN PUBLIC SERVICE PROPERTIES CONSISTING OF ADDITIONS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING WASTEWATER SYSTEM OF MASON COUNTY PUBLIC SERVICE DISTRICT, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$5,100,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2024 A (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT.

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 Sewer Revenue Bonds, Series 2024 A (United States Department of Agriculture), in the aggregate principal amount not to exceed \$5,100,000 (the "Series 2024 A Bonds"), all in accordance with Chapter 16, Article 13A, Chapter 31, Article 15A and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act");

WHEREAS, the Series 2024 A Bonds are proposed to be purchased by the United States Department of Agriculture, Rural Utilities Service, acting for and on behalf of the United States of America (the "Purchaser") pursuant to a Letter of Conditions and all amendments; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the exact principal amounts, the dates, the maturity dates, the redemption provisions, the interest rates, the interest and principal payment dates, the sale prices and other terms of the Series 2024 A Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2024 A Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF MASON 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 following bonds of the Issuer

A. Sewer Revenue Bonds, Series 2024 A (United States Department of Agriculture), of the Issuer, originally represented by a single bond, numbered AR-1 in the principal amount of \$5,100,000. The Series 2024 A Bonds shall be dated the date of delivery thereof, shall bear interest at the rate of 2% per annum, with interest only payable in annual installments on December 5, 2025 and December 5, 2026 and, thereafter, monthly installments of \$16,014, covering principal and interest, beginning January 5, 2027 to and including December 5, 2064 (40 years from the date of the Series 2024 A Bonds). Prepayments may be made as hereinafter provided and as provided in the Series 2024 A Bonds, all such payments to be made at the National Finance Office, St. Louis, Missouri 63103, or at such other place as the Purchaser may designate after issuance of the Series 2024 A Bonds. Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Issuer.

Section 2. All other provisions relating to the Series 2024 A Bonds and the text of the Series 2024 A Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve and accept the Letter of Conditions, and all amendments thereto, and the performance of the obligations contained

therein, on behalf of the Issuer, are hereby authorized, directed and approved. The price of the Series 2024 A Bonds shall be 100% of par value, there being no interest accrued thereon; provided, that the proceeds of the Series 2024 A Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Ohio Valley Bank, Gallipolis, Ohio, to serve as Depository Bank under the Bond Resolution.

Section 5. A. Series 2024 A Bonds proceeds in the amount of \$1,164,737.51 will be used to payoff the Sewerage System Bond Anticipation Notes, Series 2022 A (The Ohio Valley Bank Company), dated September 2, 2022, issued in the original aggregate principal amount of \$1,150,000 (the “Prior Notes”).

B. Series 2024 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2024 A Bonds Reserve Account.

C. The balance of the Series 2024 A Bonds shall be deposited in or credited to the Series 2024 A Bonds Construction Trust Fund as received from the Purchaser from time to time for payment of Costs of the Project, including, without limitation, costs of issuance of the Series 2024 A Bonds and related costs.

Section 6. 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 Series 2024 A Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Series 2024 A Bonds may be delivered on or about December 5, 2024 to the Purchaser pursuant to the Letter of Conditions.

Section 7. The payment of the Prior Notes and acquisition and construction of the Project and the financing thereof, in part with proceeds of the Series 2024 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 8. The Chairman and Secretary are hereby authorized and directed to execute and deliver any and all USDA forms relating to the USDA loan and grant including but not limited to the Loan Resolution and Grant Resolution.

Section 9. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the West Virginia Water Development Authority Economic Enhancement Grant.

Section 10. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

Section 11. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 14th day of November, 2024.

MASON COUNTY PUBLIC SERVICE DISTRICT

By: 
Its: Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by MASON COUNTY PUBLIC SERVICE DISTRICT on this 14th day of November, 2024.

Dated: December 5, 2024.

[SEAL]



Secretary

MASON COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WASTEWATER FACILITIES OF THE MASON COUNTY PUBLIC SERVICE DISTRICT, AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ACCEPTANCE BY THE DISTRICT OF FUNDING ASSISTANCE, SERIES 2024 IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,000,000 THROUGH THE WEST VIRGINIA SRF PROGRAM; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO ACCEPTANCE OF SUCH FUNDING; APPROVING, RATIFYING AND CONFIRMING THE FUNDING ASSISTANCE AGREEMENT RELATING TO SUCH FUNDING ASSISTANCE, SERIES 2024.

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

WHEREAS, this Resolution (together with any resolution supplemental hereto or amendatory hereof, or both, the “Resolution”) is adopted pursuant to the provisions of Chapter 16, Article 13A, Chapter 22C, Article 2 and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the “Act”), and other applicable provisions of law;

WHEREAS, the Mason County Public Service District (the “Local Government”) is authorized and empowered by the Act to acquire, construct, improve, operate and maintain wastewater project consisting of extending sewer service along the Sand Hill Road area from the Point Pleasant eastern boundary east to Camp Conley Road including approximately 98,000 LF of combined gravity and pressure sewers, approximately 180 grinder pumps and five lift stations to collect sewage and transmit approximately 61,000 GPD of flow through an approximate 16,000 LF force main to the District’s existing Camp Conley wastewater treatment plant, together with all necessary appurtenances (the “Project”) and to finance the costs of the Project from grants or other Funding Assistance, Series 2024 provided for the Project;

WHEREAS, the Local Government has submitted an application for the Project to the West Virginia Department of Environmental Protection (the “DEP”), and the West Virginia Infrastructure and Jobs Development Council (the “Council”);

WHEREAS, in reviewing the application for the Project, the DEP and the West Virginia Water Development Authority (the “Authority”) have determined to offer Funding Assistance, Series 2024 to the Local Government for the Project through a principal forgiveness loan (the “Funding Assistance, Series 2024”) as provided in the Funding Assistance Agreement a copy of which is attached hereto and incorporated herein by reference (the “Funding Assistance Agreement”);

WHEREAS, the Funding Assistance Agreement has been presented to the Local Government;

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

WHEREAS, the Local Government has complied with all terms and requirements set forth in the Funding Assistance Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this Resolution be adopted, that the Funding Assistance Agreement be approved and ratified, that the exact principal amount, date, and other terms of the Funding Assistance, Series 2024 be fixed hereby in the manner stated herein, and that other matters relating to the Funding Assistance, Series 2024 be herein provided for.

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

Section 1. A. There is hereby authorized and ordered the implementation of the Project at an estimated cost not to exceed \$21,644,715 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 Funding Assistance, Series 2024 hereby authorized shall be applied to the costs of the Project.

The cost of the Project is estimated not to exceed \$21,644,715 and will be funded with \$2,000,000 proceeds of the Funding Assistance, Series 2024, \$5,100,000 will be obtained from a USDA Loan; \$3,664,000 will be obtained from a USDA grant; \$1,000,000 will be obtained as a West Virginia Infrastructure and Jobs Development Council grant; and \$9,880,715 will be obtained from a WDA Economic Enhancement Grant.

B. The Local Government will enter into contracts for the acquisition and installation of the Project, in amounts compatible with the financing plan submitted to the Authority and the DEP.

Section 2. The Local Government hereby ratifies, approves and accepts the Funding Assistance Agreement, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Funding Assistance Agreement by the Chairman of the Governing Body and the performance of the obligations contained therein, on behalf of the Local Government, are hereby authorized, approved and directed.

Section 3. The Local Government hereby affirms all covenants and representations made in the Funding Assistance Agreement and in the application to the DEP. The Local Government hereby agrees to comply with all covenants, conditions and requirements set forth in the Funding Assistance Agreement as set forth in Section 4.1 thereof and this Section 3 herein. The Local Government covenants as follows:

(a) The Local Government shall complete the Project, to the extent applicable, and operate and maintain the System in good condition;

(b) The Local Government shall provide written notice and request approval of the disposition of the assets to the Authority and the DEP of any sale or other disposal of the System as a whole or substantially as a whole; provided that if said sale or other disposition is to a non-governmental entity the Local Government shall obtain an appraisal of the assets purchased with the Funding Assistance, Series 2024 and remit to the Authority for deposit into the Clean Water State Revolving Loan Fund an amount equal to the then depreciated value of the assets purchased;

(c) The Local Government will carry such insurance as is customarily carried with respect to works and properties similar to the System;

(d) The Local Government will not render any free services of the System;

(e) To the extent legally allowable, the Local Government will not grant any franchise to provide any services which would compete with the System;

(f) The Local Government shall also comply with all applicable laws, rules and regulations issued by the DEP and the Authority, all federal requirements imposed by the Infrastructure Investment and Jobs Act, Public Law 117-58 ("BIL"), DEP 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.

