MIDLAND PUBLIC SERVICE DISTRICT

WATER REVENUE BONDS, SERIES 2024 A
(WEST VIRGINIA DWTRF PROGRAM); AND
WATER REVENUE BONDS, SERIES 2024 B
(WEST VIRGINIA DWTRF PROGRAM/FORGIVABLE)

BOND RESOLUTION

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MIDLAND PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF MIDLAND PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $600,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2024 A (WEST VIRGINIA DWTRF PROGRAM), AND NOT MORE THAN $100,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2024 B (WEST VIRGINIA DWTRF PROGRAM/FORGIVABLE); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING THE LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF MIDLAND PUBLIC SERVICE DISTRICT:

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A, Chapter 31, Article 15A and Chapter 22, Article 36 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

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

B. The Issuer presently owns and operates a public waterworks system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain extensions, additions, betterments and improvements to the existing public waterworks system of the Issuer, consisting of installation of approximately 12,500 linear feet of 8-inch, 10,500 linear feet of 4-inch and 2,000 linear feet of 2-inch water line and the necessary valves and appurtenances which will allow the District to serve 88 new customers along Faulkner Road in Randolph County, and all necessary appurtenances (collectively, the "Project") (the existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Drinking Water Treatment Revolving Fund on behalf of the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP") pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its water revenue bonds in the total aggregate principal amount of not more than $545,500 in two or more series (collectively, the "Series 2024 Bonds"), being the (1) Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program), in the aggregate principal amount of not more than $600,000 (the "Series 2024 A Bonds"), and (2) Water Revenue Bonds, Series 2024 B (West Virginia DWTRF Program/Forgivable), in the aggregate principal amount of not more than $100,000 (the "Series 2024 B Bonds") to permanently finance a portion of the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2024 Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2024 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the Administrative Fee, if any, (as hereafter defined); discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2024 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2024 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2024 A Bonds and Series 2024 B Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority on behalf of the DEP (the "Loan Agreement"), all in a form satisfactory the respective parties approved hereby, if not previously approved by resolution of the Issuer.

G. There are outstanding bonds or 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. Water Revenue Bonds, Series 1998 A (United States Department of Agriculture), dated July 8, 1998, issued in the original aggregate principal amount of $120,000 (the "Series 1998 A Bonds");

2. Water Revenue Bonds, Series 2019 A (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $2,880,000 (the "Series 2019 A Bonds"); and

3. Water Revenue Bonds, Series 2019 B (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $600,000 (the "Series 2019 B Bonds") (collectively, the "Prior Bonds").

Prior to the issuance of the Series 2024 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. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolutions.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest, if any, on the Bonds (as hereinafter defined) and payments into all funds and accounts and other payments provided for herein and in the Prior Resolutions, all as such terms are hereinafter defined.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2024 Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council (the "Council") and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2024 Bonds or such final order will not be subject to appeal or rehearing.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2024 Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2024 Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 31, Article 15A, Chapter 16, Article 13A and Chapter 22, Article 36 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Administrative Fee" means the Administrative Fee required, if any, to be paid pursuant to the Loan Agreement for the Series 2024 A Bonds.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2024 Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

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

"BIL" means the Infrastructure Investment and Jobs Act, Public Law 117-58, pursuant to which funding has been awarded by DEP, as hereinafter defined.

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

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

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

"Bonds" means, collectively, the Series 2024 A Bonds, the Series 2024 B Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

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

"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.

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

"Closing Date" means the date upon which there is an exchange of the Series 2024 Bonds for all or a portion of the proceeds of the Series 2024 Bonds, respectively, from the Authority.

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

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

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

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

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

"Cross Cutter Authorities" means federal laws and authorities that apply by their terms to projects or activities receiving federal assistance.

"DEP" means the West Virginia Department of Environmental Protection, or any other agency, board or department of the state that succeeds to the functions of the DEP.

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

"DWTRF Regulations" means the DWTRF regulations set forth in the West Virginia Code of State Regulations, as amended from time to time.

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

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

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

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

"Grant" means all moneys received by the Issuer of any grant for the Project.

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

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

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

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

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority, on behalf of the DEP, providing for the purchase of the Series 2024 A Bonds and Series 2024 B Bonds from the Issuer by the Authority the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2024 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2024 A Bonds Reserve Account.

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

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

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

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

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

"Prior Bonds" means, the Series 1998 A Bonds, Series 2019 A Bonds and Series 2019 B Bonds.

"Prior Resolutions" means the resolutions and supplemental resolutions of the Issuer authorizing the issuance of the Prior Bonds.

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

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by the Prior Resolutions and continued hereby.

"Reserve Accounts" means, collectively, the respective Reserve Accounts established for the Series 2024 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2024 A Bonds.

"Revenue Fund" means the Revenue Fund created by the Prior Resolutions and continued hereby.

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

"Series 1998 A Bonds" means the Issuer's Water Revenue Bonds, Series 1998 A (United States Department of Agriculture), dated July 8, 1998, issued in the original aggregate principal amount of $120,000.

"Series 2019 A Bonds" means the Issuer's Water Revenue Bonds, Series 2019 A (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $2,880,000.

"Series 2019 B Bonds" means the Issuer's Water Revenue Bonds, Series 2019 B (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $600,000.

"Series 2024 Bonds" means collectively, the Series 2024 A Bonds and the Series 2024 B Bonds.

"Series 2024 A Bonds" means the Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program) of the Issuer, authorized by this Resolution.

"Series 2024 A Bonds Reserve Account" means the Series 2024 A Bonds Reserve Account established by Section 5.02 hereof.

"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.

"Series 2024 A Bonds Sinking Fund" means the Series 2024 A Bonds Sinking Fund established by Section 5.02 hereof.

"Series 2024 B Bonds" means the Water Revenue Bonds, Series 2024 B (West Virginia DWTRF Program/Forgivable) of the Issuer, authorized by this Resolution.

"Series 2024 Bonds Construction Fund" means the Series 2024 Bonds Construction Fund established by Section 5.01 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2024 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2024 Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2024 Bonds, and not so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Series 2024 Bonds, the Prior Bonds or any other obligations of the Issuer, including, without limitation, the Sinking Funds, Reserve Accounts, the Renewal and Replacement Fund and the Cash Working Capital Reserve.

"System" means the complete public waterworks system of the Issuer, as extended and improved by the Project, including the existing waterworks facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the System; and shall also include any and all extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the waterworks system from any sources whatsoever.

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

"West Virginia DWTRF Program" means the West Virginia Drinking Water Treatment Revolving Fund Program established by the State, administered by DEP and funded by capitalized grants awarded to the State pursuant to BIL and the Federal Safe Drinking Water Act, as amended, for the purpose of establishing and maintaining a permanent perpetual fund for the acquisition, construction and improvement of drinking water projects.

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

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of $3,339,363, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2024 Bonds shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority, the Council and the DEP.

The cost of the Project is estimated not to exceed $3,493,363, of which $600,000 will be obtained from proceeds of the Series 2024 A Bonds; $100,000 will be obtained from proceeds of the Series 2024 B Bonds; $144,363 will be obtained from proceeds of a grant from the Council; $2,000,000 will be obtained from the Congressional Directed Spending; $149,500 will be obtained from the Randolph County Commission ARPA Grant; and $500,000 will be obtained from the WV Governor's Match Grant.

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2024 Bonds, if any, funding reserve accounts for the Series 2024 Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2024 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the Series 2024 Bonds of the Issuer. The Series 2024 Bonds are being issued pursuant to an official action of the Board and in accordance with the governing statutes and rules of the Board. The Series 2024 Bonds shall be issued in two or more series, each as a single bond, designated respectively as (i) "Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program)," in the principal amount of not more than $600,000, and (ii) "Water Revenue Bonds, Series 2024 B (West Virginia DWTRF Program/Forgivable)," in the principal amount of not more than $100,000, and each shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2024 Bonds remaining after capitalizing interest, if any, on the Series 2024 Bonds, and funding the Series 2024 A Bonds Reserve Account shall be deposited in or credited to the Series 2024 Bonds Construction Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. A. The Series 2024 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2024 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2024 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2024 A Bonds shall initially be issued in the form of a single bond, fully registered and delivered to the Authority, with a record of advances attached, representing the aggregate principal, all as provided in the Supplemental Resolution. The Series 2024 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall bear interest as specified in a Supplemental Resolution.

B. The Series 2024 B Bonds shall be issued in such principal amount; shall not bear interest; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2024 B Bonds shall be forgivable as to principal.

Unless otherwise provided by the Supplemental Resolution, the Series 2024 B Bonds shall initially be issued in the form of a single bond, delivered fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2024 B Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall bear interest as specified in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2024 Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2024 Bonds shall cease to be such officer of the Issuer before the Series 2024 Bonds so signed and sealed have been actually sold and delivered, such Series 2024 Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2024 Bonds had not ceased to hold such office. Any such Series 2024 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Series 2024 Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2024 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2024 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2024 Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2024 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2024 Bonds shall be conclusively deemed to have agreed that such Series 2024 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Series 2024 Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2024 Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Series 2024 Bonds.

The registered Series 2024 Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging the Series 2024 Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or

transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2024 Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate, register and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2024 Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2024 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2024 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2024 A Bonds shall be secured by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Prior Bonds and the Series 2024 A Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2024 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2024 Bonds to the original purchasers upon receipt of the documents set forth below:

(i) If other than the Authority, a list of the names in which the Series 2024 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

(ii) A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2024 Bonds to the original purchasers;

(iii) An executed and certified copy of the Bond Legislation;

(iv) Executed copies of the Loan Agreement; and

(v) The unqualified approving opinion of bond counsel on the Series 2024 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2024 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2024 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MIDLAND PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2024 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1 $

KNOW ALL MEN BY THESE PRESENTS: That on this ____ day of _____, 2024, MIDLAND PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Randolph County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference, with interest payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing _____ 1, 20___ to and including _____ 1, 20____, at the rate of _____% per annum as set forth on EXHIBIT B attached hereto.

The Administrative Fee of _____% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance

with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the DEP, dated _____, 2024.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing waterworks system of the Issuer (the "Project"); and (ii) to pay costs of issuance for the Bonds (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 22, Article 36 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2024, and a Supplemental Resolution duly adopted by the Issuer on _____, 2024 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

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

1. WATER REVENUE BONDS, SERIES 1998 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 8, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $120,000 (THE "SERIES 1998 A BONDS");

2. WATER REVENUE BONDS, SERIES 2019 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 5, 2019, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,880,000 (THE "SERIES 2019 A BONDS"); AND

3. WATER REVENUE BONDS, SERIES 2019 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 5, 2019, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $600,000 (THE "SERIES 2019 B BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2024 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2024 A Bonds Reserve Account and unexpended

proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided, however, that so long as there exists in the Series 2024 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, MIDLAND PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2024 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2024.

UNITED BANK, as Registrar

_____
Authorized Officer

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 $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, 20___.

_____

In the presence of:

_____

(FORM OF SERIES 2024 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MIDLAND PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2024 B
(WEST VIRGINIA DWTRF PROGRAM)

No. BR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That on this ____ day of _____, 2024, MIDLAND PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Randolph County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference.

This Bond shall bear no interest. The principal amounts advanced under the Series 2024 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2024 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the DEP, dated _____, 2024.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance for the Bonds (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 22, Article 36 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2024, and a Supplemental Resolution duly adopted by the Issuer on _____, 2024 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds

under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS FORGIVABLE AND HAS NO LIEN ON THE NET REVENUES OR GROSS REVENUES OF THE SYSTEM.

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

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

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

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, MIDLAND PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2024 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2024.

UNITED BANK, as Registrar

_____
Authorized Officer

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

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

Dated: _____, 20_____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2024 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

Section 3.12. Filing of Amended Schedule Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the DEP the respective amended schedules setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV
[RESERVED]

ARTICLE V
FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created (or continued if previously established by the 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 the Issuer and from each other:

(1) Revenue Fund (established by the Prior Resolutions and hereby continued);

(2) Renewal and Replacement Fund (established by Prior Resolutions and hereby continued);

(3) Reserve Account (established by Prior Resolutions for the Series 1998 A Bonds and hereby continued);

(4) Cash Working Capital Reserve; and

(5) Series 2024 Bonds Construction Fund.

