

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF GLUCKSTADT, MISSISSIPPI (THE "CITY") APPROVING AND ADOPTING A TAX COMPLIANCE POLICY FOR THE CITY; AUTHORIZING THE IMPLEMENTATION OF SUCH TAX COMPLIANCE POLICY; AND FOR RELATED PURPOSES

WHEREAS, the Mayor and Board of Aldermen of the City (the "Governing Body"), acting for and on behalf of the City, is authorized by various laws of the State of Mississippi, as the same may be amended and supplemented from time to time, to issue bonds, notes and other evidence of indebtedness (the "Debt") of the City; and

WHEREAS, the Governing Body may issue such Debt as taxable or tax-exempt for federal income tax purposes; and

WHEREAS, if such Debt is issued as tax-exempt for federal income tax purposes, the City must ensure that the Debt complies with the provisions of the Internal Revenue Code of 1986, as amended and supplemented from time to time (the "Code") throughout its term; and

WHEREAS, in order to ensure compliance with the Code, the Governing Body has determined that it is necessary and advisable to adopt a policy for tax compliance in connection with all tax-exempt Debt issued or to be issued by the City and

WHEREAS, there has been prepared and submitted to the Governing Body the form of a Tax-Exempt Financing Bond Compliance Policies and Procedures (the "Tax Policy") setting forth the City's tax compliance procedures in connection with its outstanding and future tax-exempt Debt; and

WHEREAS, it appears that such Tax Policy which is now before the Governing Body, is in appropriate form and is an appropriate document for the purposes identified; and

WHEREAS, it is proposed that the Governing Body should now take such actions as necessary to adopt the Tax Policy and authorize its implementation.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. This resolution is adopted pursuant to the applicable laws of the State of Mississippi.

SECTION 2. The Tax Policy, in the form submitted to this meeting and attached hereto as EXHIBIT A, is hereby approved and adopted. The Governing Body hereby authorizes and directs the Mayor and/or City Clerk of the City to implement the Tax Policy and, in connection with any outstanding or future Debt of the City, to take such actions and file such documents as may be required by the Tax Policy, the Code, the Internal Revenue Service, the Municipal Securities Rulemaking Board and the Securities and Exchange Commission.

SECTION 3. All actions of the officers of the City which are or have been done in conformity with the purposes and intents of this resolution and in furtherance of the Tax Policy shall be, and the same hereby are or have been, in all respects, ratified, approved, and confirmed.

SECTION 4. This resolution shall become effective immediately and all orders, resolutions or proceedings of the Governing Body in conflict with the provisions of this resolution shall be and are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

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Following further discussion of the foregoing resolution, Alderman Slay moved and Alderman Powell seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Bates

Voted: Aye

Alderman Taylor

Voted: Aye

Alderman Powell

Voted: Aye

Alderman Slay

Voted: Aye

Alderman Williams

Voted: Aye

The motion having received the affirmative vote of a majority of the members of the Governing Body present, being a quorum of said Governing Body, the Mayor declared the motion carried and the resolution adopted this the 9th day of May 2023.

Walter Mommari

Mayor

ATTEST:

Lindry Kedu

City Clerk



EXHIBIT A

TAX-EXEMPT BOND FINANCING COMPLIANCE POLICIES AND PROCEDURES

GLUCKSTADT, MISSISSIPPI
Tax-Exempt Bond Financing Compliance
Policies and Procedures

Adopted on May 9 _____, 2023

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ATTACHMENT 1 – FORM OF ANNUAL COMPLIANCE CHECKLIST

Section 1. Purpose

It is the policy of Gluckstadt, Mississippi, a political subdivision duly organized and existing under the laws of the State of Mississippi (the "Borrower") to comply with federal tax law applicable to its tax-exempt debt borrowings ("Tax-Exempt Debt") to ensure that interest paid on such Tax-Exempt Debt remains exempt from federal income tax. The federal tax law requires compliance with numerous rules and regulations, including but not limited to, filing requirements, yield restriction limitations, arbitrage rebate requirements, use of proceeds and financed projects limitations and recordkeeping requirements. Given the increasing complexity of the federal tax law, the Borrower hereby formally adopts the following policies and procedures concerning its Tax-Exempt Debt (the "TE Policies and Procedures"). These TE Policies and Procedures are intended to serve as a guide for the Borrower to facilitate compliance with federal tax law applicable to its Tax-Exempt Debt.