(g) The Local Government 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 DEP, 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 Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(h) The Local Government 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 DEP within 30 days of adoption thereof;

(i) 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;

(j) The Local Government 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 Local Government, then the Local Government shall enter into a termination agreement with the water provider; and

(k) The Local Government shall submit all proposed change orders to the DEP for approval. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Funding Assistance, Series 2024 held in "contingency" as set forth in the final Schedule A attached to the certificate of the Consulting Engineer. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Funding Assistance, Series 2024 available due to project underruns.

Section 4. The DEP shall advance the proceeds of the Funding Assistance, Series 2024 A from time to time upon receipt of a requisition evidencing the costs incurred. Such amounts advanced under the Funding Assistance Agreement shall be deemed forgiven on the 30th day of June in the fiscal year in which they were advanced.

Section 5. The Local Government hereby appoints and designates The Ohio Valley Bank, Gallipolis, Ohio, to serve as Depository Bank for the Funding Assistance, Series 2024.

Section 6. The Chairman and Secretary of the Governing Body are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Funding Assistance, Series 2024 hereby and by the Funding Assistance Agreement approved and provided for, to the end that the Funding Assistance, Series 2024 may be delivered to the Local Government pursuant to the Funding Assistance Agreement on or about December 5, 2024.

Section 7. The acquisition and construction of the Project, and the financing thereof with proceeds of the Funding Assistance, Series 2024 from the DEP is in the public interest, serve a public purpose of the Local Government and will promote the health, welfare and safety of the residents of the Local Government.

Section 8. The Local Government hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project and the Chairman of the Governing Body is hereby authorized and directed to execute and deliver all such contracts.

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Section 9. This Resolution shall be effective immediately following adoption of the same.

Adopted this 14th day of November, 2024.

MASON COUNTY PUBLIC SERVICE DISTRICT



Chairman

CERTIFICATION

Certified as a true copy of a Resolution duly adopted by the Board of Mason County Public Service District on the 14th day of November, 2024.

Dated: December 5, 2024.

[SEAL]


Secretary

FUNDING ASSISTANCE AGREEMENT

THIS WATER POLLUTION CONTROL REVOLVING FUND FUNDING ASSISTANCE AGREEMENT (the "Funding Assistance Agreement"), made and entered into in several counterparts, by and among the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), and the WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION (the "DEP"), and the local government designated below (the "Local Government").

MASON COUNTY PUBLIC SERVICE DISTRICT
(C-544771 / 2020S-1922)
(Local Government)

W I T N E S S E T H:

WHEREAS, the United States Congress under Title VI of the federal Clean Water Act, as amended (the "Clean Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining state water pollution control revolving funds for the planning, design, construction, acquisition and/or improvement of wastewater treatment facilities;

WHEREAS, pursuant to the provisions of Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a state water pollution control revolving fund program (the "Program") to acquire bonds or other funding assistance of particular local governments pursuant to the Clean Water Act;

WHEREAS, under the Act the DEP is designated the instrumentality to enter into capitalization agreements with the United States Environmental Protection Agency ("EPA") to accept capitalization grant awards (U.S. General Services Administration; Catalog of Federal Domestic Assistance, 32nd Edition ' 66.458 (1998)) and DEP has been awarded capitalization grants to partially fund the Program;

WHEREAS, under the Act and under the direction of DEP, the Authority has established a permanent perpetual fund known as the "West Virginia Water Pollution Control Revolving Fund" (hereinafter the "Fund");

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to utilize moneys from the Fund to provide funding assistance to local governments to provide the financing for the acquisition and/or construction of wastewater treatment projects by such local governments, all subject to such provisions and limitations as are contained in BIL, as hereinafter defined, the Clean Water Act and the Act (hereinafter "Funding Assistance");

WHEREAS, the DEP has been awarded funding pursuant to the Infrastructure Investment and Jobs Act, Public Law 117-58 ("BIL") to capitalize the Fund;

WHEREAS, the Local Government constitutes a local government as defined by the Act;

WHEREAS, the Local Government is included on the DEP State Project Priority List and the Intended Use Plan and has met DEP's pre-application requirements for the Program;

WHEREAS, the Local Government intends to construct, is constructing or has constructed such a wastewater treatment project at the location and as more particularly described and set forth in the application filed with DEP, as hereinafter defined (the "Project");

WHEREAS, the Local Government is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a wastewater treatment project and to finance the cost of acquisition and construction of the same ("Costs of the Project") by obtaining money from the Fund; and

WHEREAS, the Local Government is either a "disadvantaged community" as defined in the applicable Intended Use Plan, and/or meets the definition of decentralized treatment system as defined herein.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Local Government, DEP and the Authority hereby agree as follows:

ARTICLE I Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "fund," "local government," and "project" have the definitions and meanings ascribed to them in the Act or in the SRF Regulations.

1.2 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any successor thereto.

1.3 "Decentralized System" means wastewater treatment systems that treat wastewater, then reusing and/or dispersing the reclaimed water, as close to where it is generated as practical in each circumstance. A Decentralized System may include: on-site systems contained entirely within the simple boundaries of the lot it serves; small-scale collective systems, with their reuse/dispersal sites on easements on the lots served, on vacant lots purchased for this purpose, on off-site properties, or a combination of these; larger scale collective systems utilizing dispersed or aggregated reuse/dispersal sites or discharging to surface water.

1.4 "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.

1.5 “Program” means the wastewater treatment facility acquisition, construction and improvement program coordinated through the capitalization grants program established under BIL and the Clean Water Act and administered by DEP.

1.6 “Project” means the wastewater treatment facility project hereinabove referred to, to be constructed or being constructed by the Local Government in whole or in part with Funding Assistance or being or having been constructed by the Local Government in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Funding Assistance.

1.7 “SRF Regulations” means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations, as amended.

1.8 “System” means the wastewater treatment facility owned by the Local Government, 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.

1.9 Additional terms and phrases are defined in this Funding Assistance 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 filed with the DEP, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Local Government by the Consulting Engineers, the DEP and Authority having found, to the extent applicable, that the Project is consistent with the applicable provisions of the Program.

2.2 Subject to the terms, conditions and provisions of this Funding Assistance Agreement and the Local Act, the Local Government 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 Local Government 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 Local Government, 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 is approved by DEP and the Authority.

2.4 The Local Government agrees that the Authority and DEP and their respective 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 Local Government further agrees that the Authority and DEP and their respective duly authorized agents 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 DEP with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Local Government shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project, in accordance with generally accepted governmental accounting standards. The Local Government shall permit the Authority and DEP, acting by and through their Directors or 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 Local Government shall submit to the Authority and DEP such documents and information as it 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 Funding Assistance proceeds or of any State and federal grants or other sources of financing for the Project.

2.6 The Local Government agrees that it will permit the Authority and DEP and their respective agents to have access to the records of the Local Government 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 Local Government 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 Local Government 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 Authority and DEP and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Local Government, the Local Government or (at the option of the Local Government) 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 Local Government, 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 Local Government on or before the Date of Closing.

2.9 The Local Government shall provide and maintain competent and adequate engineering services satisfactory to the Authority and DEP covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that

(09/23)

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, DEP and the Local Government 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. The Local Government shall require the Consulting Engineers to submit Record Drawings, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Local Government shall notify DEP in writing of such receipt. The Local Government shall submit a Performance Certificate, the form of which is attached hereto as Exhibit A, and being incorporated herein by reference, to DEP within 60 days of the end of the first year after the Project is completed.

2.10 The Local Government shall require the Consulting Engineers to submit the final or updated Operation and Maintenance Manual, if necessary, as defined in the SRF Regulations, to DEP when the Project is 90% completed. The Local Government shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Government shall employ a state certified plant operator prior to the Project being 50% complete and notify the DEP of such employment. The Local Government shall retain the operator(s) to operate the System as required by State law.

