

## RESOLUTION NO. 24-240

**A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF SPRING HILL, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$58,000,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS**

WHEREAS, 9-21-101, et seq., inclusive, Tennessee Code Annotated, as amended, authorizes the City of Spring Hill, Tennessee (the "Municipality"), by resolution of the Board of Mayor and Aldermen, to issue and sell bonds to finance public works; and

WHEREAS, the Board of Mayor and Aldermen of the Municipality hereby determines that it is necessary and advisable to issue general obligation bonds, in one or more series, for the purpose of providing funds for (i) the acquisition, construction, improvement and equipping of roads, highways, streets, bridges, greenways, culverts, curbs, drainage systems, including storm water sewers and drains, and viaducts; (ii) the acquisition and construction of improvements and extensions to the Municipality's water and sewer system (the "System"); (iii) the acquisition, construction, improvement and equipping of public safety and community service buildings; (iv) the acquisition of all other property, real and personal, appurtenant to the foregoing (the "Projects"); (v) the payment of legal, fiscal, administrative, architectural and engineering costs incident to the Projects and incident to the indebtedness described herein; (vi) the payment of capitalized interest during construction of the Projects and for up to six months thereafter; (vii) the reimbursement to the Municipality for funds previously expended for any of the foregoing; and (viii) the payment of costs incident to the issuance and sale of the bonds authorized herein; and

WHEREAS, the Board of Mayor and Aldermen of the Municipality adopt on the date hereof an initial resolution (the "Initial Resolution") authorizing the issuance of not to exceed \$58,000,000 for the purposes described above; and

WHEREAS, the Initial Resolution, together with the notice required by Section 9-21-206, Tennessee Code Annotated, as amended, will be published as required by law; and

WHEREAS, it is the intention of the Board of Mayor and Aldermen of the Municipality to adopt this resolution for the purpose of authorizing not to exceed \$58,000,000 in aggregate principal amount of bonds for the above-described purposes, providing for the issuance, sale and payment of said bonds, establishing the terms thereof, and the disposition of proceeds therefrom, and providing for the levy of a tax for the payment of principal thereof, premium, if any, and interest thereon.

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, as follows:

Section 1. Authority. The bonds authorized by this resolution are issued pursuant to 9-21-101, et seq., Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. In addition to the terms defined in the preamble above, the following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Bonds" means the not to exceed \$58,000,000 General Obligation Bonds of the Municipality, to be dated their date of issuance, and having such series designation or such other dated date as shall be determined by the Mayor pursuant to Section 8 hereof.

(b) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the Municipality or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds.

(c) "Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

(d) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC.

(e) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

(f) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System.

(g) "Governing Body" means the Board of Mayor and Aldermen.

(h) "Mayor" shall mean the Mayor of the Municipality.

(i) "Municipal Advisor" for the Bonds authorized herein means Cumberland Securities Company, Inc., Knoxville, Tennessee.

(j) "Projects" means (i) the acquisition, construction, improvement and equipping of roads, highways, streets, bridges, greenways, culverts, curbs, drainage systems, including storm water sewers and drains, and viaducts; (ii) the acquisition and construction of improvements and extensions to the Municipality's water and sewer system; (iii) the acquisition, construction, improvement and equipping of public safety and community service buildings; (iv) the acquisition of all other property, real and personal, appurtenant to the foregoing.

(k) "Registration Agent" means the registration and paying agent appointed by the Mayor pursuant to the terms hereof, or any successor designated by the Governing Body.

### Section 3. Findings of the Governing Body; Compliance with Debt Management Policy.

(a) In conformance with the directive of the State Funding Board of the State of Tennessee, the Municipality has heretofore adopted its Debt Management Policy. The Governing Body hereby finds that the issuance and sale of the Bonds, as proposed herein, is consistent with the Municipality's Debt Management Policy.

(b) The estimated interest expense and costs of issuance of the Bonds have been made available to the Governing Body.