As background, a qualified issuer of state and local government bonds (the "Issuer") actually "issues" the tax-exempt obligations and the Borrower "borrows" the proceeds of such tax-exempt obligations from the Issuer. For purposes of these procedures, the reference to Issuer will mean the respective Issuer for the Borrower's Tax-Exempt Debt. In the event these policies and procedures conflict, in whole or in part, with the federal tax agreement or federal tax certificate prepared on behalf of the Borrower in connection with its borrowing of Tax-Exempt Debt (the "Tax Certificate"), the terms of the applicable Tax Certificate will control.

Section 2. Compliance Officer Designation

The City Clerk of the Borrower is hereby designated as the Borrower's Compliance Officer. Except as otherwise described herein, the Borrower's designated Compliance Officer (the "Compliance Officer") will have primary responsibility for ensuring that the Borrower's outstanding Tax-Exempt Debt is, and remains, in compliance with federal tax law. The Borrower may appoint a new Compliance Officer from time to time as needed. Also, the Compliance Officer may delegate duties herein as deemed necessary.

The Compliance Officer will at all times be aware of the Borrower's obligations set forth in these TE Policies and Procedures, including the Borrower's ongoing recordkeeping and compliance responsibilities associated with its Tax-Exempt Debt. The Compliance Officer will at all times be familiar with these TE Policies and Procedures and will be authorized to consult with the Issuer and third-party professionals (e.g., legal counsel, bond counsel and arbitrage calculating agents), as necessary, to ensure compliance with these TE Policies and Procedures. In addition, the Compliance Officer will be familiar with the Internal Revenue Service's ("IRS") Publication 4077 "Tax-Exempt Bonds for 501(c)(3) Charitable Organizations," and IRS Publication 4078 "Tax-Exempt Private Activity Bonds Compliance Guide." The Compliance Officer will be familiar with the IRS's website at www.irs.gov/Tax-Exempt-Bonds and aware that such website contains information, forms and publications pertaining to tax-exempt bonds.

Section 3. Tax-Exempt Debt Borrowings

I. Tax Certificates. The Tax Certificate (which is generally prepared by bond counsel and signed by both the Issuer and Borrower) will serve as the operative document for purposes of establishing reasonable expectations of the Borrower as of the date of the borrowing. Each Tax Certificate provides a summary of the federal tax rules applicable to each Tax-Exempt Debt borrowing. Prior to each borrowing, the Compliance Officer will review each Tax Certificate to confirm that the expectations set forth in the Tax Certificate are reasonable and accurate and to become familiar with the requirements set forth therein.

II. Internal Revenue Service Form 8038 – Tax-Exempt Bonds. IRS Form 8038, Information Return for Tax-Exempt Private Activity Bond ("Form 8038") is generally prepared by bond counsel as of the date of issuance of the Tax-Exempt Debt. The Borrower understands that each Form 8038 must be filed by the Issuer with the IRS no later than the 15th day of the 2nd calendar month after the close of the calendar quarter in which the Tax-Exempt Debt is issued. The Compliance Officer will cooperate with the Issuer to ensure that the proper information is documented in the Form 8038.

III. Public Approval Requirement. Generally, prior to issuance, qualified private activity bonds (including qualified 501(c)(3) bonds) must be approved by an applicable elected representative for the governmental entity issuing the qualified private activity bonds and, in some cases, for each governmental entity having jurisdiction over the area in which the financed facility is to be located. Unless otherwise agreed, the Borrower will rely on the Issuer to ensure that the public approval requirements applicable to the Tax-Exempt Debt are satisfied. The Compliance Officer will cooperate with the Issuer to ensure that the Issuer has the proper information for this process.