2.11 The Local Government hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Authority, DEP 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 Local Government, 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 B and incorporated herein by reference, and forward a copy by the 20th of each month to the DEP and the Authority.

2.13 The Local Government, during construction of the Project, shall complete Payment Requisition Forms, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward such forms to DEP in compliance with the Local Government's construction schedule.

2.14 The Local Government shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia (the "PSC").

2.15 The Local Government, prior to the closing of the Funding Assistance, shall provide the DEP and the Authority with the opinion of local counsel, the form of which is attached hereto as Exhibit F and incorporated herein by reference.

ARTICLE III
Conditions to Advance of Funding Assistance

3.1 The agreement of the Authority and DEP to advance Funding Assistance hereunder:

(a) The Local Government shall have delivered to the Authority and DEP a report listing the specific purposes for which the proceeds of the Funding Assistance will be expended and the procedures as to the disbursement of proceeds of the Funding Assistance, including an estimated monthly draw schedule;

(b) The Local Government shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Funding Assistance Agreement;

(c) The Local Government shall have authorized the delivery of the Funding Assistance hereunder, to the Authority of the Funding Assistance described in this Article III and in Article IV hereof;

(d) The Local Government 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 filed with DEP; provided that, if the proceeds of the Funding Assistance will refund an interim construction financing, the Local Government 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 filed with DEP; and, in either case, the Authority and DEP shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit D;

(e) The Local Government 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 DEP shall have received a certificate of the Consulting Engineers to such effect;

(f) The Local Government shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the West Virginia Infrastructure and Jobs Development 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 DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(g) The Local Government 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 DEP shall have received an opinion of local counsel to the Local Government, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions hereof, and the Authority and DEP shall have received a certificate of the accountant for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

(i) The Funding Assistance, 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 filed with DEP, and the Authority and DEP shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of wastewater treatment projects and satisfactory to the Authority and DEP, to such effect, such certificate to be in form and substance satisfactory to the Authority and DEP, and evidence satisfactory to the Authority and DEP of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Funding Assistance Agreement, the rules and regulations promulgated by the Authority and DEP, including the SRF Regulations, 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 Funding Assistance to the Local Government and the Local Government shall accept the Funding Assistance from the Authority, and in furtherance thereof it is agreed that the Local Government shall sell to the Authority and the Authority shall make the Funding Assistance by purchasing the Funding Assistance in the principal amount and at the price set forth in Schedule X hereto. The Funding Assistance shall have such further terms and provisions as described in Article IV hereof.

3.3 The Funding Assistance shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Local Government 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 Funding Assistance shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, DEP and the Local Government. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Closing."

3.4 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for loans from the Fund to finance wastewater treatment projects and that the obligation of the Authority to make any such loan is subject to the Local Government's fulfilling all of the terms and conditions of this Funding Assistance Agreement on or prior to the Date of Closing and to the requirements of the Program. The Local Government specifically recognizes that the Authority will not purchase the Funding Assistance unless and until sufficient funds are available in the Fund to purchase all the Funding Assistance and that, prior to such purchase, the Authority may purchase the bonds or other funding assistance of other local governments set out in the State Project Priority List, as defined in the SRF Regulations. The Local Government further specifically recognizes that all loans will be

originated in conjunction with the SRF Regulations and with the prior approval of DEP.

3.5 The Local Government shall provide DEP with the appropriate documentation to comply with the special conditions regarding the public release and audit requirements, established by federal and State regulations as set forth in Exhibit E attached hereto at such times as are set forth therein.

3.6 The Local Government shall comply with all federal requirements applicable to the Loan (including those imposed by BIL, P.L. 113-76, Water Resources Reform and Development Act of 2014 (WRRDA) and related SRF Policy Guidelines issued by the EPA) which the Local Government understands includes, among other things, requirements that all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (i) the Local Government has requested and obtained a waiver from the EPA pertaining to the Project or (ii) DEP has otherwise advised the Local Government in writing that the American Iron and Steel Requirement is not applicable to the Project.

3.7 The Local Government shall comply with all record keeping and reporting requirements under the Clean Water Act, including any reports required by a Federal agency or DEP such as performance indicators of program deliverables, information on costs and Project progress. The Local Government understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Funding Assistance and/or other remedial actions.

3.8 The Local Government shall fund and maintain a working capital fund with a balance of not less than one eighth (1/8) of the Local Government's actual annual operating and maintenance expenses. This fund is separate from and in addition to the renewal replacement fund required under Section 4.1(a)(iii) hereof.

3.9 The Local Government covenants and agrees to not expend any proceeds of the Funding Assistance or enter into any contracts for components and services prohibited by 2 CFR 200.216 (Prohibition on certain telecommunication and video surveillance services or equipment), implementing section 889 of Public Law 115-232. Prior to entering into any contracts, the Local Government shall certify to DEP in writing that it has reviewed all contracts against the excluded parties list in the System for Award Management (www.sam.gov).

ARTICLE IV

Other Agreements of the Local Government

4.1 Covenants substantially as follows:

(a) That the Local Government shall complete the Project and operate and maintain the System in good condition;

(b) That the Local Government shall provide written notice and request approval of the disposition of the assets to the Authority and the DEP of any sale or other disposal of the System as a whole or substantially as a whole; provided that if said sale or other disposition is to a non-governmental entity the Local Government shall obtain an appraisal of the assets purchased with the Funding Assistance and remit to the Authority for deposit into the Clean Water Revolving Loan Fund an amount equal to the then depreciated value of the assets purchased;

(c) That the Local Government will carry such insurance as is customarily carried with respect to works and properties similar to the System;

(d) That the Local Government will not render any free services of the System;

(e) That the Authority may, by proper legal action, compel the performance of the duties of the Local Government 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 Funding Assistance, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

(f) 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;

(g) That, to the extent legally allowable, the Local Government will not grant any franchise to provide any services which would compete with the System;

(h) That the Local Government shall annually cause the records of the System to be audited in accordance with 2 CFR 200 Subpart F (or any successor thereto) or the laws of the State by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and DEP, 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 Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(i) That the Local Government 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 DEP within 30 days of adoption thereof;

(j) 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;

(k) That the Local Government shall have obtained the certificate of the Consulting Engineers 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 DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and DEP 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;

(l) That the Local Government 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 Local Government, then the Local Government shall enter into a termination agreement with the water provider; and

(m) That the Local Government shall submit all proposed change orders to the DEP for approval. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Funding Assistance held in "contingency" as set forth in the final Schedule A attached to the certificate of the Consulting Engineer. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Funding Assistance available due to bid/construction/project underruns.

4.2 The Authority and DEP shall pay for any costs that are incurred from the beginning date set forth on Schedule X (the "Beginning Date"), to the expiration date set forth on Schedule X (the "Expiration Date") of which some costs may have been incurred prior to the date hereof and where such costs are necessary for the efficient and timely performance of the scope of the Project and are eligible costs for the Fund. An amount equal to the outstanding invoices will be advanced on the Date of Closing. The remaining proceeds of the Funding Assistance shall be advanced by the DEP monthly as required by the Local Government to pay Costs of the Project, provided, however, if the proceeds of the Funding Assistance will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Government, the DEP and the Authority.

4.3 The Local Government hereby acknowledges to the Authority and DEP its understanding of the provisions of the Act, vesting in the Authority and DEP certain powers, rights and privileges with respect to wastewater treatment projects in the event of default by the Local Government in the terms and covenants of this Funding Assistance Agreement, and the Local Government hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Local Government shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Funding Assistance Agreement.

4.4 The Local Government hereby warrants and represents that all information provided to the Authority and DEP in this Funding Assistance Agreement, in the application filed with DEP 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 Local Government receiving the Funding Assistance, the Authority and DEP shall have the right to cancel all or any of their obligations under this Funding Assistance Agreement if (a) any representation made to the Authority and DEP by the Local Government in connection with the issuance of the Funding Assistance shall be incorrect or incomplete in any material respect or (b) the Local Government has violated any commitment made by it in its application filed with DEP or in any supporting documentation or has violated any of the terms of the Act, the SRF Regulations or this Funding Assistance Agreement.