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

(1) Series 2019 A Bonds Reserve Account (established by Prior Resolutions);

(2) Series 2019 B Bonds Reserve Account (established by Prior Resolutions);

(3) Series 2024 A Bonds Sinking Fund; and

(4) Series 2024 A Bonds Reserve Account.

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

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

(2) The Issuer shall next, each month, simultaneously on or before the due date, transfer from the Revenue Fund and remit to (i) the National Finance Office the amounts required by the Prior Resolutions to pay interest on the Prior Bonds; and (ii) to the Commission commencing 4 months prior to the first date of payment of interest on the Series 2024 A Bonds, as required in the Loan Agreement, for deposit in the Series 2024 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 2024 A Bonds on the next ensuing quarterly interest payment date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2024 A Bonds Sinking Fund and the next quarterly interest payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall next, each month, simultaneously (i) on or before the due date, transfer from the Revenue Fund and remit to the National Finance Office the amount required by Prior Resolutions to pay principal on the Prior Bonds; and (ii) on the first day of each month, remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2024 A Bonds, for deposit in the Series 2024 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2024 A Bonds on the next ensuing quarterly principal payment date; provided, that in

the event the period to elapse between the date of such initial deposit in the Series 2024 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit (i) to the Depository Bank the amount required by the Prior Resolutions to be deposited in the Reserve Account for the Series 1998 A Bonds; (ii) to the Commission the amount required by Prior Resolutions for deposit in the Reserve Accounts for the Series 2019 A Bonds and Series 2019 B Bonds; and (iii) to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2024 A Bonds, if not fully funded upon issuance of the Series 2024 A Bonds, for deposit in the Series 2024 A Bonds Reserve Account, an amount equal to 1/120th of 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 to 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 Accounts. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, 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 accounts have not, as of the date of determination of a deficiency, funded such accounts 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

accordance with Article VIII hereof. 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.

(7) After all the foregoing provisions for use of monies in the Revenue Fund have been fully complied with, any monies remaining therein and not permitted to be retained therein may be used to prepay installments of the Bonds, pro rata, or for any lawful purpose of the System.

Monies in the Series 2024 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2024 A Bonds. Monies in the Series 2024 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2024 A Bonds when other monies in the Series 2024 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2024 A Bonds Sinking Fund, and the Series 2024 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2024 Bonds Construction Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2024 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2024 A Bonds Reserve Account which result in a reduction in the balance of the Series 2024 A Bonds Reserve Account to below the Series 2024 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2024 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional Parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2024 A Bonds Sinking Fund or the Series 2024 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2024 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds, Series 2024 A Bonds in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2024 A Bonds Sinking Fund and Series 2024 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2024 A Bonds Sinking Fund and Series 2024 A Bonds Reserve Account, shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2024 A Bonds Sinking Fund and the Series 2024 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2024 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest and reserve account payments with respect to the Series 2024 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the Administrative Fee, if any, as set forth in the Schedule Y attached to the Loan Agreement for the Series 2024 A Bonds.

C. If payment is not made through a sweep at the Commission, then the Issuer shall complete the "monthly payment form," a form of which is attached to the Loan Agreement, and submit a copy of said form along with a copy of its payment check or electronic transfer to the Authority by the 5th day of such calendar month.

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

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

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

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

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2024 Bonds Construction Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI
BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2024 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2024 A Bonds, there shall first be deposited with the Commission in the Series 2024 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2024 A Bonds for the period commencing on the date of issuance of the Series 2024 A Bonds and ending 6 months after the estimated date of completion of the Project.

B. Next, from the proceeds of the Series 2024 A Bonds, there shall next be deposited with the Commission in the Series 2024 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2024 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2024 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2024 Bonds Construction Fund and applied solely to payment of costs of

the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2024 A Bonds. The net proceeds of the Bonds shall be expended within 3 years of the issuance of the Bonds.

D. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2024 B Bonds, such monies shall be deposited with the Depository Bank in the Series 2024 Bonds Construction Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02.

E. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2024 Bonds shall be applied as directed by the DEP.

Section 6.02. Disbursements From the Bond Construction Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 2024 Bonds will be expended and the disbursement procedures for such proceeds. Payments for the costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2024 Bonds Construction Fund shall be made only after submission to and approval from the DEP, of

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement for the Series 2024 Bonds, and

(2) a certificate, signed by an Authorized Officer, as appropriate stating that:

(A) None of the items for which the payment is requested has been requested from another funding source;

(B) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(C) Each of such costs has been otherwise properly incurred; and

(D) Payment for each of the items proposed is then due and owing.

Pending such application, monies in the Series 2024 Bonds Construction Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer. The Issuer agrees to expend the net proceeds of the Series 2024 Bonds for the Project within 3 years of the issuance of the Series 2024 Bonds.

ARTICLE VII
ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2024 Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2024 Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2024 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2024 Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2024 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Prior Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2024 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Recommended Decision dated October 24, 2023, which became a Final Order on November 13, 2023, in Case No. 23-0577-PWD-42A-CN of the Public Service Commission of West Virginia

So long as the Series 2024 Bonds are Outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2024 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds

sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Resolutions. Additionally, so long as the Series 2024 Bonds are Outstanding and except as otherwise required by law or with the written consent of the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2024 Bonds, immediately be remitted to the Commission for deposit in the Series 2024 A Bonds Sinking Fund and, with the written permission of the Authority, or, in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2024 A Bonds. Any balance remaining after the payment of the Series 2024 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000, but not in excess of $50,000, the Issuer shall first, in writing, determine upon consultation with a professional engineer that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property shall be deposited in the Renewal and Replacement Fund. Payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into such fund by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution

by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2024 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2024 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2024 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2024 A Bonds and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2024 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolutions shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2024 A Bonds pursuant to this Bond Legislation, except with the prior written consent of the Authority under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Resolutions).

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 Prior Bonds are Outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Recorder 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 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 Prior Bonds, representing 75% of the then-outstanding principal indebtedness.

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 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 (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates adopted by the Issuer, the period for appeal of which has expired prior to the date of 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 hereinabove 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 period for appeal of which has 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. Bonds

issued on a parity, 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 Bond. 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 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 any time, however, unless all 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 such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

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

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

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

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be

maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Governing Body. The Governing Body shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the DEP, the Authority, or any other original purchaser of the Series 2024 Bonds, and shall mail in each year to any Holder or Holders of the Series 2024 Bonds and the Consulting Engineer, requesting the same, an annual report containing the following:

(A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations payable from the revenues of the System Outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required in compliance with 2 CFR 200 Subpart F, or any successor thereto), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2024 Bonds, and shall submit said report to the Authority, or any other original purchaser of the Series 2024 Bonds. Such audit report submitted to the Authority 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 revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

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

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in Exhibit D of the Loan Agreement for the Series 2024 Bonds or as promulgated from time to time.

Section 7.09. Rates. Prior to the issuance of the Series 2024 Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 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 Prior Bonds; provided, that in the event amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2024 A Bonds Reserve Account, and any reserve accounts for obligations on a parity with the Series 2024 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 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 Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the DEP within 30 days of adoption thereof.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached

to the Loan Agreement, and forward a copy of such report to the Authority by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the 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.

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

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the DWTRF Regulations, to the Issuer within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the DWTRF Regulations, to the Issuer when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the System in compliance with all State and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

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

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

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

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

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

Section 7.15. Insurance and Construction Bonds A. The Issuer hereby covenants and agrees that so long as the Series 2024 Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the

prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

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

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

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

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

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

Section 7.16. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling or building intended to be served by the System to connect thereto.

Section 7.17. Completion, Operation and Maintenance of Project; Permits and Orders. The Issuer shall complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards. The Issuer shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2024 Bonds are outstanding.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals required by State Law necessary for the financing, acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Series 2024 Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect.

Section 7.18. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2024 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2024 Bonds, which statutory mortgage lien shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 7.19. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the DEP with copies of all documents submitted to the Authority. The Issuer also agrees to comply with all applicable federal and state statutes, rules, regulations, the applicable Cross Cutter Authorities and all applicable local ordinances issued by the Authority, all federal requirements imposed by BIL, Public Law 117-58, the 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.

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

Section 7.20. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2024 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2024 Bonds held in "contingency" as set forth in the schedule attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2024 Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII
INVESTMENT OF FUNDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and

investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2024 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2024 Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2024 Bonds as a condition to issuance of the Series 2024 Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2024 Bonds as may be necessary in order to maintain the status of the Series 2024 Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2024 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the DEP, as the case may be, from which the proceeds of the Series 2024 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority, information with respect to the Issuer's use of the proceeds of the Series 2024 Bonds and any additional information requested by the Authority.

ARTICLE IX
DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2024 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any series of the Series 2024 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2024 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2024 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or

(4) If default occurs with respect to the Prior Bonds or the Prior Resolutions.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Series 2024 Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Series 2024 Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2024 Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2024 A Bonds shall be on a parity with those of the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of the Series 2024 Bonds may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of the Series 2024 Bonds shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Series 2024 Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

Whenever all that is due upon the Series 2024 Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the revenues of the System shall have been paid and made good, and all defaults under the provisions of this Bond Legislation shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner of any Bonds shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Series 2024 Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X
PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2024 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2024 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2024 A Bonds from gross income for federal income tax purposes.

ARTICLE XI
MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2024 Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2024 Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2024 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2024 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Series 2024 Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest, if any, on the Series 2024 Bonds from gross income of the Holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2024 Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the Supplemental Resolution, or the Series 2024 Bonds.

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

Section 11.05. Conflicting Provisions Repealed; Prior Resolutions. Except for the Prior Resolutions, all orders, ordinances or resolutions, or parts thereof, in conflict with the provisions of this Resolution are to the extent of such conflict, hereby repealed; provided, that this Section shall not be applicable to the Prior Resolutions. In the event of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by

and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

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

Adopted this 12th day of March, 2024.

MIDLAND PUBLIC SERVICE DISTRICT

_____

Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of MIDLAND PUBLIC SERVICE DISTRICT on the 12th day of March, 2024.

Dated: March 28, 2024.

[SEAL]

Secretary

16977739.1

MIDLAND PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2024 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2024 B
(West Virginia DWTRF Program/Forgivable)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISIONS, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2024 A (WEST VIRGINIA DWTRF PROGRAM), AND WATER REVENUE BONDS, SERIES 2024 B (WEST VIRGINIA DWTRF PROGRAM/FORGIVABLE) OF MIDLAND PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Midland Public Service District (the "Issuer") has duly and officially adopted a bond resolution on March 12, 2024 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF MIDLAND PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $600,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2024 A (WEST VIRGINIA DWTRF PROGRAM), AND NOT MORE THAN $100,000 IN AGGREGATE PRINCIPAL

AMOUNT OF WATER REVENUE BONDS, SERIES 2024 B (WEST VIRGINIA DWTRF PROGRAM/FORGIVABLE); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING THE LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program) in an aggregate principal amount not to exceed $600,000 (the "Series 2024 A Bonds"), and Water Revenue Bonds, Series 2024 B (West Virginia DWTRF Program/Forgivable) in an aggregate principal amount not to exceed $100,000 (the "Series 2024 B Bonds") (collectively, the "Series 2024 Bonds") and has authorized the execution and delivery of a loan agreement relating to the Series 2024 A Bonds and Series 2024 B Bonds, including all schedules and exhibits attached thereto, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP") (the "Loan Agreement"), all in accordance with Chapter 16, Article 13A and Chapter 22, Article 36, of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provisions, interest rate, interest and principal payment dates, sale price and other terms of the Series 2024 Bonds should be established by a supplemental resolution pertaining to the Series 2024 Bonds; and that other matters relating to the Series 2024 Bonds be herein provided for;

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

WHEREAS, the Series 2024 Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provisions, the interest rate, the interest and principal payment dates, the sale price and other terms of the Series 2024 Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2024 Bonds be herein provided for;

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

Section 1. A. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $515,000. The Series 2024 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2064, and shall bear interest at the rate of 1.0% per annum. The principal and interest of the Series 2024 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2025, to and including March 1, 2064, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2024 A Bonds. The Series 2024 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the Registered Owner of the Series 2024 A Bonds. The Issuer does hereby approve and shall pay the Administrative Fee equal to 0.25% of the principal amount of the Series 2024 A Bonds set forth in the "Schedule Y" attached to the Loan Agreement.

B. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2024 B (West Virginia DWTRF Program/Forgivable), of the Issuer, originally represented by a single bond, numbered BR-1, in the principal amount of $30,500. The Series 2024 B Bonds shall be dated the date of delivery thereof and shall bear no interest. The principal amounts advanced under the Series 2024 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2024 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven. The Series 2024 B Bonds may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the DEP, and otherwise in compliance with, the Loan Agreement. The Series 2024 B Bonds are not subject to the Administrative Fee.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, copies of which are incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the DEP and the Authority. The price of the Series 2024 Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2024 Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate United Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2024 Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2024 Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the

Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2024 Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate Mountain Valley Bank, NA, Elkins, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2024 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2024 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2024 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2024 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2024 Bonds shall be deposited in or credited to the Series 2024 Bonds Construction Trust Fund as received from the DEP from time to time for payment of the Costs of the Project, including, without limitation, costs of issuance of the Series 2024 Bonds and related costs.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Series 2024 Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Series 2024 Bonds may be delivered on or about March 28, 2024, to the Authority pursuant to the Loan Agreement.

Section 11. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project and the Chairman is hereby authorized and directed to execute and deliver all such contracts.

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Section 12. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 12th day of March, 2024.

MIDLAND PUBLIC SERVICE DISTRICT

By:_____
Its: Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Midland Public Service District on the 12th day of March, 2024.

Dated: March 28, 2024.

[SEAL]

Elaine H Valentine

Secretary

LOAN AGREEMENT

THIS DRINKING WATER TREATMENT REVOLVING FUND LOAN AGREEMENT (the "Loan 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"), the WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, a state agency (the "DEP"), and the local entity designated below (the "Local Entity").

MIDLAND PUBLIC SERVICE DISTRICT
(2022W-2152 / D-144017)
(Local Entity)

W I T N E S S E T H:

WHEREAS, the United States Congress under Section 1452 of the Safe Drinking Water Act, as amended (the "Safe Drinking Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining drinking water treatment revolving funds for the construction, acquisition and improvement of drinking water systems;

WHEREAS, pursuant to the provisions of Chapter 16, Article 13C of the Code of West Virginia, 1931, which was succeeded by Chapter 22, Article 36 (effective July 1, 2023), as amended (the "Act"), the State of West Virginia (the "State") has established and continued a drinking water treatment revolving fund program (the "Program") to direct the distribution of loans to eligible Local Entities pursuant to the Safe Drinking 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 §66.468 (1998)) and DEP has been awarded capitalization grants to partially fund the Program;

WHEREAS, the Act establishes and continues a permanent perpetual fund known as the "West Virginia Drinking Water Treatment Revolving Fund" (hereinafter the "Fund"), which fund is to be administered and managed by the Authority under the direction of the DEP;

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to make loans from the Fund to Local Entities for the design, acquisition or construction of drinking water projects by such Local Entities, all subject to such provisions and limitations as are contained in BIL, as hereinafter defined, the Safe Drinking Water Act and the Act;

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

WHEREAS, the Local Entity constitutes a local entity as defined by the Act;

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

WHEREAS, the Local Entity is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a drinking water project and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Local Entity;

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

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

WHEREAS, having reviewed the Application and the Fund having available sufficient funds therefor, the Authority and DEP are willing to lend the Local Entity the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Local Entity with moneys held in the Fund, subject to the Local Entity's satisfaction of certain legal and other requirements of the Program.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Local Entity, 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 entity," and "project" have the definitions and meanings ascribed to them in the Act or in the DWTRF Regulations.

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

1.3 "Cross Cutter Authorities" means federal laws and authorities that apply by their terms to projects or activities receiving federal assistance.

1.4 "Loan" means the loan to be made by the Authority on behalf of DEP to the Local Entity through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.5 "Local Act" means the official action of the Local Entity required by Section 4.1 hereof, authorizing the Local Bonds.

1.6 "Local Bonds" means the revenue bonds to be issued by the Local Entity pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority with money held in the Fund, all in accordance with the provisions of this Loan Agreement.

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

1.8 "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.

1.9 "Program" means the drinking water facility acquisition, construction and improvement program coordinated through the capitalization grants program established under BIL and the Safe Drinking Water Act and administered by DEP.

1.10 "Project" means the drinking water project hereinabove referred to, to be constructed or being constructed by the Local Entity in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Entity 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 Local Bonds.

1.11 "DWTRF Regulations" means the regulations set forth in the West Virginia Code of State Regulations (47 CSR 66).

1.12 "System" means the drinking water system owned by the Local Entity, 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.

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

ARTICLE II
The Project and the System

2.1 The Project shall generally consist of the design, construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Local Entity 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 Loan Agreement and the Local Act, the Local Entity 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 Entity 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 Entity, 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 Entity 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 Entity 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 Entity shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project. The Local Entity 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 Entity 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 Loan or of any State and federal grants or other sources of financing for the Project.

2.6 The Local Entity agrees that it will permit the Authority and DEP and their respective agents to have access to the records of the Local Entity 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 Entity 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 Entity 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 Entity, the Local Entity or (at the option of the Local Entity) 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 Entity, 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 Entity on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds are outstanding. Prior to commencing operation of the Project, the Local Entity must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Local Entity 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 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 Entity 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 Entity shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the DWTRF Regulations, to it within 60 days of the completion of the Project. The Local Entity shall notify DEP in writing of such receipt.

2.10 The Local Entity shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Entity shall employ qualified operating personnel properly certified by the State. If the Local Entity is a newly established water system, the Local Entity must employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator(s) to operate the System during the entire term of this Loan Agreement. The newly established Local Entity shall notify DEP in writing of the certified operator employed at the 50% completion stage.

2.11 The Local Entity hereby covenants and agrees to comply with all applicable federal and state statutes, rules and regulations, the applicable requirements of all Cross Cutter Authorities and all applicable local ordinances 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 Entity must complete the Monthly Financial Report, the form of which is attached hereto as Exhibit A and incorporated herein by reference, and forward it to the Authority by the 10th day of each month, commencing on the month after the loan contracts are executed for the acquisition or construction of the Project and ending after three years. After the three-year period, it or an equivalent tracking form should continue to be completed and reviewed monthly for the utility's management to monitor its financial debt service coverage for the life of the loan. This form would be on file with the utility records according to the utility's records management policy.

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

2.14 The Local Entity shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia in the manner prescribed by and the guidelines established by the Authority and the PSC.

ARTICLE III
Conditions to Loan; Issuance of Local Bonds

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

(a) The Local Entity shall have delivered to DEP and the Authority a report listing the specific purposes for which the proceeds of the Loan will be expended;

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

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

(d) The Local Entity shall either have received bids or entered into contracts for the construction of the Project, which are in an amount and otherwise compatible with the plan of financing described in the Application; provided, that, if the Loan will refund an interim construction financing, the Local Entity must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and 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 Entity 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 Entity shall have obtained all requisite orders required by the laws of the State 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 Entity, which may be local counsel to the Local Entity, or bond counsel but must be satisfactory to the Authority and DEP, to such effect;

(g) The Local Entity shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority and DEP shall have received an opinion of counsel to the Local Entity, which may be local counsel to the Local Entity, or bond counsel but must be satisfactory to the Authority and DEP, to such effect;

(h) The Local Entity 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 counsel to the Local Entity, which may be local counsel to the Local Entity, or bond counsel but must be satisfactory to the Authority and DEP, to such effect;

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and DEP shall have received a certificate of the accountant for the Local Entity, or such other person or firm experienced in the finances of local entities and satisfactory to the Authority and DEP, to such effect;

(j) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority and DEP shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of drinking water 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; and

(k) The Local Entity shall have obtained 100% of the titles, easements and rights-of-way, or shall have received rights-of-entry or recorded binding options for the same and the Authority and DEP shall receive an opinion of counsel to the Local Entity, satisfactory to the Authority and DEP, to such effect.

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

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

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

3.5 The Local Entity understands and acknowledges that it is one of several local entities which have applied to the Authority and DEP for loans from the Fund to finance drinking water projects and that the obligation of the Authority to make any such loan is subject to the Local Entity's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing and to the requirements of the Program. The Local Entity specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may purchase the bonds of other local entities set out in the State Project Priority List, as defined in the DWTRF Regulations. The Local Entity further specifically recognizes that all loans will be originated in conjunction with the DWTRF Regulations and with the prior approval of DEP or such later date as is agreed to in writing by the DEP.

3.6 The Local Entity shall provide DEP with the appropriate documentation to comply with the special conditions regarding the special requirements established by federal and State regulations as set forth in Exhibit D attached hereto at such times as are set forth therein.

3.7 The Local Entity shall comply with the following conditions:

(a) The Local Entity shall develop and implement an asset management plan in accordance with DEP guidelines and approved by DEP.

(b) The Local Entity shall comply with Title 40 CFR Part 34, New Restrictions on Lobbying.

(c) The Local Entity shall comply with Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds $10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was $10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

(d) The Local Entity shall comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons). To the extent required by DEP, the Local Entity shall provide certifications as to compliance.

(e) The Local Entity shall comply with all requests for data related to the use of the funds provided under this agreement.

(f) The Local Entity shall allow any appropriate representative of the Office of US Inspector General to (1) examine its records relating to the Project and this Agreement and (2) interview any officer or employee of the Local Entity.

(g) The Local Entity must promptly refer to EPA's Inspector General any credible evidence that a principal, employee, agent, sub-grantee contractor, subcontractor, loan recipient, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Agreement.

(h) The Local Entity shall not use funds for particular activities for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

(i) The Local Entity 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 31 of title 40, United States Code. The Local Entity must require that contractors and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements.

(j) Pursuant to 40 CFR, Section 33.301, the Local Entity agrees to make Disadvantage Business Enterprise (DBE) good faith efforts whenever procuring construction, equipment, services and supplies, and to require that prime contractors also comply. The Local Entity shall provide DEP with DBE participation reports quarterly.

(k) The Local Entity shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements. The Local Entity shall also comply with Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment), the Americans with Disabilities Act (prohibiting disability discrimination in employment and in services provided by State and Local Entities, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.

(l) The Local Entity shall comply with all federal requirements applicable to the Loan (including those imposed by BIL, P.L. 113-76, Consolidated Appropriations Act, 2014, the Infrastructure Investment and Jobs Act ("IIJA"), Public Law No. 117-58 and related

SRF Policy Guidelines issued by the EPA) which the Local Entity understands includes, among other things, requirements that all of the iron and steel, manufactured products, and construction materials used in the Project are to be produced in the United States ("Build America, Buy America Requirement") unless (i) the Local Entity has requested and obtained a waiver from the EPA or another application agency pertaining to the Project or the Project is otherwise covered by a general applicability waiver; or (ii) the DEP and other funding agencies, if applicable, have otherwise advised the Local Entity in writing that the Build America, Buy America Requirements are not applicable to the Project.

(m) The Local Entity shall comply with all record keeping and reporting requirements under the Safe Drinking Water Act and other funding agencies, if applicable, including any reports required by a Federal agency or the DEP such as performance indicators of program deliverables, information on costs and Project progress. The Local Entity 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 Safe Drinking Water Act and other funding agencies, if applicable, and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds, termination and/or repayment of grants, cooperative agreements, direct assistance or other types of financial assistance, and/or other remedial actions. The Local Entity shall review each contractor's and sub-contractor's methodology for complying with Build America, Buy America requirements at the pre-construction meeting. The Local Entity shall require, as part of the contract documents, that the contractor identify the material cost (itemized list) for the contracts and utilize a spreadsheet or other manner to track all deminimus items, which deminimus items must not exceed five percent (5%) of the material cost for the contract. The Local Entity shall require each contractor to transfer all product files to the Local Entity at completion of the Project. The Local Entity shall and hereby agrees to keep and maintain such product files for a minimum of five years after substantial completion of the Project.

(n) The Local Entity covenants and agrees to not expend any proceeds of the Loan 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 Entity 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).

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

3.9 If the Local Entity has entered into an Operation and Maintenance Agreement approved by the PSC and is collecting a Surcharge for the payment of the debt service on the Local Bonds it shall provide in its Local Bonds authorization documents for the application of any Additional Per-Customer Credits. The Local Entity shall direct that the Additional Per-Customer Credits amount be deposited only in the Reserve Account for the Local Bonds held by the Commission. When the total of the monthly debt service deposits and the annual Additional

Per-Customer Credit amounts exceed the Reserve Requirement, then the Commission shall notify the Local Entity, the Authority and the DEP. After the Reserve Account is fully funded, the annual deposit of the Additional Per-Customer Credits shall be held in the account until the additional balance exceeds [$50,000] or the ten-year period has expired. The Authority shall approve a prepayment of the additional balance and shall provide a debt service schedule reflecting the prepayment. The PSC shall be notified of any prepayment. If the balance is less than [$50,000] at the end of the ten-year period, then the balance shall be transferred to the Debt Service Account and applied to the next interest and principal payments.