IV. Reimbursement Declarations of Official Intent. Under Section 1.150-2 of the Treasury Regulations, the Borrower is permitted to use proceeds of Tax-Exempt Debt to reimburse certain expenditures paid before the date of issuance of the Tax-Exempt Debt (subject to certain requirements). One requirement is that the Borrower (or Issuer) must adopt a declaration of official intent to reimburse expenditures not later than 60 days after the reimbursed expenditure is paid. If proceeds of the Tax-Exempt Debt will be used for reimbursement purposes, the Compliance Officer will coordinate with the Issuer to ensure the timely adoption of such declaration of official intent.

V. Qualified Hedge. If the Borrower enters into a qualified hedge (i.e. swap transaction) pursuant to Section 1.148-4(h) of the Treasury Regulations in connection with its Tax-Exempt Debt, the Compliance Officer will immediately inform the Issuer and cooperate with the Issuer to ensure compliance with the Treasury Regulations required for integration (to the extent integration is desired by the Borrower).

Section 4. Use of Debt Proceeds – Tax-Exempt Bonds

I. Private Business Use. The Borrower will not knowingly take or permit to be taken any action that would cause any of its outstanding Tax-Exempt Debt to become taxable "private activity bonds," as described below. Generally, an issue of qualified 501c(3) tax-exempt bonds

under Section 145 of the Code will be considered taxable "private activity bonds" if more than 5% of the proceeds are used directly or indirectly in any trade or business carried on by a private business user and more than 5% of the debt service is directly or indirectly (1) secured by any interest in property used or to be used in any trade or business carried on by a private business user, or (2) derived from payments made in respect of property used or to be used in any trade or business carried on by a private business user.

The Compliance Officer will annually review the "use" of its facilities financed with its outstanding Tax-Exempt Debt for compliance with the applicable use restrictions imposed on tax-exempt financed facilities, as set forth in the Tax Certificate. Prior to entering into certain arrangements that could give rise to an impermissible amount of private business use, the Compliance Officer will consult with its counsel before entering into such arrangements that include, but are not limited to, management contracts, operating agreements, licenses, leases, subleases, naming rights agreements, research agreements, cellular tower or solar panel placement agreements, clinical trial agreements, and joint venture or partnership arrangements.

In the event the Compliance Officer determines the Borrower has entered into an arrangement involving any of its facilities financed with Tax-Exempt Debt which may give rise to an impermissible amount of private business use, the Borrower will consult its counsel to determine whether such arrangement impacts the tax-exempt status of the Borrower's Tax-Exempt Debt. The Compliance Officer will provide the Issuer with written notice of any such actions by the Borrower that would adversely impact the tax-exempt status of the Tax-Exempt Debt.

II. Sale of Debt-Financed Property. Prior to selling or otherwise disposing of any facilities financed with outstanding Tax-Exempt Debt, the Compliance Officer will obtain approval from the Issuer and will consult with its counsel to determine what impact, if any, such arrangement would have on the tax-exempt status of the Borrower's outstanding Tax-Exempt Debt.

III. Remedial Actions. The Compliance Officer will be aware of the remedial action rules contained in Treasury Regulations Section 1.141-12, providing, in certain circumstances, a mechanism to voluntarily remediate violations of the private business tests or private loan financing test. Although the Borrower intends that none of its Tax-Exempt Debt will require the application of the remedial action rules, prior to taking any action that would cause its outstanding Tax-Exempt Debt to, absent a remedial action, violate the private business use tests or private loan financing test, the Compliance Officer will consult with its counsel regarding the applicability of the remedial action rules to such action and the ability to remediate the impacted Tax-Exempt Debt. The Compliance Officer will provide the Issuer with written notice of any remedial action by the Borrower that would adversely impact the tax-exempt status of the Tax-Exempt Debt.