4.5 The Local Government hereby agrees to file with the Authority and DEP upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule A to the application filed with DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE V Miscellaneous

5.1 Schedule X shall be attached to this Funding Assistance Agreement by the Authority as soon as practicable after the Date of Closing is established and shall be approved by an official action of the Local Government supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

5.2 If any provision of this Funding Assistance 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 Funding Assistance Agreement, and this Funding Assistance Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

5.3 This Funding Assistance 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 Funding Assistance Agreement.

5.4 No waiver by any party of any term or condition of this Funding Assistance 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 Funding Assistance Agreement.

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

5.6 This Funding Assistance Agreement shall terminate upon written notice of termination to the Local Government and the Authority by the DEP.

5.7 That the Local Government shall annually cause the records of the System to be audited in accordance with 2 CFR 200 Subpart F (or any successor thereto) or the laws of the State by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and DEP, 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 Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements.

[Remainder of page intentionally left blank]

SRF-PF-1*
(09/23)

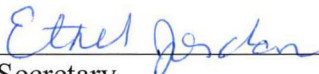
IN WITNESS WHEREOF, the parties hereto have caused this Funding Assistance Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

MASON COUNTY PUBLIC SERVICE DISTRICT

(SEAL)

By: 
Its: Chairman
Date: December 5, 2024

Attest:

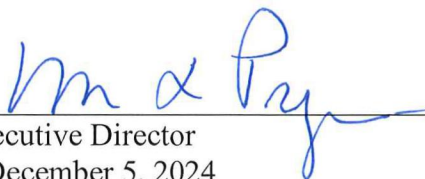

Its: Secretary

WEST VIRGINIA DEPARTMENT OF
ENVIRONMENTAL PROTECTION, DIVISION
OF WATER AND WASTE MANAGEMENT

By: 
Its: Director
Date: December 5, 2024

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

(SEAL)

By: 
Its: Executive Director
Date: December 5, 2024

Attest:


Its: Authorized Officer

EXHIBIT A
FORM OF PERFORMANCE CERTIFICATE

[To Be Provided By DEP]

EXHIBIT B
MONTHLY FINANCIAL REPORT

Name of Local Government _____
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 Local Government 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 Local Government 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 Local Government.

The Local Government must complete the Monthly Financial Report and forward it to the Water Development Authority by the 20th 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.

SRF-PF-1*
(09/23)

EXHIBIT C
PAYMENT REQUISITION FORM

(All Copies to Be Provided by DEP for Each Project)

EXHIBIT D
FORM OF CERTIFICATE OF CONSULTING ENGINEER

(Issuer)

(Name of Funding Assistance)

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 funding assistance (the "Funding Assistance") of the Issuer. Capitalized words not defined herein shall have the same meaning set forth in the bond [ordinance/resolution] adopted or enacted by the Issuer on _____, and the Funding Assistance Agreement by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), dated _____

2. The Funding Assistance is 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 DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the schematic design for the Project began [before/after July 1, 2012], (iii) 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; (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 Schedule 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; (v) the successful bidders received any and all addenda to the original bid documents; (vi) the bid documents relating to the Project reflect the Project as approved by 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".

(09/23)

DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vii) the successful bids include prices for every item on such bid forms; (viii) the uniform bid procedures were followed; (ix) 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; (x) 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 Funding Assistance Agreement; (xi) the net proceeds of the Funding Assistance, 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 DEP; (xii) the Project was designed and will be constructed in compliance with the provisions of West Virginia Code Chapter 22, Article 29; and (xiii) 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 as approved by the Infrastructure Council without substitution.

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

By _____
West Virginia License No. _____

[SEAL]

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 E
SPECIAL CONDITIONS

A. PUBLIC RELEASE REQUIREMENT – The Local Government agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, ground breaking or project dedication program documents and other documents describing projects or programs funded in whole or in part with Federal money, (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

B. ASSET MANAGEMENT – The Local Government shall submit an acceptable asset management plan or where applicable, updated plans, to DEP no later than six months following substantial completion of the Project. This requirement shall be included in the bond closing documents.

C. WAGE RATES – The Local Government shall require that all laborers and mechanics employed by its contractors and subcontractors be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 32 of title 40, United States Code. The Local Government must require that contractors and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements.

D. AUDIT REQUIREMENT (Supplement to Article V 5.7) – This Project has been designated as an “equivalency” project and the Local Government must obtain audits in accordance with 2 CFR 200 Subpart F or any successor thereto. Following completion of the Project, financial statement audits are required once all funds have been received by the Local Government.

E. CLOSING REQUIREMENTS – [Reserved].

EXHIBIT F
OPINION OF LOCAL COUNSEL FOR LOCAL GOVERNMENT

[To Be Dated as of Date of Closing]

[Name of Local Government]
_____, West Virginia

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

West Virginia Department of Environmental Protection
601 57th Street
Charleston, West Virginia 25304

Re: \$ _____ Funding Assistance (West Virginia Clean Water
 SRF Program)

Ladies and Gentlemen:

[I am/We are] counsel to _____ (the "Local Government"),
a _____.

[I/We] have examined a certified copy of proceedings and other papers relating to the authorization of a Funding Assistance Agreement dated _____, 20__, including all schedules and exhibits attached thereto (the "Funding Assistance Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"). All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Funding Assistance Agreement and the Local Act.

The Funding Assistance is being provided for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

[I/We] have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the ordinance/resolution duly adopted or enacted by the Local Government on _____, 20__ (the "Local Act"), pursuant to and under which Local Statute and Local Act, the Funding Assistance is authorized and the Funding Assistance Agreement has been undertaken. The Funding Assistance is forgivable at the end of each fiscal year in which funds are advanced for the Project.

Based upon the foregoing and upon [my/our] examination of such other documents as [I/we] have deemed necessary, [I am/we are] of the opinion as follows:

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

2. The Funding Assistance Agreement inures to the benefit of the Authority and the DEP and cannot be amended so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Local Government without the consent of the Authority and the DEP.

3. The Local Government 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 enter into the Funding Assistance Agreement, all under the Local Statute and other applicable provisions of law.

4. The members and officers of the governing body of the Local Government have been duly and properly authorized and elected, have taken the requisite oaths and are thereby authorized to act on behalf of the Local Government in their respective capacities.

5. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Local Government and constitute valid and binding obligations of the Local Government, enforceable against the Local Government 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 Funding Assistance Agreement.

6. The execution and delivery of the Funding Assistance Agreement and the consummation of the transactions contemplated by the Funding Assistance Agreement and the Local Act, 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 Local Government, a breach of or default under any resolution, agreement or other instrument to which the Local Government is a party or any existing law, regulation, court order or consent decree to which the Local Government is subject.

7. The Local Government has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Local Government, the acceptance of the Funding Assistance, the acquisition and construction of the Project, and the operation of the System, including, without limitation, all requisite permits, approvals, orders and certificates from _____, the DEP and the West Virginia Infrastructure and Jobs Development Council.

8. To the best of [my/our] knowledge, there is no 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 Funding Assistance Agreement or the Local Act, the acquisition and construction of the Project, or the operation of the System.

9. All successful bidders have made the required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon our review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, [I am/we are] of the opinion that such surety bonds or policies: (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Local Government; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Local Act and the Funding Assistance 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.

10. The contracts contain language requiring the contractors to provide affidavits from all contractors and subcontractors indicating that each contractor and subcontractor have a drug-free workplace policy pursuant to Chapter 21, Article 1D of the West Virginia Code of 1931, as amended. The contractor has submitted a plan to implement the drug-free workplace policy prior to the awarding of the contract pursuant to Chapter 21, Article 1D of the West Virginia Code of 1931, as amended.

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF FUNDING ASSISTANCE

Principal Amount of Funding Assistance \$2,000,000

The Authority at the direction of the DEP shall forgive the principal amount of the Funding Assistance. The principal amounts advanced under the Funding Assistance Agreement will be deemed forgiven on the 30th day of June in the fiscal year in which advanced.