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

4.1 The Local Entity shall, as one of the conditions of the Authority and DEP to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Local Entity in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows:

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

(i) to pay Operating Expenses of the System;

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

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

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

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

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues, as applicable, of the System as provided in the Local Act;

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

(iii) That the Local Entity will complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or the DWTRF Regulations, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of the System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

(v) That the Local Entity shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority;

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

(vii) That the Local Entity will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Local Entity under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

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

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

(xi) That the Local Entity shall annually, within six months of the end of the fiscal year, 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. If the Local Entity receives $750,000 or more (in any combination of federal funds) in a fiscal year, the audit shall be obtained in accordance with 2 CFR 200 Subpart F (or any successor thereto). Financial statement audits are required once all funds have been received by the Local Entity. The audit 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 Entity's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Local Entity 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 within 30 days of adoption thereof;

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

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

the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Local Entity may authorize redemption of the Local Bonds with 30 days written notice to DEP and the Authority and with the written consent of the DEP and Authority;

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

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

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

(xix) That the Local Entity 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;

(xx) That the Local Entity shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate its services to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore such services until all delinquent charges for the services of the System have been fully paid; and

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

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

4.2 The Loan shall be secured by the pledge and assignment by the Local Entity, as effected by the Local Act, of the fees, charges and other revenues of the Local Entity from the System.

4.3 At least two and one-half percent (2½%) of the proceeds of the Local Bonds will be advanced on the Date of Loan Closing. 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. The remaining proceeds of the Local Bonds shall be advanced by the Authority monthly as required by the Local Entity to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Entity, the DEP and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the DWTRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.4 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Local Entity. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series.

4.5 As provided by the DWTRF Regulations, the Local Entity agrees to pay from time to time, if required by the Authority and DEP, the Local Entity's allocable share of the reasonable administrative expenses of the DEP and the Authority relating to the Program. Such administrative expenses shall be determined by the DEP and the Authority and shall include, without limitation, Program expenses, legal fees paid by the DEP and the Authority and fees paid for any bonds or notes to be issued by the Authority for contribution to the Fund.

4.6 The obligation of the Authority to make any loans shall be conditioned upon the availability of moneys in the Fund in such amount and on such terms and conditions as, in the sole judgment of the Authority, will enable it to make the Loan.

4.7 If a Local Entity does not draw down all of the proceeds of the Local Bonds within six months of a receipt of a substantial completion certificate or such other time as

determined by DEP, the DEP will instruct the Authority to process a final draw on the Local Bonds. DEP will instruct the Authority to advance the remaining proceeds of the Local Bond to the Commission for deposit in the Local Bond's Debt Service Reserve Account.

ARTICLE V
Certain Covenants of the Local Entity; Imposition and Collection of User Charges; Payments To Be Made by Local Entity to the Authority

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

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

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

5.4 The Local Entity hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Local Entity, the Authority may exercise any or all of the rights and powers granted under Section 5 of the Act, including, without limitation, the right to impose, enforce and collect charges of the System.

ARTICLE VI
Other Agreements of the Local Entity

6.1 The Local Entity 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 drinking water projects in the event of default by local entities in the terms and covenants of this Loan Agreement, and the Local Entity hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Local Entity 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 Loan Agreement.

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

6.3 The Local Entity hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority or any other lender for the planning or design of the Project, provided that such repayment shall not be made from the proceeds of the Loan.

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

6.5 Notwithstanding Section 6.4, the Authority may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Entity to be monitored or cause the rebate calculations for the Local Entity to be prepared, in either case at the expense of the Local Entity.

6.6 The Local Entity hereby agrees to give the Authority prior written notice of the issuance by it of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.7 The Local Entity hereby agrees to file with the Authority upon completion of acquisition and construction of the Project a schedule setting forth the actual costs of the Project and sources of funds.

ARTICLE VII
Miscellaneous

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

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

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

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

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

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

7.7 This Loan Agreement shall terminate upon the earlier of:

(i) written notice of termination to the Local Entity from either the Authority or DEP;

(ii) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the DEP if the Local Entity has failed to deliver the Local Bonds to the Authority;

(iii) termination by the Authority and DEP pursuant to Section 6.2 hereof; or

(iv) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Local Entity to the Authority or DEP.

In the event funds are not available to make all of the Loan, the responsibility of the Authority and DEP to make all the Loan is terminated; provided further that the obligation of the Local Entity to repay the outstanding amount of the Loan made by the Authority and DEP is not terminated due to such non-funding on any balance of the Loan. The DEP agrees to use its

best efforts to have the amount contemplated under this Loan Agreement included in its budget. Non-funding of the Loan shall not be considered an event of default under this Loan Agreement.

[Remainder of page intentionally left blank]

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

MIDLAND PUBLIC SERVICE DISTRICT

(SEAL)

By: _____
Its: Chairman
Date: March 28, 2024

Attest:

_____
Its: Secretary

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

By: _____
Its: Director
Date: March 28, 2024

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: March 28, 2024

Attest:

_____
Its: Authorized Officer

EXHIBIT A

Monthly Financial Report

Name of Local Entity: _____
Funding Agency Project No.: _____
Type of Project: ☐ Water ☐ Wastewater
Fiscal Year: _____
Report Month: _____

Item	Current Month	Total Year to Date	Budget Year to Date	***Budget Year to Date Minus Total Year to Date**
1. Gross Revenues:	0	0	0	**0**
2. Operating Expenses: (Including Admin Fees)	0	0	0	**0**
3. Renewal and Replacement Fund Deposits:	0	0	0	**0**
	Adequate R&R Deposit	**Adequate R&R Deposit**	**Adequate R&R Deposit**	
4. ***Net Revenue: (Equation: 1-2)**	**0**	**0**	**0**	**0**
5. Bond Payments: (Principal and Interest)				
Type of Issue				
Clean water SRF:				**0**
Drinking water SRF:				**0**
Infrastructure Fund:				**0**
Water Dev. Authority:				**0**
Rural Utilities Service:				**0**
Economic Development:				**0**
Other: (Identify Below)				**0**
***Bond Payment Total:**	**0**	**0**	**0**	**0**
6. ***Calculated Debt Coverage: (Equation: 4/6 * 100%)**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	
7.	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	

_____
Name of Person Completing Form / Date

_____
Address

_____
Telephone Number

Please enter financial data in Grey cells. (If applicable)
*** Self Calculating Formula**

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT (EXHIBIT A)	
Item 1:	You will need a copy of the current fiscal year budget adopted by the Local Entity 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 Entity 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 Entity.
The Local Entity must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing for the month after the loan contracts are executed for the acquisition or construction of the Project and ending after three years.	

EXHIBIT B

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

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

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

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the 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 B attached hereto as Exhibit A, and my firm[1] 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

[1]If 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".

approved by the 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 thereof[2], the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (xi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; (xii) 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; (xiii) the Issuer will receive as-built plans and specifications within sixty days of the receipt of a completion certificate; and (xiv) 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.

The Project will serve ____ new customers in _____ area as approved by the Infrastructure Council without substitution.

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

[SEAL]

_____

By: _____

_____

West Virginia License No. _____

[2]If 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 C

SPECIAL CONDITIONS

A. PUBLIC RELEASE REQUIREMENT – The Local Entity agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, groundbreaking 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. EXHIBIT C-1 – The Local Entity shall complete the form attached as Exhibit C-1 and submit to the DEP prior to the Closing.

C. CLOSING REQUIREMENTS – The Closing is contingent on the DEP's receipt of an acceptable Final CPA Certificate.

EXHIBIT C-1

DWTRF Loan Form - A-1000

West Virginia Department of Environmental Protection
Subrecipient (Grantee) Information Form
Please see the Instructions for Completion of the Subrecipient (Grantee) Information Form

1. Subrecipient (Grantee) Legal Name	2. Subrecipient (Grantee) DBA Name

3. Subrecipient (Grantee) 12-Digit Unique Entity Identifier (UEI) Number

4. Subrecipient (Grantee) Physical Location			
Street 1:		***State:***	
Street 2:		***Zip +4:***	
City:		***County:***	

5. Subrecipient (Grantee) Type (Please check one box only)	
☐ A - State Government	☐ M - Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)
☐ B - County Government	☐ N - Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education)
☐ C - City or Township Government	☐ O - Private Institution of Higher Education
☐ D - Special District Government	☐ P - Individual
☐ E - Regional Organization	☐ Q - For-Profit Business (Other than Small Business)
☐ F - U.S. Territory or Possession	☐ R - Small Business
☐ G - Independent School District	☐ S - Hispanic-serving Institution
☐ H - Public/State Controlled Institution of Higher Learning	☐ T - Historically Black Colleges and Universities (HBCUs)
☐ I - Indian/Native American Tribal Government (Federally Recognized)	☐ U - Tribally Controlled Colleges and Universities (TCCUs)
☐ J - Indian/Native American Tribal Government (Other than Federally Recognized)	☐ V - Alaska Native and Native Hawaiian Serving Institutions
☐ K - Indian/Native American Tribally Designated Organization	☐ W - Non-domestic (non-US) entity
☐ L - Public/Indian Housing Authority	☐ X - Other (Please explain) _____

6. Subrecipient (Grantee) Primary Place of Performance			
City:		***Zip +4:***	
State:		***County:***	

7. Subrecipient (Grantee) Highly Compensated Officers (if applicable)		
Officer Name	***Title***	***Total Compensation***

NOTE: This form must be signed by an individual no lower than the Executive Director or Chief Financial Officer.

Printed Name _____ Title _____

Signature _____ Date _____ Phone # _____

EXHIBIT D

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission

on behalf of _____ on _____.
[Local Entity] [Date]

Sinking Fund:

Interest$_____

Principal $_____

Total: $_____

Reserve Account: $_____

Witness my signature this ___ day of _____.

_____
[Name of Local Entity]

By: _____
Authorized Officer

Enclosure: wire transfer form

EXHIBIT E

OPINION OF BOND COUNSEL FOR LOCAL ENTITY

[To Be Dated as of Date of Loan Closing]

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

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

Ladies and Gentlemen:

We are bond counsel to _____ (the "Local Entity"), a _____.

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

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

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

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

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

2. The Loan 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 Entity without the consent of the Authority and the DEP.

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

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

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

6. Under the Act, the Local Bonds and any interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

A. Series A Bonds

Principal Amount of Local Bonds	$515,000
Purchase Price of Local Bonds	$515,000

Beginning Date:	January 18, 2018
Expiration Date:	September 30, 3030

The Series A Bonds shall bear interest at a rate of 1% per annum. Commencing September 1, 2025 principal of and interest on the Local Bonds is payable quarterly, with an administrative fee of 0.25%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Local Entity shall submit its payments monthly to the Commission with instructions that the Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority. If the Reserve Account is not fully funded at closing, the Local Entity shall commence the payment of the 1/120 of the maximum annual debt service on the first day of the month it makes its first monthly payment to the Commission. The Local Entity shall instruct the Commission to notify the Authority of any monthly payments which are not received by the 20th day of the month in which the payment was due.

The Series A Bonds are fully registered in the name of the Authority as to principal and interest, if any, and the Series A Bonds shall grant the Authority a first lien on the gross or net revenues of the Local Entity's system as provided in the Local Act.