IV. Private Loans. The Borrower's Tax-Exempt Debt will be considered taxable "private loan bonds" if more than 5% of the proceeds of the Tax-Exempt Debt is used, directly or indirectly, to make or finance loans to private persons. The Borrower will not take or permit to be taken any action that would cause any of its Tax-Exempt Debt to be considered taxable "private loan bonds." The Borrower will not loan the proceeds of its Tax-Exempt Debt to any

third party without first consulting with its counsel. The Compliance Officer will consult with its counsel prior to any such loans being made by the Borrower.

Section 5. Arbitrage Rebate and Arbitrage Limitations Imposed on Tax-Exempt Debt

I. Hiring an Arbitrage Calculating Agent. With regard to each of the Borrower's outstanding Tax-Exempt Debt borrowings, the Borrower will retain an arbitrage calculating agent to (a) determine whether the Tax-Exempt Debt in question qualifies for an exception to the arbitrage rebate rules and (b) perform calculations to ascertain whether an arbitrage rebate payment or yield reduction payment is owed to the IRS, unless, in the judgment of the Borrower and in compliance with these TE Policies and Procedures and the Tax Certificate, there is no reasonable prospect of any arbitrage rebate or yield reduction payment liability. The Compliance Officer will coordinate the timely hiring of an arbitrage calculating agent as required by these TE Policies and Procedures.

II. Payment of Arbitrage Rebate and Yield Reduction Liability. The arbitrage calculating agent retained by the Borrower (discussed above) will determine whether an arbitrage rebate payment or yield reduction payment is owed to the IRS. If payment is owed to the IRS, the Borrower will instruct the arbitrage calculating agent to prepare IRS Form, 8038-T, Arbitrage Rebate Yield Reduction and Penalty Payment in Lieu of Arbitrage Rebate ("Form 8038-T"). The Compliance Officer or arbitrage calculating agent will obtain the Issuer's signature and remit the Form 8038-T, with the required payment, to the IRS on behalf of the Issuer.

The Compliance Officer will consult with its arbitrage calculating agent within thirty (30) days of the issue date of its Tax-Exempt Debt as to the required "installment computation dates" for purposes of calculating arbitrage rebate and yield reduction liability. As background, for these purposes, within 60 days after each installment computation date, the Issuer must cause to be paid to the Internal Revenue Service at least 90% of the amount of arbitrage rebate and yield reduction payment liability owed. In addition, within 60 days after the final installment computation date, the Issuer must cause to be paid to the Internal Revenue Service 100% of the amount of arbitrage rebate and yield reduction payment liability owed. Each completed Internal Revenue Service Form 8038-T, Arbitrage Rebate Yield Reduction and Penalty in Lieu of Arbitrage Rebate, together with full payment in the amount equal to the arbitrage rebate or yield reduction payment liability calculated by the arbitrage calculating agent, must be filed with the Internal Revenue Service at the applicable address which is currently, Internal Revenue Service Center, Ogden, UT 84201.

III. Yield Restriction Limitations. For each Tax-Exempt Debt borrowing, the Borrower will comply with the applicable yield restriction investment limitations and temporary periods with regard to its outstanding Tax-Exempt Debt, as described in the respective Tax Certificate. The Compliance Officer will monitor the Borrower's compliance with these applicable yield restriction limitations.

IV. Timely Expenditure of Tax-Exempt Debt Proceeds. The IRS generally requires that conduit borrowers of Tax-Exempt Debt reasonably expect to spend eighty-five percent of the proceeds of such borrowings within three years of the issue date of such Tax-Exempt Debt. Accordingly, it is the Borrower's policy to utilize tax-exempt financing for projects that it

reasonably expects will be substantially completed within three years, unless otherwise approved by its counsel. Upon receipt of proceeds from Tax-Exempt Debt borrowings, the Compliance Officer will regularly monitor the expenditure of such proceeds. If the majority of such proceeds will not be fully expended within three years of the issue date of the Tax-Exempt Debt, the Compliance Officer will determine how quickly such amounts can be spent, and if needed, contact its counsel to determine whether remedial action as described above (or some other form of action) will be needed.