Number of New Customers: 401
Location: Point Pleasant area of Mason County

Beginning Date: January 1, 2018
Expiration Date: September 30, 2030

UNITED STATES OF AMERICA
MASON COUNTY PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2024 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

SPECIMEN

\$5,100,000

No. AR-1

Date: December 5, 2024

FOR VALUE RECEIVED, MASON COUNTY PUBLIC SERVICE DISTRICT (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of FIVE MILLION ONE HUNDRED THOUSAND DOLLARS (\$5,100,000), plus interest on the unpaid principal balance at the rate of 2% per annum. The said principal and interest shall be paid in the following installments on the following dates: Annual installments of interest only, on December 5, 2025, and December 5, 2026 (the first 24 months after the date hereof), and thereafter monthly installments of \$16,014, covering principal and interest, beginning January 5, 2027, to and including December 5, 2064 (40 years from the date of this Bond). The final payment shall be on December 5, 2064, equal to the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder

on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of additions, extensions and improvements to the wastewater system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Borrower, as Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Resolutions and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions 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, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond is issued to (i) pay the Sewerage System Bond Anticipation Notes, Series 2022 A (The Ohio Valley Bank Company), dated September 2, 2022, issued in the original aggregate principal amount of \$1,150,000 (the "Prior Notes"); (ii) pay the pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the public sewerage system of the Issuer (the "Project"); and (iii) pay certain costs of issuance hereof and related costs. The existing public sewerage system of the Issuer, the Project, and any further extensions, additions, betterments or improvements thereto are herein called the "System." This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 16, Article 13A of the West Virginia Code, as amended (the "Act"), and a Resolution of the Borrower duly adopted December 5, 2024, authorizing issuance of this Bond (the "Resolution").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar

purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act of 1965, as amended. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

THIS BOND IS ISSUED ON A PARITY, AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, WITH THE BORROWER'S:

(1) SEWER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED OCTOBER 28, 2008, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2008 A BONDS"); AND

(2) SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 1, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,600,000 (THE "SERIES 2012 A BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

In accordance with the requirements of the United States Department of Agriculture, the Bonds will be in default should any proceeds of the Bonds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity.

IN WITNESS WHEREOF, MASON COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be executed by its Chairman and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Secretary, all as of the date hereinabove written.

MASON COUNTY PUBLIC SERVICE DISTRICT

[CORPORATE SEAL]


Chairman

ATTEST:

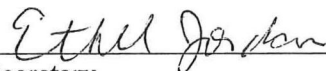

Secretary

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$1,256,600.48	12/05/2024	(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 \$ _____

(Form of Assignment)

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) 933-8704 Fax

www.steptoehjohnson.com

Writer's Contact Information

December 5, 2024

Mason County Public Service District
Sewer Revenue Bonds, Series 2024 A
(United States Department of Agriculture)

Mason County Public Service District
Point Pleasant, West Virginia

United States Department of Agriculture
Cross Lanes, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Mason County Public Service District in Mason County, West Virginia (the "Issuer"), of its \$5,100,000 Sewer Revenue Bonds, Series 2024 A (United States Department of Agriculture), dated the date hereof (the "Bonds"), pursuant to Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), a Bond Resolution duly adopted by the Issuer on December 5, 2024, (the "Bond Legislation"). We have examined the law and such certified copies of proceedings and other papers as we deem necessary to render this opinion.

The Series 2024 A Bonds are issued for the purposes of (i) paying the Prior Notes; (ii) permanently financing the acquisition and construction of the Project; and (iii) paying certain costs of issuance and related costs.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Bond Legislation and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and a political subdivision of the State of West Virginia with full power to adopt and enact the Bond Legislation, perform the agreements on its part contained therein and issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Bond Legislation has been duly and effectively adopted and enacted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.

3. Pursuant to the Act, the Bond Legislation creates a valid lien on the funds pledged by the Bond Legislation for the security of the Bonds, on a parity with the Issuer's: (i) Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated October 28, 2008, issued in the original aggregate principal amount of \$500,000 (the "Series 2008 A Bonds"); and (ii) Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated November 1, 2012, issued in the original aggregate principal amount of \$4,600,000 (the "Series 2012 A Bonds") (collectively, the "Prior Bonds").

4. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from the sources provided therefor in the Bond Legislation.

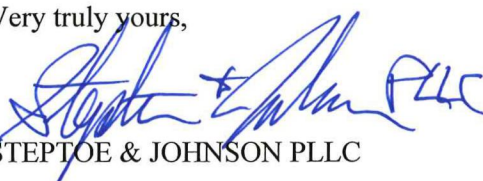
5. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal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

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

7. With proceeds from the Series 2024 A Bonds, the Prior Notes have been paid in full, and the covenants, agreements and other obligations of the Issuer to the owners of such Prior Notes have been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the Receipt and Release from The Ohio Valley Bank Company, confirming that they have received payment for the entire outstanding principal of such Prior Notes and all interest accrued thereon on the date hereof and that such Prior Notes have been paid in full.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, 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 the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,



STEPTOE & JOHNSON PLLC



Chase Tower, 17th Floor

Writer's Contact Information

P.O. Box 1588

Charleston, WV 25326-1588

(304) 353-8000 (304) 933-8704 Fax

www.steptoe-johnson.com

December 5, 2024

Mason County Public Service District
Point Pleasant, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Re: Funding Assistance, Series 2024
(West Virginia SRF Program/Forgivable)

Ladies and Gentlemen:

We are counsel to Mason County Public Service District (the "Local Government"), a public service district and as a public corporation and political subdivision organized and existing under the laws of the State of West Virginia.

We have examined a certified copy of proceedings and other papers relating to the authorization of a Funding Assistance Agreement dated December 5, 2024, including all schedules and exhibits attached thereto (the "Funding Assistance Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP").

The Funding Assistance, Series 2024 is being provided for the purposes of (i) paying a portion of the costs of acquisition and construction of certain improvements and extensions to the public sewerage system of the Issuer (the "Project"); and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of Chapter 16, Article 13A, Chapter 22C, Article 2 and Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the Funding Assistance Resolution duly adopted by the Local Government on November 14, 2024 (the "Local Act"), pursuant to and under which Local Statute and Local Act, the Funding Assistance, Series 2024 is authorized and the Funding Assistance Agreement has been undertaken. The Funding Assistance, Series 2024 is forgivable at the end of each fiscal year in which funds are advanced for the Project.

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 Funding Assistance Agreement has been duly authorized by and executed on behalf of the Local Government and is a valid and binding special obligation of the Local Government, enforceable in accordance with the terms thereof.

2. The Funding Assistance Agreement inures to the benefit of the Authority and the DEP and cannot be amended so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Local Government without the consent of the Authority and the DEP.

3. The Local Government is a duly organized and validly existing public service district and as a 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 or enact the Local Act and to enter into the Funding Assistance Agreement, all under the Local Statute and other applicable provisions of law.

4. The members and officers of the governing body of the Local Government have been duly and properly authorized and elected, have taken the requisite oaths and are thereby authorized to act on behalf of the Local Government in their respective capacities.

5. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Local Government and constitute valid and binding obligations of the Local Government, enforceable against the Local Government 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 Funding Assistance Agreement.

6. The execution and delivery of the Funding Assistance Agreement and the consummation of the transactions contemplated by the Funding Assistance Agreement and the Local Act, 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 Local Government, a breach of or default under any resolution, agreement or other instrument to which the Local Government is a party or any existing law, regulation, court order or consent decree to which the Local Government is subject.

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

Very truly yours,


STEPHENS E. JOHNSON PLLC

600 Quarrier Street, Charleston, WV 25301
P.O. Box 1386, Charleston, WV 25325-1386
(304) 347-1100

Bowles Rice LLP
T 304-347-1100
F 304-343-2867

101 South Queen Street
Martinsburg, WV 25401

125 Granville Square, Suite 400
Morgantown, WV 26501

501 Avery Street
Parkersburg, WV 26101

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

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

December 5, 2024

bowlesrice.com

Mason County Public Service District
Sewer Revenue Bonds, Series 2024 A
(United States Department of Agriculture)

Mason County Public Service District
Point Pleasant, West Virginia

United States Department of Agriculture
Cross Lanes, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to Mason County Public Service District, a public service district in Mason County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a Resolution of the Issuer duly adopted November 14, 2024 (the "Resolution"), other documents and papers relating to the Issuer and the above-captioned bonds of the Issuer (the "Series 2024 A Bonds") and documents and orders of The County Commission of Mason County relating to the creation of the Issuer and the appointment of members of the Public Service Board of the Issuer. All capitalized terms used in the Resolution and not otherwise defined herein shall have the same meanings as defined in the Resolution when used herein.