The Local Entity may prepay the Series A Bonds in full at any time at the price of par upon 30 days' written notice to the Authority and DEP. The Local Entity shall request approval from the Authority and DEP in writing of any proposed debt which will be issued by the Local Entity on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

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

1. Water Revenue Bonds, Series 1998 A (United States Department of Agriculture), dated July 8, 1998, issued in the original aggregate principal amount of $120,000;

2. Water Revenue Bonds, Series 2019 A (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $2,880,000; and

3. Water Revenue Bonds, Series 2019 B (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $600,000.

Number of New Customers To Be Served: 100
Location: Bowden area of Randolph County

B. Series B Bonds (DWTRF Forgiveness)

Principal Amount of Local Bonds	$30,500
Purchase Price of Local Bonds	$30,500

The Series B Bonds shall bear no interest. The Authority at the direction of the DEP shall forgive the principal amount of the Series B Bonds. The principal amounts advanced under the Series B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

SCHEDULE Y
DEBT SERVICE SCHEDULE

Net Debt Service
Midland PSD
DWTRF
$515,000
1.00% Interest Rate
0.25% Administrative Fee
40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
9/1/2025	2,724	1,287.50	4,011.50	172.34	401.23	4,585.07
12/1/2025	2,731	1,280.69	4,011.69	172.34	401.23	4,585.26
3/1/2026	2,738	1,273.86	4,011.86	172.34	401.23	4,585.43
6/1/2026	2,745	1,267.02	4,012.02	172.34	401.23	4,585.59
9/1/2026	2,752	1,260.16	4,012.16	172.34	401.23	4,585.73
12/1/2026	2,759	1,253.28	4,012.28	172.34	401.23	4,585.85
3/1/2027	2,766	1,246.38	4,012.38	172.34	401.23	4,585.95
6/1/2027	2,772	1,239.46	4,011.46	172.34	401.23	4,585.03
9/1/2027	2,779	1,232.53	4,011.53	172.34	401.23	4,585.10
12/1/2027	2,786	1,225.59	4,011.59	172.34	401.23	4,585.16
3/1/2028	2,793	1,218.62	4,011.62	172.34	401.23	4,585.19
6/1/2028	2,800	1,211.64	4,011.64	172.34	401.23	4,585.21
9/1/2028	2,807	1,204.64	4,011.64	172.34	401.23	4,585.21
12/1/2028	2,814	1,197.62	4,011.62	172.34	401.23	4,585.19
3/1/2029	2,821	1,190.59	4,011.59	172.34	401.23	4,585.16
6/1/2029	2,828	1,183.53	4,011.53	172.34	401.23	4,585.10
9/1/2029	2,835	1,176.46	4,011.46	172.34	401.23	4,585.03
12/1/2029	2,843	1,169.38	4,012.38	172.34	401.23	4,585.95
3/1/2030	2,850	1,162.27	4,012.27	172.34	401.23	4,585.84
6/1/2030	2,857	1,155.14	4,012.14	172.34	401.23	4,585.71
9/1/2030	2,864	1,148.00	4,012.00	172.34	401.23	4,585.57
12/1/2030	2,871	1,140.84	4,011.84	172.34	401.23	4,585.41
3/1/2031	2,878	1,133.66	4,011.66	172.34	401.23	4,585.23
6/1/2031	2,885	1,126.47	4,011.47	172.34	401.23	4,585.04
9/1/2031	2,893	1,119.26	4,012.26	172.34	401.23	4,585.83
12/1/2031	2,900	1,112.02	4,012.02	172.34	401.23	4,585.59
3/1/2032	2,907	1,104.77	4,011.77	172.34	401.23	4,585.34
6/1/2032	2,914	1,097.51	4,011.51	172.34	401.23	4,585.08
9/1/2032	2,922	1,090.22	4,012.22	172.34	401.23	4,585.79
12/1/2032	2,929	1,082.92	4,011.92	172.34	401.23	4,585.49
3/1/2033	2,936	1,075.59	4,011.59	172.34	401.23	4,585.16
6/1/2033	2,944	1,068.25	4,012.25	172.34	401.23	4,585.82
9/1/2033	2,951	1,060.89	4,011.89	172.34	401.23	4,585.46
12/1/2033	2,958	1,053.52	4,011.52	172.34	401.23	4,585.09
3/1/2034	2,966	1,046.12	4,012.12	172.34	401.23	4,585.69
6/1/2034	2,973	1,038.71	4,011.71	172.34	401.23	4,585.28
9/1/2034	2,981	1,031.27	4,012.27	172.34	401.23	4,585.84
12/1/2034	2,988	1,023.82	4,011.82	172.34	401.23	4,585.39
3/1/2035	2,996	1,016.35	4,012.35	172.34	401.23	4,585.92
6/1/2035	3,003	1,008.86	4,011.86	172.34	401.22	4,585.42
9/1/2035	3,011	1,001.35	4,012.35	172.34		4,184.69
12/1/2035	3,018	993.83	4,011.83	172.34		4,184.17
3/1/2036	3,026	986.28	4,012.28	172.34		4,184.62
6/1/2036	3,033	978.72	4,011.72	172.34		4,184.06
9/1/2036	3,041	971.13	4,012.13	172.34		4,184.47
12/1/2036	3,048	963.53	4,011.53	172.34		4,183.87

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

Mar 5, 2024 11:43 am Prepared by Piper Sandler & Co. (WDA:LOANS-MIDPSD12) 1

Net Debt Service

Midland PSD
DWTRF
$515,000
1.00% Interest Rate
0.25% Administrative Fee
40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
3/1/2037	3,056	955.91	4,011.91	172.34		4,184.25
6/1/2037	3,064	948.27	4,012.27	172.34		4,184.61
9/1/2037	3,071	940.61	4,011.61	172.34		4,183.95
12/1/2037	3,079	932.93	4,011.93	172.34		4,184.27
3/1/2038	3,087	925.24	4,012.24	172.34		4,184.58
6/1/2038	3,094	917.52	4,011.52	172.34		4,183.86
9/1/2038	3,102	909.78	4,011.78	172.34		4,184.12
12/1/2038	3,110	902.03	4,012.03	172.34		4,184.37
3/1/2039	3,118	894.25	4,012.25	172.34		4,184.59
6/1/2039	3,125	886.46	4,011.46	172.34		4,183.80
9/1/2039	3,133	878.65	4,011.65	172.34		4,183.99
12/1/2039	3,141	870.81	4,011.81	172.34		4,184.15
3/1/2040	3,149	862.96	4,011.96	172.34		4,184.30
6/1/2040	3,157	855.09	4,012.09	172.34		4,184.43
9/1/2040	3,165	847.20	4,012.20	172.34		4,184.54
12/1/2040	3,173	839.28	4,012.28	172.34		4,184.62
3/1/2041	3,181	831.35	4,012.35	172.34		4,184.69
6/1/2041	3,189	823.40	4,012.40	172.34		4,184.74
9/1/2041	3,196	815.43	4,011.43	172.34		4,183.77
12/1/2041	3,204	807.44	4,011.44	172.34		4,183.78
3/1/2042	3,212	799.43	4,011.43	172.34		4,183.77
6/1/2042	3,221	791.40	4,012.40	172.34		4,184.74
9/1/2042	3,229	783.34	4,012.34	172.34		4,184.68
12/1/2042	3,237	775.27	4,012.27	172.34		4,184.61
3/1/2043	3,245	767.18	4,012.18	172.34		4,184.52
6/1/2043	3,253	759.07	4,012.07	172.34		4,184.41
9/1/2043	3,261	750.93	4,011.93	172.34		4,184.27
12/1/2043	3,269	742.78	4,011.78	172.34		4,184.12
3/1/2044	3,277	734.61	4,011.61	172.34		4,183.95
6/1/2044	3,285	726.42	4,011.42	172.34		4,183.76
9/1/2044	3,294	718.20	4,012.20	172.34		4,184.54
12/1/2044	3,302	709.97	4,011.97	172.34		4,184.31
3/1/2045	3,310	701.71	4,011.71	172.34		4,184.05
6/1/2045	3,318	693.44	4,011.44	172.34		4,183.78
9/1/2045	3,327	685.14	4,012.14	172.34		4,184.48
12/1/2045	3,335	676.83	4,011.83	172.34		4,184.17
3/1/2046	3,343	668.49	4,011.49	172.34		4,183.83
6/1/2046	3,352	660.13	4,012.13	172.34		4,184.47
9/1/2046	3,360	651.75	4,011.75	172.34		4,184.09
12/1/2046	3,369	643.35	4,012.35	172.34		4,184.69
3/1/2047	3,377	634.93	4,011.93	172.34		4,184.27
6/1/2047	3,385	626.49	4,011.49	172.34		4,183.83
9/1/2047	3,394	618.02	4,012.02	172.34		4,184.36
12/1/2047	3,402	609.54	4,011.54	172.34		4,183.88
3/1/2048	3,411	601.03	4,012.03	172.34		4,184.37
6/1/2048	3,419	592.51	4,011.51	172.34		4,183.85

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

Net Debt Service

Midland PSD
DWTRF
$515,000
1.00% Interest Rate
0.25% Administrative Fee
40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
9/1/2048	3,428	583.96	4,011.96	172.34		4,184.30
12/1/2048	3,437	575.39	4,012.39	172.34		4,184.73
3/1/2049	3,445	566.80	4,011.80	172.34		4,184.14
6/1/2049	3,454	558.18	4,012.18	172.34		4,184.52
9/1/2049	3,462	549.55	4,011.55	172.34		4,183.89
12/1/2049	3,471	540.89	4,011.89	172.34		4,184.23
3/1/2050	3,480	532.22	4,012.22	172.34		4,184.56
6/1/2050	3,488	523.52	4,011.52	172.34		4,183.86
9/1/2050	3,497	514.80	4,011.80	172.34		4,184.14
12/1/2050	3,506	506.05	4,012.05	172.34		4,184.39
3/1/2051	3,515	497.29	4,012.29	172.34		4,184.63
6/1/2051	3,523	488.50	4,011.50	172.34		4,183.84
9/1/2051	3,532	479.69	4,011.69	172.34		4,184.03
12/1/2051	3,541	470.86	4,011.86	172.34		4,184.20
3/1/2052	3,550	462.01	4,012.01	172.34		4,184.35
6/1/2052	3,559	453.14	4,012.14	172.34		4,184.48
9/1/2052	3,568	444.24	4,012.24	172.34		4,184.58
12/1/2052	3,577	435.32	4,012.32	172.34		4,184.66
3/1/2053	3,586	426.38	4,012.38	172.34		4,184.72
6/1/2053	3,595	417.41	4,012.41	172.34		4,184.75
9/1/2053	3,603	408.42	4,011.42	172.34		4,183.76
12/1/2053	3,612	399.42	4,011.42	172.34		4,183.76
3/1/2054	3,622	390.39	4,012.39	172.34		4,184.73
6/1/2054	3,631	381.33	4,012.33	172.34		4,184.67
9/1/2054	3,640	372.25	4,012.25	172.34		4,184.59
12/1/2054	3,649	363.15	4,012.15	172.34		4,184.49
3/1/2055	3,658	354.03	4,012.03	172.34		4,184.37
6/1/2055	3,667	344.89	4,011.89	172.34		4,184.23
9/1/2055	3,676	335.72	4,011.72	172.34		4,184.06
12/1/2055	3,685	326.53	4,011.53	172.34		4,183.87
3/1/2056	3,695	317.32	4,012.32	172.34		4,184.66
6/1/2056	3,704	308.08	4,012.08	172.34		4,184.42
9/1/2056	3,713	298.82	4,011.82	172.34		4,184.16
12/1/2056	3,722	289.54	4,011.54	172.34		4,183.88
3/1/2057	3,732	280.23	4,012.23	172.34		4,184.57
6/1/2057	3,741	270.90	4,011.90	172.34		4,184.24
9/1/2057	3,750	261.55	4,011.55	172.34		4,183.89
12/1/2057	3,760	252.17	4,012.17	172.34		4,184.51
3/1/2058	3,769	242.77	4,011.77	172.34		4,184.11
6/1/2058	3,779	233.35	4,012.35	172.34		4,184.69
9/1/2058	3,788	223.90	4,011.90	172.34		4,184.24
12/1/2058	3,797	214.43	4,011.43	172.34		4,183.77
3/1/2059	3,807	204.94	4,011.94	172.34		4,184.28
6/1/2059	3,816	195.42	4,011.42	172.34		4,183.76
9/1/2059	3,826	185.88	4,011.88	172.34		4,184.22
12/1/2059	3,836	176.32	4,012.32	172.34		4,184.66

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

Net Debt Service

Midland PSD
DWTRF
$515,000
1.00% Interest Rate
0.25% Administrative Fee
40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
3/1/2060	3,845	166.73	4,011.73	172.34		4,184.07
6/1/2060	3,855	157.12	4,012.12	172.34		4,184.46
9/1/2060	3,864	147.48	4,011.48	172.34		4,183.82
12/1/2060	3,874	137.82	4,011.82	172.34		4,184.16
3/1/2061	3,884	128.13	4,012.13	172.34		4,184.47
6/1/2061	3,893	118.42	4,011.42	172.34		4,183.76
9/1/2061	3,903	108.69	4,011.69	172.34		4,184.03
12/1/2061	3,913	98.93	4,011.93	172.34		4,184.27
3/1/2062	3,923	89.15	4,012.15	172.34		4,184.49
6/1/2062	3,933	79.34	4,012.34	172.34		4,184.68
9/1/2062	3,942	69.51	4,011.51	172.34		4,183.85
12/1/2062	3,952	59.66	4,011.66	172.34		4,184.00
3/1/2063	3,962	49.78	4,011.78	172.34		4,184.12
6/1/2063	3,972	39.87	4,011.87	172.34		4,184.21
9/1/2063	3,982	29.94	4,011.94	172.34		4,184.28
12/1/2063	3,992	19.99	4,011.99	172.34		4,184.33
3/1/2064	4,002	10.01	4,012.01	172.34		4,184.35
	515,000	106,845.34	621,845.34	26,712.70	16,049.19	664,607.23

Notes:

1. $1,528.65 from 6/01/2025 through 5/01/2035 (based on maximum quarterly payment of $4,585.95 and monthly payment rounded up to the nearest cent)

2. $1,394.92 from 6/01/2035 through 2/01/2064 (based on maximum quarterly payment of $4,184.75 and monthly payment rounded up to the nearest cent)

3. Reserve Fund equal to $16,049.19 (maximum annual debt service) funded up over 10 years.

4. Admin Fee calculated based on percent of bond value computed quarterly paid in equal quarterly payments rounded up to the nearest cent.