Section 6. Recordkeeping

I. **Means of Maintaining Records.** The Borrower may maintain all records required to be held as described in this Section 6 in paper and/or electronic (e.g., CD, disks, tapes) form. It is the policy of the Borrower to maintain as much of its records electronically as feasible. The Compliance Officer will be responsible for verifying the Borrower's continued compliance with the recordkeeping requirements set forth in this Section 6 with regard to the Borrower's Tax-Exempt Debt.

II. **Retention Period.** The Borrower will maintain, or cause to be maintained, all records relating to the tax-exempt status of its Tax-Exempt Debt and the representations, certifications and covenants set forth in its respective Tax Certificates until the later of the date set forth in any such Tax Certificate or the date four (4) years after the last outstanding obligation of the issue to which such records and Tax Certificate relate has been retired.

If the Borrower borrows Tax-Exempt Debt to refund prior debt, the Borrower will maintain all of the records described in this Section 6 with respect to the refunded debt as well (whether taxable or tax-exempt) until the later of the date set forth in any Tax Certificate executed in connection with such the Tax-Exempt Debt or the date that is four (4) years after the Tax-Exempt Debt, the proceeds of which were used to refund the prior debt, has been retired. For example, if the Borrower borrows Tax-Exempt Debt in 2018 (2018 Bonds) to refund Tax-Exempt Debt borrowed in 2009 (2009 Bonds), the Borrower will maintain the records described herein with respect to the 2009 Bonds until the later of the date set forth in any Tax Certificate executed in connection with the 2009 Bonds or the date four (4) years after the date the last outstanding 2018 Bond has been retired. If the 2009 Bonds themselves refunded prior debt, the Borrower will also maintain records related to such prior debt for the same period of time.

III. **Required Records.**

The Borrower will maintain detailed records with respect to the following:

- A. Transcript of Proceedings for the Borrower's Tax-Exempt Debt.
- B. Documentation evidencing the expenditure of proceeds of the Borrower's Tax-Exempt Debt.
- C. Documentation evidencing any private business use of facilities financed with proceeds of the Borrower's Tax-Exempt Debt.

- D. Documentation evidencing all sources of payment or security for the Borrower's Tax-Exempt Debt.
- E. Documentation pertaining to any investment of proceeds of the Borrower's Tax-Exempt Debt, including documentation pertaining to broker's fees paid (if at all) or other administrative costs with respect to such investments.
- F. Documentation pertaining to the public approval/TEFRA process.
- G. Records of arbitrage rebate payment and yield reduction payment calculations performed by the arbitrage calculating agent (irrespective of whether any amount was determined to be owed to the Internal Revenue Service), as well as records related to any arbitrage rebate payments or yield reduction payments made to the Internal Revenue Service, including the calculations performed by the arbitrage calculating agent substantiating such payments, together with the Internal Revenue Service Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, that accompanied all such payments.
- H. Documentation authorizing the reimbursement of expenditures using proceeds of the Tax-Exempt Debt.
- I. Appraisals, demand surveys and feasibility studies related to projects financed or refinanced with the Borrower's Tax-Exempt Debt.
- J. Documentation relating to any third-party funding for the Borrower's projects to which proceeds of the Borrower's Tax-Exempt Debt will be applied (including government grants).
- K. Records of any Internal Revenue Service audits or compliance checks, or any other Internal Revenue Service inquiry related to the Borrower's Tax-Exempt Debt.

Section 7. Voluntary Closing Agreement Program

The Compliance Officer will be aware of the IRS's TEB Voluntary Closing Agreement Program ("VCAP") and its ability, pursuant to IRS Notice 2008-31, 2008-11 I.R.B. 592 (or a successor notice as the case may be), to request a voluntary closing agreement with the IRS to resolve compliance violations on the part of the Borrower with the applicable federal tax rules to its outstanding Tax-Exempt Debt. A copy of Internal Revenue Service Notice 2008-31 is available on the Internal Revenue Service's website at www.irs.gov.