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 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.
3. The Resolution has been duly adopted by the Issuer and is in full force and effect.

4. The execution and delivery of the Series 2024 A Bonds and the consummation of the transactions contemplated by the Series 2024 A Bonds and the Resolution, 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 agreement, document or instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, rule, order or decree to which the Issuer is subject.

5. All permits, licenses, approvals, consents, certificates, orders, exemptions and authorizations necessary for the due creation and valid existence of the Issuer, the issuance of the Series 2024 A Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges have been entered and/or received, including, without limitation, all requisite orders, certificates, consents and approvals from The County Commission of Mason County, and the Issuer has taken any other action required for the imposition of such rates and charges. The rates were approved by the board of the Issuer on April 26, 2022, and approved by The County Commission of Mason County ("County Commission") on May 26, 2022.

6. Since the Issuer satisfies the customer and gross revenue thresholds for West Virginia Code Section 24-2-11, the Issuer is no longer required to obtain a certificate of convenience and necessity from the Public Service Commission of West Virginia (the "PSC") prior to the construction of additions, betterments and improvements for the System. The Issuer has adopted a Project Resolution dated April 26, 2022, pursuant to 24-2-11.

To the best of our knowledge, there is no 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 Series 2024 A Bonds or the Resolution, the acquisition and construction of the Project, the operation of the System, or the validity of the Series 2024 A Bonds, or the collection or pledge of the Net Revenues therefor.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Bowles Rice LLP", is written over the typed name.

Bowles Rice LLP

WEST VIRGINIA MUNICIPAL BOND COMMISSION**NEW ISSUE REPORT FORM**

900 Pennsylvania Avenue, Suite 1117, Charleston, WV 25302

Phone:(304) 558-3971

FAX: (304) 558-1280

mbc.wv.gov

Date of Report: _____

12/5/2024ISSUE: Mason County Public Service DistrictSewer Revenue Bonds, Series 2024 A (USDA)ADDRESS: 101 Camden Avenue, Point Pleasant, WV 25550COUNTY: MasonPURPOSE OF ISSUE: x New Money
 Refunding

Refunding issue(s) dated: _____

ISSUE DATE: December 5, 2024RATE: _____ ADMIN FEE: NAISSUE AMOUNT: \$5,100,0001st DEBT SERVICE DUE: NA1st PRINCIPAL DUE: NA1st DEBT SERVICE AMOUNT: NAPAYING AGENT: IssuerBOND COUNSEL: Steptoe & Johnson PLLC

UNDERWRITERS COUNSEL: _____

Contact Name: John Stump, Esquire

Contact Name: _____

Phone: 304.353.8196

Phone: _____

Email: john.stump@steptoe-johnson.com

Email: _____

CLOSING BANK: _____

ESCROW TRUSTEE: _____

Contact Name: _____

Contact Name: _____

Phone: _____

Phone: _____

Email: _____

Email: _____

KNOWLEDGEABLE ISSUER CONTACT:

OTHER: USDAContact Name: Brent ClarkContact Name: Kellie LillyTitle: GMTitle: Area SpecialistPhone: 304.675.8940Phone: 304.776.5256 x 113Email: bclark.mcpsd20@gmail.comEmail: kellie.lilly@usda.gov

DEPOSITS TO MBC AT CLOSE: _____

Accrued Interest: _____

By: Wire _____

Capitalized Interest: _____

Check _____

Reserve Account: _____

In-house Transfer _____

Other: _____

REFUNDS & TRANSFERS BY MBC AT CLOSE:

To Escrow Trustee: _____

By: Wire _____

To Issuer: _____

Check _____

To Cons.Invest Fund: _____

IGT _____

To Other: _____

ISSUER NUMBERS:

BANK ID NUMBER: _____

CUSIP: _____

ACCOUNT NUMBER: _____

PROGRAM NUMBER: _____

NOTES: Monthly DS payments will be made by the District directly to the NFO. The MBC will only hold the Series
2024 A Reserve Account. Payments into the Reserve Account will commence 24 months following closing.

FOR MUNIICIPAL BOND COMMISSION USE ONLY:

Documents Required: _____

Transfers Required: _____

WEST VIRGINIA MUNICIPAL BOND COMMISSION**NEW ISSUE REPORT FORM**

900 Pennsylvania Avenue, Suite 1117, Charleston, WV 25302

Phone:(304) 558-3971

FAX: (304) 558-1280

mbc.wv.gov

Date of Report: _____

12/5/2024ISSUE: Mason County Public Service DistrictFunding Assistance, Series 2024ADDRESS: 101 Camden Avenue, Point Pleasant, WV 25550COUNTY: MasonPURPOSE OF ISSUE: x New Money
RefundingRefunding issue(s) dated: NAISSUE DATE: December 5, 2024RATE: NA ADMIN FEE: NAISSUE AMOUNT: \$ 2,000,000.001st DEBT SERVICE DUE: NA1st PRINCIPAL DUE: NA1st DEBT SERVICE AMOUNT: NAPAYING AGENT: NABOND COUNSEL: Steptoe and Johnson PLLCUNDERWRITERS COUNSEL: Jackson KellyContact Name: John StumpContact Name: Samme GeePhone: 304.353.8196Phone: 304.340.1318Email: john.stump@steptoe-johnson.comEmail: sgee@jacksonkelly.com

CLOSING BANK: _____

ESCROW TRUSTEE: _____

Contact Name: _____

Contact Name: _____

Phone: _____

Phone: _____

Email: _____

Email: _____

KNOWLEDGEABLE ISSUER CONTACT:

OTHER: WV DEPContact Name: Brent ClarkContact Name: John GiroirTitle: GMTitle: Program ManagerPhone: 304.675.8940Phone: 304.926.0499Email: bclark.mcpsd20@gmail.comEmail: john.giroir@wv.gov

DEPOSITS TO MBC AT CLOSE: _____

Accrued Interest: _____

By: Wire _____

Capitalized Interest: _____

Check _____

Reserve Account: _____

In-house Transfer _____

Other: _____

REFUNDS & TRANSFERS BY MBC AT CLOSE:

To Escrow Trustee: _____

By: Wire _____

To Issuer: _____

Check _____

To Cons.Invest Fund: _____

IGT _____

To Other: _____

ISSUER NUMBERS:

BANK ID NUMBER: _____

CUSIP: _____

ACCOUNT NUMBER: _____

PROGRAM NUMBER: _____

NOTES: The Funding Assistance is forgivable. No accounts are set up at the Commission

FOR MUNIICIPAL BOND COMMISSION USE ONLY:

Documents Required: _____

Transfers Required: _____

MASON COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2024 A
(United States Department of Agriculture)

ENGINEER'S CERTIFICATE

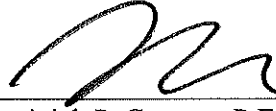
I, Dominick P. Cerrone, P.E., Registered Professional Engineer, West Virginia License No. 14750, of Cerrone Associates, Inc., Wheeling, West Virginia, hereby certify that my firm is the engineer for the acquisition and construction of certain additions, improvements and extensions (the "Project") to the existing wastewater system (the "System") of Mason County Public Service District (the "Issuer"), to be acquired and constructed in Mason County, West Virginia, which acquisition and construction are being financed in whole or in part by the above-captioned bonds of the Issuer.

1. The Bonds are being issued (i) to pay the Prior Notes; (ii) to pay a portion of the costs of acquisition and construction of the Project; and (iii) to pay certain costs of issuance and related costs.

2. 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 RUS and the DEP, and any change orders approved by the Issuer, RUS and the DEP, and all necessary governmental bodies; (ii) the Project does not include any buildings to be designed and constructed in compliance with the ICC International Energy Conservation Code, adopted by the State Fire Commission, and the ANSI/ASHRAE/IESNA Standard 90.1-2007; (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least forty 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, 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 DEP and the bid forms provided to the bidders contain all 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 RUS, the Authority and the DEP; (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; (xiii) the Project was bid utilizing the Disadvantaged Business Enterprise ("DBE") requirements and the successful bidders provided the required DBE certification.