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

MIDLAND PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2024 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2024 B
(West Virginia DWTRF Program/Forgivable)

CROSS-RECEIPT FOR SERIES 2024 BONDS AND BOND PROCEEDS

On this 28th day of March, 2024, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Chairman of the Public Service Board of Midland Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 28th day of March, 2024, the Authority received the Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program), of the Issuer, in the principal amount of $515,000, numbered AR-1 (the "Series 2024 A Bonds"), issued as a single, fully registered bond, and Water Revenue Bonds, Series 2024 B (West Virginia DWTRF Program/Forgivable), of the Issuer, in the principal amount of $30,500, numbered BR-1 (the "Series 2024 B Bonds"), issued as a single, fully registered bond, both dated March 28, 2024 (collectively, the "Series 2024 Bonds").

2. At the time of such receipt of the Series 2024 Bonds upon original issuance, the Series 2024 Bonds had been executed by the Chairman and Secretary of the Public Service Board of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Series 2024 Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2024 A Bonds, of $332,775.80, being a portion of the principal amount of the Series 2024 A Bonds. The balance of the principal amount of the Series 2024 A Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection (the "DEP") to the Issuer as acquisition and construction of the Project progresses.

4. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2024 B Bonds, of the sum of $-0-, being a portion of the principal amount of the Series 2024 B Bonds. The balance of the principal amount of the Series 2024 B Bonds will be advanced by the Authority and the DEP to the Issuer as acquisition and construction of the Project progresses.

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

_____
Authorized Representative

MIDLAND PUBLIC SERVICE DISTRICT

_____
Chairman

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MIDLAND PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2024 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1 $515,000

KNOW ALL MEN BY THESE PRESENTS: That on this 28th day of March, 2024, MIDLAND PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Randolph County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of FIVE HUNDRED FIFTEEN THOUSAND DOLLARS ($515,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2025, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference, with interest payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing September 1, 2025 to and including March 1, 2064, at the rate of 1.0% per annum as set forth on EXHIBIT B attached hereto.

The Administrative Fee of 0.25% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2025, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the DEP, dated March 28, 2024.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing waterworks system of the Issuer (the "Project"); and (ii) to pay costs of issuance for the Bonds (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System." This Bond is issued under the authority of and in full

compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 22, Article 36 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on March 12, 2024, and a Supplemental Resolution duly adopted by the Issuer on March 12, 2024 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

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

1. WATER REVENUE BONDS, SERIES 1998 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 8, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $120,000 (THE "SERIES 1998 A BONDS");

2. WATER REVENUE BONDS, SERIES 2019 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 5, 2019, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,880,000 (THE "SERIES 2019 A BONDS"); AND

3. WATER REVENUE BONDS, SERIES 2019 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 5, 2019, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $600,000 (THE "SERIES 2019 B BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2024 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2024 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided, however, that so long as there exists in the Series 2024 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation.

Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, MIDLAND PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

Chairman

ATTEST:

Secretary

SPECIMEN

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2024 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: March 28, 2024.

UNITED BANK, as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $332,775.80	03/28/2024	(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 $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

Net Debt Service

Midland PSD

DWTRF

$515,000

1.00% Interest Rate

0.25% Administrative Fee

40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
9/1/2025	2,724	1,287.50	4,011.50	172.34	401.23	4,585.07
12/1/2025	2,731	1,280.69	4,011.69	172.34	401.23	4,585.26
3/1/2026	2,738	1,273.86	4,011.86	172.34	401.23	4,585.43
6/1/2026	2,745	1,267.02	4,012.02	172.34	401.23	4,585.59
9/1/2026	2,752	1,260.16	4,012.16	172.34	401.23	4,585.73
12/1/2026	2,759	1,253.28	4,012.28	172.34	401.23	4,585.85
3/1/2027	2,766	1,246.38	4,012.38	172.34	401.23	4,585.95
6/1/2027	2,772	1,239.46	4,011.46	172.34	401.23	4,585.03
9/1/2027	2,779	1,232.53	4,011.53	172.34	401.23	4,585.10
12/1/2027	2,786	1,225.59	4,011.59	172.34	401.23	4,585.16
3/1/2028	2,793	1,218.62	4,011.62	172.34	401.23	4,585.19
6/1/2028	2,800	1,211.64	4,011.64	172.34	401.23	4,585.21
9/1/2028	2,807	1,204.64	4,011.64	172.34	401.23	4,585.21
12/1/2028	2,814	1,197.62	4,011.62	172.34	401.23	4,585.19
3/1/2029	2,821	1,190.59	4,011.59	172.34	401.23	4,585.16
6/1/2029	2,828	1,183.53	4,011.53	172.34	401.23	4,585.10
9/1/2029	2,835	1,176.46	4,011.46	172.34	401.23	4,585.03
12/1/2029	2,843	1,169.38	4,012.38	172.34	401.23	4,585.95
3/1/2030	2,850	1,162.27	4,012.27	172.34	401.23	4,585.84
6/1/2030	2,857	1,155.14	4,012.14	172.34	401.23	4,585.71
9/1/2030	2,864	1,148.00	4,012.00	172.34	401.23	4,585.57
12/1/2030	2,871	1,140.84	4,011.84	172.34	401.23	4,585.41
3/1/2031	2,878	1,133.66	4,011.66	172.34	401.23	4,585.23
6/1/2031	2,885	1,126.47	4,011.47	172.34	401.23	4,585.04
9/1/2031	2,893	1,119.26	4,012.26	172.34	401.23	4,585.83
12/1/2031	2,900	1,112.02	4,012.02	172.34	401.23	4,585.59
3/1/2032	2,907	1,104.77	4,011.77	172.34	401.23	4,585.34
6/1/2032	2,914	1,097.51	4,011.51	172.34	401.23	4,585.08
9/1/2032	2,922	1,090.22	4,012.22	172.34	401.23	4,585.79
12/1/2032	2,929	1,082.92	4,011.92	172.34	401.23	4,585.49
3/1/2033	2,936	1,075.59	4,011.59	172.34	401.23	4,585.16
6/1/2033	2,944	1,068.25	4,012.25	172.34	401.23	4,585.82
9/1/2033	2,951	1,060.89	4,011.89	172.34	401.23	4,585.46
12/1/2033	2,958	1,053.52	4,011.52	172.34	401.23	4,585.09
3/1/2034	2,966	1,046.12	4,012.12	172.34	401.23	4,585.69
6/1/2034	2,973	1,038.71	4,011.71	172.34	401.23	4,585.28
9/1/2034	2,981	1,031.27	4,012.27	172.34	401.23	4,585.84
12/1/2034	2,988	1,023.82	4,011.82	172.34	401.23	4,585.39
3/1/2035	2,996	1,016.35	4,012.35	172.34	401.23	4,585.92
6/1/2035	3,003	1,008.86	4,011.86	172.34	401.22	4,585.42
9/1/2035	3,011	1,001.35	4,012.35	172.34		4,184.69
12/1/2035	3,018	993.83	4,011.83	172.34		4,184.17
3/1/2036	3,026	986.28	4,012.28	172.34		4,184.62
6/1/2036	3,033	978.72	4,011.72	172.34		4,184.06
9/1/2036	3,041	971.13	4,012.13	172.34		4,184.47
12/1/2036	3,048	963.53	4,011.53	172.34		4,183.87

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

Net Debt Service

Midland PSD

DWTRF

$515,000

1.00% Interest Rate

0.25% Administrative Fee

40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
3/1/2037	3,056	955.91	4,011.91	172.34		4,184.25
6/1/2037	3,064	948.27	4,012.27	172.34		4,184.61
9/1/2037	3,071	940.61	4,011.61	172.34		4,183.95
12/1/2037	3,079	932.93	4,011.93	172.34		4,184.27
3/1/2038	3,087	925.24	4,012.24	172.34		4,184.58
6/1/2038	3,094	917.52	4,011.52	172.34		4,183.86
9/1/2038	3,102	909.78	4,011.78	172.34		4,184.12
12/1/2038	3,110	902.03	4,012.03	172.34		4,184.37
3/1/2039	3,118	894.25	4,012.25	172.34		4,184.59
6/1/2039	3,125	886.46	4,011.46	172.34		4,183.80
9/1/2039	3,133	878.65	4,011.65	172.34		4,183.99
12/1/2039	3,141	870.81	4,011.81	172.34		4,184.15
3/1/2040	3,149	862.96	4,011.96	172.34		4,184.30
6/1/2040	3,157	855.09	4,012.09	172.34		4,184.43
9/1/2040	3,165	847.20	4,012.20	172.34		4,184.54
12/1/2040	3,173	839.28	4,012.28	172.34		4,184.62
3/1/2041	3,181	831.35	4,012.35	172.34		4,184.69
6/1/2041	3,189	823.40	4,012.40	172.34		4,184.74
9/1/2041	3,196	815.43	4,011.43	172.34		4,183.77
12/1/2041	3,204	807.44	4,011.44	172.34		4,183.78
3/1/2042	3,212	799.43	4,011.43	172.34		4,183.77
6/1/2042	3,221	791.40	4,012.40	172.34		4,184.74
9/1/2042	3,229	783.34	4,012.34	172.34		4,184.68
12/1/2042	3,237	775.27	4,012.27	172.34		4,184.61
3/1/2043	3,245	767.18	4,012.18	172.34		4,184.52
6/1/2043	3,253	759.07	4,012.07	172.34		4,184.41
9/1/2043	3,261	750.93	4,011.93	172.34		4,184.27
12/1/2043	3,269	742.78	4,011.78	172.34		4,184.12
3/1/2044	3,277	734.61	4,011.61	172.34		4,183.95
6/1/2044	3,285	726.42	4,011.42	172.34		4,183.76
9/1/2044	3,294	718.20	4,012.20	172.34		4,184.54
12/1/2044	3,302	709.97	4,011.97	172.34		4,184.31
3/1/2045	3,310	701.71	4,011.71	172.34		4,184.05
6/1/2045	3,318	693.44	4,011.44	172.34		4,183.78
9/1/2045	3,327	685.14	4,012.14	172.34		4,184.48
12/1/2045	3,335	676.83	4,011.83	172.34		4,184.17
3/1/2046	3,343	668.49	4,011.49	172.34		4,183.83
6/1/2046	3,352	660.13	4,012.13	172.34		4,184.47
9/1/2046	3,360	651.75	4,011.75	172.34		4,184.09
12/1/2046	3,369	643.35	4,012.35	172.34		4,184.69
3/1/2047	3,377	634.93	4,011.93	172.34		4,184.27
6/1/2047	3,385	626.49	4,011.49	172.34		4,183.83
9/1/2047	3,394	618.02	4,012.02	172.34		4,184.36
12/1/2047	3,402	609.54	4,011.54	172.34		4,183.88
3/1/2048	3,411	601.03	4,012.03	172.34		4,184.37
6/1/2048	3,419	592.51	4,011.51	172.34		4,183.85