Section 8. Annual Compliance and Continuing Education

I. Annual Compliance. The Compliance Officer will complete the Annual Compliance Checklist within 60 days of the end of each "bond year," as defined in the Tax Certificate. A copy of the Annual Compliance Checklist is attached hereto as Attachment 1. The

Compliance Officer will deliver a copy of the Annual Compliance Checklist to the Issuer annually, upon request of the Issuer.

II. Continuing Education. The Compliance Officer will consult with its counsel regarding the federal tax rules applicable to the Borrower's outstanding Tax-Exempt Debt and any changes to the federal tax law. The Borrower will update these policies and procedures as needed to reflect any such changes. The Borrower will encourage its Compliance Officer to attend continuing education events and conferences, as needed, pertaining to tax-exempt municipal bonds.

Section 9. Miscellaneous

The Borrower reserves the right to amend or withdraw these TE Policies and Procedures at any time and from time to time to reflect changes in federal tax laws or other applicable laws concerning its outstanding Tax-Exempt Debt. The Compliance Officer will consult with its counsel as it deems necessary to ensure the applicable federal tax law requirements are satisfied. These TE Policies and Procedures do not, and are not intended to, limit the actions of the Borrower solely to those federal tax matters listed above, but are intended to provide the Borrower with broad discretion and general guidelines in addressing any and all federal tax matters that may affect its outstanding Tax-Exempt Debt.

Section 10. Consultation with Counsel

Should the Borrower, including the Compliance Officer, have further questions regarding these Post-Issuance Compliance Policies and Procedures or any other questions concerning the Borrower's Tax-Exempt Debt borrowings, please contact Butler Snow LLP, attorney, Troy Johnston at (601) 985-4419.

ATTACHMENT 1 – FORM OF ANNUAL COMPLIANCE CHECKLIST

[Attached]

FORM ANNUAL COMPLIANCE REPORT & CHECKLIST

[BOND CAPTION]

The Compliance Officer shall complete this Form Annual Compliance Report and Checklist (the "Annual Checklist") for each of the Borrower's outstanding tax-exempt bonds on an annual basis, within 60 days of the close of the applicable bond year, which should be set forth in the Tax Certificate. The tax-exempt bonds identified below shall hereinafter be referred to as the "Bonds." The project(s) financed or refinanced with proceeds of the Bonds shall hereinafter be referred to as the "Project." The Bond Year covered by this Annual Checklist shall hereinafter be referred to as the "Annual Period."

If the Compliance Officer identifies any compliance deficiencies in this Annual Checklist, the Compliance Officer should immediately contact Bond Counsel, as identified in the Borrower's TE Policies and Procedures and take the actions required in the Tax Certificate or TE Policies and Procedures.

If the Compliance Officer has any questions pertaining to completion of this Annual Checklist, please contact Butler Snow LLP attorney, Troy Johnston at (601) 985-4419 ("Tax Counsel").

1. GENERAL QUESTIONS

Bond Caption: _____
Date of Issuance of Bonds: _____
Applicable Annual Period: _____
Date of Annual Checklist: _____
Name of Compliance Officer: _____
Description of Project: _____

2. PROJECT OWNERSHIP

Has the Project been continuously owned by the Borrower during the Annual Period: _____

If ownership of the Project has changed during the Annual Period, contact Tax Counsel: _____

3. PROJECT COMPLETION & EXPENDITURE OF PROCEEDS OF BONDS (FOR NEW MONEY PROJECTS)

Amount of proceeds of Bonds originally allocated to construct the Project: _____

Have all such proceeds (including interest earned thereon) been spent:

If not, does the Borrower expect such amounts will be expended in accordance with its expectations set forth in the Tax Certificate:

If all such proceeds have not been spent, has more than three years elapsed since the Date of Issuance of Bonds:

Has the Project been completed and placed in service:

If Project has been completed and placed in service, has the Borrower completed a "final allocation" of Bond proceeds:

If Project has been completed, if any proceeds of the Bonds allocated to construct the Project remain unspent, contact Tax Counsel:

If Project has been completed during the Annual Period, has written notice been sent to the Issuer:

4. USE OF PROJECT

During the Annual Period, has any portion of the Project been managed by another entity:

If so, has the arrangement been determined to be compliant with Revenue Procedure 2017-13 (if not, contact Tax Counsel):

During the Annual Period, has any portion of the Project been

leased to another entity:

If so, has the arrangement been determined to be compliant with Revenue Procedure 2017-13 (if not, contact Tax Counsel):

During the Annual Period, has any portion of the Project been used for research by another entity:

If so, has the arrangement been determined to be compliant with Revenue Procedure 2007-47 (if not, contact Tax Counsel):

During the Annual Period, has the Borrower entered into any agreements with respect to the Project that could result in private business use (such as naming rights agreements, cell tower or wind generation agreements, or other types of arrangements) (if yes, contact Tax Counsel):

If the Borrower intends to use the Project in a manner that may jeopardize the tax-exempt status of the Bonds, contact Tax Counsel:

5. REFUNDINGS

If the Bonds were issued for current refunding purposes, were such proceeds of the Bonds spent within 90 days of the issue date of the Bonds (if no, contact Tax Counsel):

If the Bonds were issued for advance refunding purposes, are the refunded Bonds being redeemed by the

escrow agent in accordance with the requirements in the Escrow Agreement (if no, contact Tax Counsel):

6. ARBITRAGE AND REBATE

Have all rebate and yield reduction calculations mandated in the Tax Certificate been prepared:

If a rebate and yield calculation was prepared during the Annual Period, has the Borrower retained a copy and filed an 8038-T with the IRS if required (if no, contact Tax Counsel):

7. RECORD KEEPING

Has the Borrower maintained all records as required by the Tax Certificate and the TE Policies and Procedures (if no, contact Tax Counsel):

8. CORRESPONDENCE WITH INTERNAL REVENUE SERVICE

During the Annual Period, has the Borrower received any correspondence from the IRS pertaining to the Bonds:

If yes, please describe:

If yes, has the Borrower contacted Tax Counsel:

9. QUALIFIED HEDGE CONTRACTS

During the Annual Period, has the Borrower entered into a new hedge contract:

If the Borrower previously integrated a hedge contract with the Bonds, has the Borrower taken action to terminate the hedge contract during the Annual Period (if yes, contact Tax Counsel): _____

10. MODIFICATIONS TO BOND DOCUMENTS

During the Annual Period, has the Borrower entered into an arrangement that modified the terms of the bond documents: _____

If yes, please describe and contact Tax Counsel: _____

11. CONTINUING EDUCATION

During the Annual Period, describe any continuing education events and/or conferences attended by the Compliance Officer: _____

During the Annual Period, has the Compliance Officer consulted with Tax Counsel regarding federal tax rules pertaining to the Bonds as needed: _____

12. REMEDIAL ACTION

During the Annual Period, has the Compliance Officer identified a violation that may necessitate the need for the Issuer to take remedial action with regard to the Bonds (if yes, contact Tax Counsel): _____

13. VCAP

During the Annual Period, has the Compliance Officer identified a violation that may

necessitate utilization of the IRS's
Voluntary Closing Agreement
Program (if yes, contact Tax
Counsel): _____

**A COPY OF THIS ANNUAL CHECKLIST SHOULD BE FILED WITH THE
BORROWER'S RECORDS PERTAINING TO THE ISSUANCE OF THE BONDS.**

**IF COMPLETION OF THIS CHECKLIST REQUIRES CONSULTATION WITH TAX
COUNSEL, CONTACT ONE OF THE FOLLOWING ATTORNEYS WITH
BUTLER SNOW LLP:**

TROY JOHNSTON at (601) 985-4419