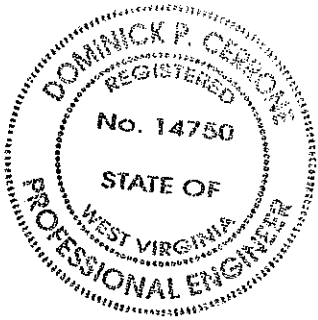
WITNESS my signature on this 5th day of December, 2024.

CERRONE ASSOCIATES, INC.



Dominick P. Cerrone, P.E.

West Virginia License No. 14750



Post-Bid Schedule B Mason County PSD Sand Hill Road Sewer Line Extension - UDC #2020S-1922 11/4/2024

	Total	BAN	USDA Loan (2% 40 yrs)	USDA Grant	CW/SRF Debt Forgiveness Loan	UDC Grant	WDA EGF	USDA Sub Grant	WDA EGF Overrun	Bid
Total Cost of Project	\$21,644,715.00		\$ 5,100,000.00	\$ 2,850,000.00	\$ 2,000,000.00	\$ 1,000,000.00	\$ 3,000,000.00	\$ 814,000.00	\$ 6,880,715.00	
1. Construction										
a. Contract 1	\$ 1,327,819.65		\$ -	\$ -	\$ -	\$ -	\$ 881,568.00		\$ 446,251.65	
b. Contract 2	\$ 3,741,543.00		\$ -	\$ -	\$ 134,440.00	\$ -	\$ 2,118,432.00		\$ 1,488,671.00	
c. Contract 3	\$ 6,423,528.00		\$ 792,237.43	\$ -	\$ 1,715,560.00	\$ 150,000.00	\$ -	\$ 814,000.00	\$ 2,951,730.57	
d. Contract 4	\$ 3,351,923.00		\$ 2,134,820.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,417,103.00	
e. Contract 5	\$ 3,230,000.00		\$ -	\$ 2,433,027.32	\$ -	\$ 220,013.90	\$ -	\$ -	\$ 576,958.78	
Construction Contingency (10%)	\$ 913,740.68		\$ -	\$ 418,972.68	\$ -	\$ 496,768.00	\$ -	\$ -	\$ -	
2. Legal										
a. Title/Contracts	\$ 174,000.00	\$ 71,781.90	\$ -	\$ -	\$ -	\$ 102,218.10	\$ -	\$ -	\$ -	
b. County Commission	\$ 20,000.00		\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	
3. Engineering										
a. Preliminary Study	\$ 70,000.00	\$ 70,000.00		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
b. Preliminary & Final Design	\$ 530,000.00	\$ 530,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
c. Bidding & Negotiation	\$ 30,000.00		\$ 30,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
d. Engineering During Construction	\$ 80,000.00		\$ 80,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
e. Inspection	\$ 571,254.00		\$ 571,254.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
f. Post Construction	\$ 20,000.00		\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
g. Aerial Photo & Mapping	\$ 35,000.00	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
h. Environmental	\$ 15,000.00	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
i. Stake Out During Construction	\$ 85,000.00		\$ 85,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
j. Additional Services	\$ 60,000.00	\$ 23,117.03	\$ 36,872.97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4. Administration										
a. Administration (Region 2)	\$ 150,000.00		\$ -	\$ -	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	
b. Accounting	\$ 50,000.00	\$ 39,000.00	\$ -	\$ -	\$ -	\$ 11,000.00	\$ -	\$ -	\$ -	
c. Other Admin Costs	\$ 8,515.59	\$ 3,537.50	\$ 4,978.09	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5. Special Services										
a. Permits, Archeology	\$ 12,720.50	\$ 12,720.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
b. Lands and ROWs	\$ 263,405.00	\$ 263,405.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
c. Geotechnical Services, Concrete Testing	\$ 20,000.00	\$ 14,900.00	\$ 5,100.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
6. Contingency										
a. Project Contingency				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7. Additional Items										
Funded Reserve	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
USDA Capitalized Interest	\$ 150,000.00		\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interim Financing Interest	\$ 78,765.58	\$ 78,765.58	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bond Counsel & Registrar	\$ 32,500.00	\$ 7,500.00	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
BAN Pay-off		\$ 1,164,737.51	\$ 1,164,737.51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Cost of Project	\$ 21,644,715.00		\$ 5,100,000.00	\$ 2,850,000.00	\$ 2,000,000.00	\$ 1,000,000.00	\$ 3,000,000.00	\$ 814,000.00	\$ 6,880,715.00	


Matthew D. Sullivan
Mason County Public Service District
Cerrone Associates



December 5, 2024

CPA Certificate

MASON COUNTY PUBLIC SERVICE DISTRICT

SEWER REVENUE BONDS, SERIES 2024 A
(United States Department of Agriculture)

WVIJDC No. **2022S-1922**

Mason County Public Service District
Point Pleasant, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

RE: CPA CERTIFICATE
Sandhill Sewer Project (1922)

Ladies and Gentlemen:

Based upon the rates and charges set forth in the Resolution adopted on April 26, 2022 by Mason County Public Service District (the "Issuer") and approved by the Mason County Commission on May 26, 2022, and projected operating expenses and anticipated customer usage as furnished to us by Cerrone Associates, Inc., Consulting Engineer, it is our opinion that such rates and charges are sufficient to provide revenues which, together with other revenues of the wastewater system (the "System") of the Issuer, will provide for all Operating Expenses of the System and will 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 Issuer's Sewer Revenue Bonds, Series 2024 A (United States Department of Agriculture), dated December 5, 2024, issued in the original aggregate principal amount of \$5,100,000 (the "Series 2024 A Bonds") and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2024 A Bonds including the Issuer's:

(1) Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated October 28, 2008, issued in the original aggregate principal amount of \$500,000 (the "Series 2008 A Bonds"); and

Michael D. Griffith, CPA, AFI
Michael@Griffith.CPA

950 Little Coal River Road Alum Creek, WV 25003
Phone: (304) 756.3600 Facsimile: (304) 756.2911

December 5, 2024

Page 2 of 2

(2) Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated November 1, 2012, issued in the original aggregate principal amount of \$4,600,000 (the "Series 2012 A Bonds") (collectively, the "Prior Bonds").

It is further our opinion that 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 2024 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 2024 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 on the Prior Bonds and the Series 2024 A Bonds.

In the course of our due diligence to render this Certificate, we have reviewed the books and records of the System and further opine as follows:

(a.) The Debt Service Reserve Funds for the Prior Bonds are each funded or are being funded at the level required by the respective resolution of the Issuer authorizing the issuance of such Prior Bonds (collectively, the "Prior Resolutions");

(b.) The Renewal and Replacement Fund required by the Prior Resolutions is established and the rates and charges for the System have been established which are sufficient to make the required deposits in the Renewal and Replacement Fund; and

(c.) The Working Capital Reserve Account required by W. V. Code Section 24-1-1(k) is established and the rates and charges for the System have been established which are sufficient to make the required deposits in the Working Capital Reserve Account.

Very truly yours,

A handwritten signature in blue ink, reading "Michael D. Griffith, CPA, AFI".

MICHAEL D. GRIFFITH, CPA, AFI
GRIFFITH & ASSOCIATES PLLC

MDG/s

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as Secretary of the Mason County Public Service District
hereby certify that the **Board** of such Association is composed of
members, of whom, constituting a quorum, were present at a meeting thereof duly called and
held on the 3rd day of December, 2024; and that the foregoing resolution was adopted at such meeting
by the vote shown above, I further certify that as of December 5, 2024,
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been
rescinded or amended in any way.

Dated, this December 3 day of 2024

Robert L. Clark, General Manager, for

Title Secretary

Water and Waste System Grant Agreement**United States Department of Agriculture****Rural Utilities Service**THIS AGREEMENT dated December 5, 2024, betweenMason County Public Service District

a public corporation organized and operating under

Chapter 16 Article 13A, West Virginia Code

(Authorizing Statute)

herein called "Grantee," and the United States of America acting through the Rural Utilities Service, Department of Agriculture, herein called "Grantor," WITNESSETH:

WHEREAS

Grantee has determined to undertake a project of acquisition, construction, enlargement, or capital improvement of a (water) (waste) system to serve the area under its jurisdiction at an estimated cost of \$ 21,644,715.00 and has duly authorized the undertaking of such project.