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

Net Debt Service

Midland PSD

DWTRF

$515,000

1.00% Interest Rate

0.25% Administrative Fee

40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
9/1/2048	3,428	583.96	4,011.96	172.34		4,184.30
12/1/2048	3,437	575.39	4,012.39	172.34		4,184.73
3/1/2049	3,445	566.80	4,011.80	172.34		4,184.14
6/1/2049	3,454	558.18	4,012.18	172.34		4,184.52
9/1/2049	3,462	549.55	4,011.55	172.34		4,183.89
12/1/2049	3,471	540.89	4,011.89	172.34		4,184.23
3/1/2050	3,480	532.22	4,012.22	172.34		4,184.56
6/1/2050	3,488	523.52	4,011.52	172.34		4,183.86
9/1/2050	3,497	514.80	4,011.80	172.34		4,184.14
12/1/2050	3,506	506.05	4,012.05	172.34		4,184.39
3/1/2051	3,515	497.29	4,012.29	172.34		4,184.63
6/1/2051	3,523	488.50	4,011.50	172.34		4,183.84
9/1/2051	3,532	479.69	4,011.69	172.34		4,184.03
12/1/2051	3,541	470.86	4,011.86	172.34		4,184.20
3/1/2052	3,550	462.01	4,012.01	172.34		4,184.35
6/1/2052	3,559	453.14	4,012.14	172.34		4,184.48
9/1/2052	3,568	444.24	4,012.24	172.34		4,184.58
12/1/2052	3,577	435.32	4,012.32	172.34		4,184.66
3/1/2053	3,586	426.38	4,012.38	172.34		4,184.72
6/1/2053	3,595	417.41	4,012.41	172.34		4,184.75
9/1/2053	3,603	408.42	4,011.42	172.34		4,183.76
12/1/2053	3,612	399.42	4,011.42	172.34		4,183.76
3/1/2054	3,622	390.39	4,012.39	172.34		4,184.73
6/1/2054	3,631	381.33	4,012.33	172.34		4,184.67
9/1/2054	3,640	372.25	4,012.25	172.34		4,184.59
12/1/2054	3,649	363.15	4,012.15	172.34		4,184.49
3/1/2055	3,658	354.03	4,012.03	172.34		4,184.37
6/1/2055	3,667	344.89	4,011.89	172.34		4,184.23
9/1/2055	3,676	335.72	4,011.72	172.34		4,184.06
12/1/2055	3,685	326.53	4,011.53	172.34		4,183.87
3/1/2056	3,695	317.32	4,012.32	172.34		4,184.66
6/1/2056	3,704	308.08	4,012.08	172.34		4,184.42
9/1/2056	3,713	298.82	4,011.82	172.34		4,184.16
12/1/2056	3,722	289.54	4,011.54	172.34		4,183.88
3/1/2057	3,732	280.23	4,012.23	172.34		4,184.57
6/1/2057	3,741	270.90	4,011.90	172.34		4,184.24
9/1/2057	3,750	261.55	4,011.55	172.34		4,183.89
12/1/2057	3,760	252.17	4,012.17	172.34		4,184.51
3/1/2058	3,769	242.77	4,011.77	172.34		4,184.11
6/1/2058	3,779	233.35	4,012.35	172.34		4,184.69
9/1/2058	3,788	223.90	4,011.90	172.34		4,184.24
12/1/2058	3,797	214.43	4,011.43	172.34		4,183.77
3/1/2059	3,807	204.94	4,011.94	172.34		4,184.28
6/1/2059	3,816	195.42	4,011.42	172.34		4,183.76
9/1/2059	3,826	185.88	4,011.88	172.34		4,184.22
12/1/2059	3,836	176.32	4,012.32	172.34		4,184.66

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

Net Debt Service

Midland PSD

DWTRF

$515,000

1.00% Interest Rate

0.25% Administrative Fee

40 Years from Closing Date

Date	Principal	Interest	Total Debt Service	Admin Expense	Reserve Fund	Net Debt Service
3/1/2060	3,845	166.73	4,011.73	172.34		4,184.07
6/1/2060	3,855	157.12	4,012.12	172.34		4,184.46
9/1/2060	3,864	147.48	4,011.48	172.34		4,183.82
12/1/2060	3,874	137.82	4,011.82	172.34		4,184.16
3/1/2061	3,884	128.13	4,012.13	172.34		4,184.47
6/1/2061	3,893	118.42	4,011.42	172.34		4,183.76
9/1/2061	3,903	108.69	4,011.69	172.34		4,184.03
12/1/2061	3,913	98.93	4,011.93	172.34		4,184.27
3/1/2062	3,923	89.15	4,012.15	172.34		4,184.49
6/1/2062	3,933	79.34	4,012.34	172.34		4,184.68
9/1/2062	3,942	69.51	4,011.51	172.34		4,183.85
12/1/2062	3,952	59.66	4,011.66	172.34		4,184.00
3/1/2063	3,962	49.78	4,011.78	172.34		4,184.12
6/1/2063	3,972	39.87	4,011.87	172.34		4,184.21
9/1/2063	3,982	29.94	4,011.94	172.34		4,184.28
12/1/2063	3,992	19.99	4,011.99	172.34		4,184.33
3/1/2064	4,002	10.01	4,012.01	172.34		4,184.35
	515,000	106,845.34	621,845.34	26,712.70	16,049.19	664,607.23

Notes:

1. $1,528.65 from 6/01/2025 through 5/01/2035 (based on maximum quarterly payment of $4,585.95 and monthly payment rounded up to the nearest cent)

2. $1,394.92 from 6/01/2035 through 2/01/2064 (based on maximum quarterly payment of $4,184.75 and monthly payment rounded up to the nearest cent)

3. Reserve Fund equal to $16,049.19 (maximum annual debt service) funded up over 10 years.

4. Admin Fee calculated based on percent of bond value computed quarterly paid in equal quarterly payments rounded up to the nearest cent.

Quarterly administration fee is calculated based on 0.25% of the loan payments and will be $172.34, with a final payment of $172.34, to total $26,712.70.

(Form of)

ASSIGNMENT

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

Dated: _____, 20___.

_____

In the presence of:

_____

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MIDLAND PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2024 B
(WEST VIRGINIA DWTRF PROGRAM)

No. BR-1 $30,500

KNOW ALL MEN BY THESE PRESENTS: That on this 28th day of March, 2024, MIDLAND PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Randolph County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of THIRTY THOUSAND FIVE HUNDRED DOLLARS ($30,500), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference.

This Bond shall bear no interest. The principal amounts advanced under the Series 2024 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2024 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the DEP, dated March 28, 2024.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance for the Bonds (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 22, Article 36 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on March 12, 2024, and a Supplemental Resolution duly adopted by the Issuer on March 12, 2024 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS FORGIVABLE AND HAS NO LIEN ON THE NET REVENUES OR GROSS REVENUES OF THE SYSTEM.

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

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

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

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, MIDLAND PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

Chairman

ATTEST:

Secretary

SPECIMEN

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2024 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: March 28, 2024.

UNITED BANK, as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $-0-	03/28/2024	(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

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:

_____

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

Chase Tower, 17th Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 933-8704 Fax
www.steptoe-johnson.com

Writer's Contact Information

March 28, 2024

Midland Public Service District
Water Revenue Bonds, Series 2024 A
(West Virginia DWTRF Program)

Midland Public Service District
Elkins, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Midland Public Service District (the "Issuer"), a public service district, public corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $515,000 Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program), dated the date hereof (the "Series 2024 A Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated March 28, 2024, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP"), and the Series 2024 A Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Series 2024 A Bonds are originally issued in the form of one Bond, registered as to principal and interest to the Authority, bearing interest at a rate of 1.0% per annum, with principal and interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2025 to and including March 1, 2064 all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2024 A Bonds. The Series 2024 A Bonds are not subject to the Administrative Fee.

The Series 2024 A Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13A and Chapter 22, Article 36 of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on March 12, 2024, as supplemented by a Supplemental Resolution duly adopted by the Issuer on March 12, 2024 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Series 2024 A Bonds are authorized and issued, and the Loan Agreement has been entered into. The Series 2024 A Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

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

1. The Issuer is a duly created and validly existing public service district, public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Series 2024 A Bonds, all under the Act and other applicable provisions of law.

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

3. The Bond Legislation and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer in connection with the issuance and sale of the Series 2024 A Bonds and constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

4. The Series 2024 A Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge, and source of and security for payment with the Issuer's: (1) Water Revenue Bonds, Series 1998 A (United States Department of Agriculture), dated July 8, 1998, issued in the original aggregate principal amount of $120,000 (the "Series 1998 A Bonds"); (2) Water Revenue Bonds, Series 2019 A (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $2,880,000 (the "Series 2019 A Bonds"); and (3) Water Revenue Bonds, Series 2019 B (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $600,000 (the "Series 2019 B Bonds") (collectively, the "Prior Bonds"), all in accordance with the terms of the Series 2024 A Bonds and the Bond Legislation.

5. The Series 2024 A Bonds are, under the Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State and the interest on the Series 2024 A Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Series 2024 A 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 Series 2024 A Bonds.

It is to be understood that the rights of the holders of the Series 2024 A Bonds and the enforceability of the Series 2024 A Bonds, the Loan Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion and the application of equitable remedies in appropriate cases.

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

Very truly yours,

STEPTOE & JOHNSON PLLC

Nichols & Nichols

J. Pat Nichols 1923-2018
Pat A. Nichols
Jackie Nichols (Admitted VA & WV)

Attorneys-at-Law
P.O. Box 201
Parsons, WV 26287

Telephone: 304-478-2127
Telephone: 434-409-9426

March 28, 2024

MIDLAND PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2024 A

(West Virginia DWTRF Program); and

Water Revenue Bonds, Series 2024 B

(West Virginia DWTRF Program/Forgivable)

Midland Public Service District

Elkins, West Virginia

West Virginia Water Development Authority

Charleston, West Virginia

West Virginia Department of Environmental Protection

Charleston, West Virginia

Steptoe & Johnson PLLC

Charleston, West Virginia

Ladies and Gentlemen:

I am counsel to Midland Public Service District, a public service district, in Randolph County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinions of Steptoe & Johnson PLLC, as bond counsel, a loan agreement for the Series 2024 A Bonds and Series 2024

J. Pat Nichols 1923-2018
Pat A. Nichols
Jackie Nichols (Admitted VA & WV)

Attorneys-at-Law
P.O. Box 201
Parsons, WV 26287

Telephone: 304-478-2127
Telephone: 434-409-9426

B Bonds dated March 28, 2024, including all schedules and exhibits attached thereto, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health/West Virginia Department of Environmental Protection (the "DEP") (the "Loan Agreement"), the Bond Resolution duly adopted by the Issuer on March 12, 2024, as supplemented by the Supplemental Resolution duly adopted by the Issuer on March 12, 2024 (collectively, the "Bond Legislation"), and other documents, papers, agreements, instruments and certificates relating to the above-captioned bonds of the Issuer (collectively, the "Bonds") and orders of The County Commission of Randolph County relating to the Issuer and the appointment of the members of the Public Service Board of the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

1. The Issuer has been duly created and is validly existing as a public service district and public corporation and political subdivision of the State of West Virginia, with full power and authority to complete the Project, to operate and maintain the System and to enact the Bond Legislation, all under the Act and other applicable provisions of law.

2. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Authority, constitutes a valid and binding agreement of the Issuer, enforceable in accordance with its terms.

3. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

4. The Bond Legislation has been duly adopted by the Issuer and is in full force and effect.

5. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any order, resolution, agreement or other instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, court order or consent decree to which the Issuer is subject.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, the issuance of the Series 2024 Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders, certificates and approvals from The County Commission of Randolph County, the West Virginia Bureau for Public Health, the West Virginia Department of Environmental Protection, the Council and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges.