Grantee is able to finance not more than \$ 17,980,715 of the development costs through revenues, charges, taxes or assessments, or funds otherwise available to Grantee resulting in a reasonable user charge.

Said sum of \$ 17,980,715 has been committed to and by Grantee for such project development costs.

Grantor has agreed to grant the Grantee a sum not to exceed \$ 3,664,000.00 or 16.92 percent of said project development costs, whichever is the lesser, subject to the terms and conditions established by the Grantor. Provided, however, that the proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the Conditions of the grant.

As a condition of this grant agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the agreement with all applicable laws, regulations, Executive orders and other generally applicable requirements, including those set out in 7 CFR 3015.205(b), which hereby are incorporated into this agreement by reference, and such other statutory provisions as are specifically set forth herein.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 306(a) of The Consolidated Farm and Rural Development Act for the purpose only of defraying a part not to exceed 16.92 percent of the project development costs, as defined by applicable Rural Utilities Service instructions.

Grantee Agrees That Grantee Will:

A. Cause said project to be constructed within the total sums available to it, including said grant, in accordance with the project plans and specifications and any modifications thereof prepared by Grantee and approved by Grantor.

B. Permit periodic inspection of the construction by a representative of Grantor during construction.

C. Manage, operate and maintain the system, including this project if less than the whole of said system, continuously in an efficient and economical manner.

D. Make the services of said system available within its capacity to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (possess capacity to enter into legal contract for services) at reasonable charges, including assessments, taxes, or fees in accordance with a schedule of such charges, whether for one or more classes of service, adopted by resolution dated August 25, 2022, as may be modified from time to time by Grantee. The initial rate schedule must be approved by Grantor. Thereafter, Grantee may make such modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory.

E. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair reserves, obsolescence reserves, debt service and debt service reserves.

F. Expand its system from time to time to meet reasonably anticipated growth or service requirements in the area within its jurisdiction.

G. Provide Grantor with such periodic reports as it may require and permit periodic inspection of its operations by a representative of the Grantor.

H. To execute any agreements required by Grantor which Grantee is legally authorized to execute. If any such agreement has been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this grant, another agreement of the same type need not be executed in connection with this grant.

I. Upon any default under its representations or agreements set forth in this instrument, Grantee, at the option and demand of Grantor, will repay to Grantor forthwith the original principal amount of the grant stated herein above with the interest at the rate of 5 percentum per annum from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made.

J. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

K. Use the real property including land, land improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed.

1. Title to real property shall vest in the recipient subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain approval by the Grantor agency for the use of the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.

3. When the real property is no longer needed as provided in 1 and 2 above, the Grantee shall request disposition instructions from the Grantor agency or its successor Federal agency. The Grantor agency shall observe the following rules in the disposition instructions:

(a) The Grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor agency. When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

[Revision 1, 04/17/1998]

(c) The Grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or project to the current fair market value of the property.

This Grant Agreement covers the following described real property (use continuation sheets as necessary).

All real property and appurtenances associated with the wastewater treatment and collection system owned and operated by the Mason County Public Service District in Mason County, West Virginia.

L. Abide by the following conditions pertaining to equipment which is furnished by the Grantor or acquired wholly or in part with grant funds. Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

[Revision 1, 04/17/1998]

1. Use of equipment.

(a) The Grantee shall use the equipment in the project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other Federally sponsored activities, if any, in the following order of priority:

1) Activities sponsored by the Grantor.

(2) Activities sponsored by other Federal agencies.

(b) During the time that equipment is held for use on the property for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the equipment was originally acquired. First preference for such other use shall be given to Grantor sponsored projects. Second preference will be given to other Federally sponsored projects.

2. Disposition of equipment. When the Grantee no longer needs the equipment as provided in paragraph (a) above, the equipment may be used for other activities in accordance with the following standards:

(a) Equipment with a current per unit fair market value of less than \$5,000. The Grantee may use the equipment for other activities without reimbursement to the Federal Government or sell the equipment and retain the proceeds.

(b) Equipment with a current per unit fair market value of \$5,000 or more. The Grantee may retain the equipment for other uses provided that compensation is made to the original Grantor agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value or proceeds from sale of the equipment. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the original Grantor agency.

The Grantor agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor agency to determine whether a requirement for the equipment exists in other Federal agencies. The Grantor agency shall issue instructions to the Grantee no later than 120 days after the Grantee requests and the following procedures shall govern:

(1) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Grantor agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share ten percent of the proceeds for Grantee's selling and handling expenses.

(2) If the Grantee is instructed to ship the equipment elsewhere the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant project or program to the current fair market value of the equipment, plus any reasonable shipping or interim storage costs incurred.

(3) If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Grantor agency for such costs incurred in its disposition.

3. The Grantee's property management standards for equipment shall also include:

(a) Records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the project for which the equipment was acquired; location, use and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.

(b) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.

(c) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.

(d) Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

(e) Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return.

This Grant Agreement covers the following described equipment(use continuation sheets as necessary).

None

M. Provide Financial Management Systems which will include:

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.

2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.

4. Accounting records supported by source documentation.

N. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.

O. Provide information as requested by the Grantor to determine the need for and complete any necessary Environmental Impact Statements.

P. Provide an audit report prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.

Q. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or instrumentality's of states shall not be held accountable for interest earned on grant funds pending their disbursement.

R. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in item K above.

S. To include in all contracts for construction or repair a provision for compliance with the Copeland ``Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). The Grantee shall report all suspected or reported violations to the Grantor.

T. To include in all contracts in excess of \$100,000 a provision that the contractor agrees to comply with all the requirements of the Clean Air Act (42 U.S.C. §7414) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. In so doing the Contractor further agrees:

[Revision 1, 11/20/1997]

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR Part 32 as of the date of contract award.

[Revision 1, 11/20/1997]

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

As used in these paragraphs the term ``facility" means any building, plan, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Grantee, cooperator, contractor, or subcontractor, to be utilized in the performance of a grant, agreement, contract, subgrant, or subcontract. Where a location or site of operation contains or includes more than one building, plant, installation, or structure, the entire location shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

Grantor Agrees That It:

A. Will make available to Grantee for the purpose of this Agreement not to exceed \$ 3,664,000.00 which it will advance to Grantee to meet not to exceed 16.92 percent of the project development costs of the project in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the project and coordinating the plan with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of This Agreement

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in paragraph I above or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the project will not produce beneficial results commensurate with the further expenditure of funds.

In witness whereof Grantee on the date first above written has caused these presence to be executed by its duly authorized

Chairperson

attested and its corporate seal affixed by its duly authorized

Secretary

Attest:

By Michael Williams, GRANTOR MANAGER, Inc.
Michael Williams
(Title) Chairperson

By Ethel Jordan
(Title) Secretary

UNITED STATES OF AMERICA

RURAL UTILITIES SERVICE

By Kellie Lilly
Kellie Lilly (Title)
Area Specialist



WEST VIRGINIA

Infrastructure & Jobs Development Council

February 05, 2021

Brent Clark
MASON COUNTY PSD
332 Viand Street
Pt Pleasant, WV 25550

Re: MASON COUNTY PSD
Sewer Line Extension Project No. 2020S-1922
Preliminary Application Approved

Dear Brent Clark:

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 Sewer 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 Sewer 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 loan information for this Project:

USDA Loan (Term: 40 years Rate: 1.75%) - \$6,678,224.00

Below is grant information for this Project:

USDA Grant - \$3,850,000.00

IJDC District 3 Grant - \$1,000,000.00

Total estimated project cost is \$11,528,224.00. If you have any questions regarding this matter, please contact Wayne Morgan, Executive Director, at (304) 414-6501 (X106).

Sincerely,

Wayne Morgan
Executive Director

cc: Katheryn Emery, West Virginia Department of Environmental Protection
Dominick Cerrone, Cerrone Associates, Inc.
Kathryn K. Elliott, Region 2 - Planning & Development Council
Michael D Griffith, Griffith & Associates
Samme Gee, Esq., Jackson Kelly
Marie Prezioso, WV Water Development Authority