Nichols & Nichols

J. Pat Nichols 1923-2018
Pat A. Nichols
Jackie Nichols (Admitted VA & WV)

Attorneys-at-Law
P.O. Box 201
Parsons, WV 26287

Telephone: 304-478-2127
Telephone: 434-409-9426

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

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

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

Very truly yours,

Pat A. Nichols

Pat A. Nichols

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

Chase Tower, 17th Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 933-8704 Fax
www.steptoe-johnson.com

Writer's Contact Information

March 28, 2024

MIDLAND PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2024 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2024 B
(West Virginia DWTRF Program/Forgivable)

Midland Public Service District
Elkins, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We are special counsel to the Midland Public Service District, a public service district in Randolph County, West Virginia (the "Issuer"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

We are of the opinion that the Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Recommended Decision dated October 24, 2023, which became Final Order on November 13, 2023, in Case No. 23-0577-PWD-42A-CN, which among other things, granting to the Issuer a certificate of public convenience and necessity for the Project, approving rates for the System and approving the financing for the Project. Such Order is in full force and effect.

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

Sincerely,

STEPTOE & JOHNSON PLLC

18651264.1

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: 3/28/2024

ISSUE: Midland PSD Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program)

ADDRESS: PO Box 544, Elkins, WV 26241 COUNTY: Randolph

PURPOSE OF ISSUE: x New Money

Refunding Refunding issue(s) dated:

ISSUE DATE: 3/28/2024 RATE: 1.00% ADMIN FEE: 0.25%

ISSUE AMOUNT: $ 515,000.00

1st DEBT SERVICE DUE: 9/1/2025 1st PRINCIPAL DUE: 9/1/2025

1st DEBT SERVICE AMOUNT: $ 4,011.50 PAYING AGENT: MBC

BOND COUNSEL: *Steptoe & Johnson PLLC*

Contact Name: John Stump

Phone: 304.353.8196

Email: john.stump@steptoe-johnson.com

UNDERWRITERS COUNSEL: *Jackson Kelly PLLC*

Contact Name: Samme Gee

Phone: 304.340.1318

Email: sgee@JacksonKelly.com

CLOSING BANK: *Mountain Valley Bank*

Contact Name:

Phone: 304.637.2265

Email:

ESCROW TRUSTEE:

Contact Name:

Phone:

Email:

KNOWLEDGEABLE ISSUER CONTACT:

Contact Name: Ronald Vance

Title: Manager

Phone: 304.636.1431

Email: midlandpsd@cebridge.net

OTHER:

Contact Name: WV DEP

Title: John Giroir

Phone: Acting Manager

Email: 304.926.0499 ext 1603

DEPOSITS TO MBC AT CLOSE:

By: Wire

Check

In-house Transfer

Accrued Interest:

Capitalized Interest:

Reserve Account:

Other:

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By: Wire

Check

IGT

To Escrow Trustee:

To Issuer:

To Cons.Invest Fund:

To Other:

ISSUER NUMBERS:

BANK ID NUMBER:

ACCOUNT NUMBER:

CUSIP:

PROGRAM NUMBER:

NOTES: Series 2024 A Bonds Reserve Account will be funded over 10 years.

FOR MUNIICPAL 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: 3/28/2024

ISSUE: Midland PSD Water Revenue Bonds, Series 2024 B (West Virginia DWTRF Program/Forgivable)

ADDRESS: PO Box 544, Elkins, WV 26241 COUNTY: Randolph

PURPOSE OF ISSUE: x New Money

Refunding Refunding issue(s) dated:

ISSUE DATE: 3/28/2024 RATE: forgivable ADMIN FEE: NA

ISSUE AMOUNT: $ 30,500.00

1st DEBT SERVICE DUE: NA 1st PRINCIPAL DUE: NA

1st DEBT SERVICE AMOUNT: NA PAYING AGENT: NA

BOND COUNSEL: *Steptoe & Johnson PLLC*

Contact Name: John Stump

Phone: 304.353.8196

Email: john.stump@steptoe-johnson.com

UNDERWRITERS COUNSEL: *Jackson Kelly PLLC*

Contact Name: Samme Gee

Phone: 304.340.1318

Email: sgee@JacksonKelly.com

CLOSING BANK: *Mountain Valley Bank*

Contact Name:

Phone: 304.637.2265

Email:

ESCROW TRUSTEE:

Contact Name:

Phone:

Email:

KNOWLEDGEABLE ISSUER CONTACT:

Contact Name: Ronald Vance

Title: Manager

Phone: 304.636.1431

Email: midlandpsd@cebridge.net

OTHER: *WV DEP*

Contact Name: John Giroir

Title: Acting Manager

Phone: 304.926.0499 x 1603

Email: john.giroir@wv.gov

DEPOSITS TO MBC AT CLOSE:

By: Wire

Check

In-house Transfer

Accrued Interest:

Capitalized Interest:

Reserve Account:

Other:

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By: Wire

Check

IGT

To Escrow Trustee:

To Issuer:

To Cons.Invest Fund:

To Other:

ISSUER NUMBERS:

BANK ID NUMBER: CUSIP:

ACCOUNT NUMBER: PROGRAM NUMBER:

NOTES: Loan is forgivable. No accounts are established at the MBC

FOR MUNIICPAL BOND COMMISSION USE ONLY:

Documents Required: Transfers Required:

MIDLAND PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2024 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2024 B
(West Virginia DWTRF Program/Forgivable)

CERTIFICATE OF ENGINEER

On this 28th day of March, 2024, I, Daniel E. Ferrell, Registered Professional Engineer, West Virginia License No. 13462, of The Thrasher Group, Inc, Bridgeport, West Virginia, Consulting Engineers, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain improvements and extensions (the "Project") to the existing public waterworks system (the "System") of the Midland Public Service District (the "Issuer"), to be constructed in Randolph County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (collectively, the "Series 2024 Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meanings set forth in the Bond Resolution adopted by the Issuer on March 12, 2024, and the Supplemental Resolution adopted by the Issuer on March 12, 2024, and the loan agreement for the Series 2024 A Bonds and Series 2024 B Bonds, by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Department of Environmental Protection (the "DEP") dated March 28, 2024 (the "Loan Agreement").

2. The Series 2024 Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and the Council and any change orders approved by the Issuer, the DEP, the Council 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 40 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B, attached hereto as Exhibit A and the Issuer's counsel, Pat Nichols, Esquire, 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 DEP and the bid forms provided to the bidders contain the critical

operational components of the Project; (vii) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (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 applicable 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 Series 2024 Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

4. The Project has been designed to, and the construction contracts provide for, water service for 100 new customers.

[Remainder of Page Intentionally Blank]

WITNESS my signature and seal as of the date first written above.

THE THRASHER GROUP, INC.

(SEAL)

DANIEL E. FERRELL
REGISTERED
13462
STATE OF
WEST VIRGINIA
PROFESSIONAL ENGINEER

2/6/2024

Daniel E. Ferrell, P.E.
West Virginia License No. 13462

16977949.1

Midland PSD - Faulkner Road Waterline Extension Project **IJDC Project No.: 2022W-2152**

FINAL

Date: February 29, 2024

		DWTRF Loan	DWTRF Forgiveness	IJDC Grant	Randolph County ARPA Grant - Waterline	WV Governor's Matching Funds Grant	Congressional Directed Spending Grant
Starting Fund Balance:		$ 515,000.00	$ 30,500.00	$ 144,363.00	$ 149,500.00	$ 500,000.00	$ 2,000,000.00
	Funding Totals						
Construction							
Waterline Extension Contract	$ 2,374,762.36					$ 474,952.47	$ 1,899,809.89
Master Meter (Bid Underrun Funds)	$ 45,000.00					$ 9,000.00	$ 36,000.00
Contract 3	$ -						
Contract 4	$ -						
Total:	$ 2,419,762.36	$ -	$ -	$ -	$ -	$ 483,952.47	$ 1,935,809.89
Technical Services							
Preliminary Engineering	$ 35,000.00				$ 35,000.00		
Preliminary Design	$ 152,000.00	$ 68,000.00			$ 84,000.00		
Final Design	$ 85,000.00	$ 85,000.00					
Record Drawings	$ 7,000.00	$ 7,000.00					
Bidding & Negotiation	$ 22,500.00	$ 22,500.00					
Engineering During Construction	$ 69,500.00	$ 69,500.00					
Inspection	$ 150,000.00	$ 32,360.00	$ 30,500.00	$ 6,902.36		$ 16,047.53	$ 64,190.11
Inspection (Bid Underrun Funds)	$ 10,000.00			$ 10,000.00			
Special Services	$ 88,500.00	$ 55,540.00	$ -	$ 2,460.00	$ 30,500.00		
Total:	$ 619,500.00	$ 339,900.00	$ 30,500.00	$ 19,362.36	$ 149,500.00	$ 16,047.53	$ 64,190.11
Legal & Fiscal							
Local Attorney	$ 7,500.00	$ 7,500.00					
PSC Attorney	$ 20,000.00	$ 20,000.00					
Interest During Construction	$ -						
Accountant	$ 16,000.00	$ 16,000.00					
Loan Repayment	$ -						
Land Acquisition & ROWs	$ 1,000.00	$ 1,000.00					
Total:	$ 44,500.00	$ 44,500.00	$ -	$ -	$ -	$ -	$ -
Administrative & General							
Project Administration	$ 70,000.00	$ 70,000.00					
Land Agent	$ -	$ -					
Permits & Fees	$ 39,100.00	$ 39,100.00					
Legal Ads	$ -						
Total:	$ 109,100.00	$ 109,100.00	$ -	$ -	$ -	$ -	$ -
Contingency							
Construction Contingency 5.2%	$ 125,000.64	$ -		$ 125,000.64			
Project Contingency	$ -	$ -		$ -			
Total:	$ 125,000.64	$ -	$ -	$ 125,000.64	$ -	$ -	$ -
Closing Costs							
Funding Reserve	$ -						
Registrar Fees	$ 500.00	$ 500.00					
Bond Counsel	$ 21,000.00	$ 21,000.00					
Capitalized Interest	$ -						
Total:	$ 21,500.00	$ 21,500.00	$ -	$ -		$ -	$ -
Grand Total	$ 3,339,363.00	$ 515,000.00	$ 30,500.00	$ 144,363.00	$ 149,500.00	$ 500,000.00	$ 2,000,000.00

Reduce IJDC Grant by: $ 355,637.00

2/29/2024 — Date

Daniel E. Ferrell, PE
The Thrasher Group

3/12/24 — Date

Franklin M. Santmyer, Jr., Chairman
Midland Public Service District

ROTH & WHITE, A.C.

CERTIFIED PUBLIC ACCOUNTANTS
P.O. Box 67
Kingwood, WV 26537
(304) 329-1020

March 28, 2024

Midland Public Service District
Water Revenue Bonds, Series 2024 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2024 B
(West Virginia DWTRF Program/Forgivable)

Midland Public Service District
Elkins, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

United States Department of Agriculture
Elkins, West Virginia

Ladies and Gentlemen:

Based upon the water rates and charges set forth in the unappealable Recommended Decision of the Public Service Commission of West Virginia in Case No. 23-0577-PWD-42A-CN, dated October 24, 2023, which became Final Order on November 13, 2023, which rates will become effective upon substantial completion of the Proposed Project, the projected operating expenses and anticipated customer usage as furnished to me by Midland Public Service District (the "Issuer"), it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system (the "System") of the Issuer, will (i) provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each Fiscal Year equal to at least 115% of the maximum amount required in any Fiscal Year for payment of principal of and interest on the Issuer's Water Revenue Bonds, Series 2024 A (West Virginia DWTRF Program), dated March 28, 2024, issued in the original amount of $515,000 (the "Series 2024 A Bonds"); and all other obligations secured by or payable from such revenues, including the Issuer's:

(1) Water Revenue Bonds, Series 1998 A (United States Department of Agriculture), dated July 8, 1998, issued in the original aggregate principal amount of $120,000 (the "Series 1998 A Bonds");

(2) Water Revenue Bonds, Series 2019 A (United States Department of Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $2,880,000 (the "Series 2019 A Bonds"); and

(3) Water Revenue Bonds, Series 2019 B (United States Department of

Agriculture), dated July 5, 2019, issued in the original aggregate principal amount of $600,000 (the "Series 2019 B Bonds") (collectively, the "Prior Bonds").

It is further our opinion that the Net Revenues for the Fiscal Year following the year in which the Series 2024 A Bonds are issued will be at least 120% of the average annual debt service 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 projected to be sufficient in the upcoming Fiscal Year 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 projected to be sufficient in the upcoming Fiscal Year to make the required deposits in the Working Capital Reserve Account.

Very truly yours,

Roth & White, P.C.