Section 4. Authorization and Terms of the Bonds.

(a) For the purpose of providing funds to finance, in whole or in part, the cost of the Projects and costs incident thereto; reimbursement to the appropriate fund of the Municipality for prior expenditures for the foregoing costs, if applicable; and payment of costs incident to the issuance and sale of the Bonds, there is hereby authorized to be issued bonds, in one or more series, of the Municipality in the aggregate principal amount of not to exceed \$58,000,000. The Bonds shall be issued in one or more series, in fully registered, book-entry form (except as otherwise set forth herein), without coupons, and subject to the adjustments permitted hereunder, shall be known as "General Obligation Bonds", shall be dated their date of issuance, and shall have such series designation or such other dated date as shall be determined by the Mayor pursuant to the terms hereof. The Bonds shall bear interest at a rate or rates not to exceed six percent (6.00%) payable (subject to the adjustments permitted hereunder) semi-annually on June 1 and December 1 in each year, commencing June 1, 2025. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof. The Bonds shall mature serially or be subject to mandatory redemption and shall be payable on June 1 of each year, subject to prior optional redemption as hereinafter provided, as established by the Mayor pursuant to Section 8 hereof, provided, that such principal payment schedule shall result in approximately level annual debt service or principal payments in each bond year or calendar year.

(b) Subject to the adjustments permitted under Section 8 hereof, the Bonds maturing on June 1, 2032 and thereafter shall be subject to redemption prior to maturity at the option of the Municipality on June 1, 2031 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Governing Body in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

(c) Pursuant to the terms hereof, the Mayor is authorized to sell the Bonds, or any maturities thereof, as term bonds ("Term Bonds") with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the Mayor. In the event any or all the Bonds are sold as Term Bonds, the Municipality shall redeem Term Bonds on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established pursuant to the terms hereof for each redemption date, as such maturity amounts may be adjusted pursuant to the terms hereof, at a price of par plus accrued interest thereon to the date of redemption.

If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

At its option, to be exercised on or before the forty-fifth (45<sup>th</sup>) day next preceding any such mandatory redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45<sup>th</sup>) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of any call for redemption shall be given by the Registration Agent on behalf of the Municipality not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the Municipality pursuant to written instructions from an authorized representative of the Municipality (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

(d) The Governing Body hereby authorizes and directs the Mayor to appoint the Registration Agent for the Bonds and hereby authorizes the Registration Agent so appointed or the Registration Agent for the Bonds to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the Municipality at least annually a certificate of destruction with respect to Bonds cancelled and destroyed, and to furnish the Municipality at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The Mayor is hereby authorized to execute and the City Recorder is hereby authorized to attest such written agreement between the Municipality and the Registration Agent as they shall deem necessary and proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

(e) The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds by check or draft on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the Municipality in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Bonds are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(f) Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the Municipality to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not

less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

(g) The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment included therein completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the Municipality to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

(h) The Bonds shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the Municipality with the signature of the Mayor and the attestation of the City Recorder.

(i) Except as otherwise provided in this resolution, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Registration Agent is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE REGISTRATION AGENT SHALL

TREAT CEDE & CO. AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation relating to the Bonds from the Municipality and the Registration Agent to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The Municipality and the Registration Agent shall not be responsible or liable for payment by DTC or DTC Participants for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds, or (2) to the extent permitted by the rules of DTC, the Municipality determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, then the Municipality shall discontinue the Book-Entry System with DTC or, upon request of such original purchaser, deliver the Bonds to the original purchaser in the form of fully-registered Bonds, as the case may be. If the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. If the purchaser(s) certifies that it intends to hold the Bonds for its own account, then the Municipality may issue certificated Bonds without the utilization of DTC and the Book-Entry System.

THE MUNICIPALITY AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS; (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE, CEDE & CO., AS OWNER.

(j) The Registration Agent is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds; provided, however, that the Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this Section.

(k) The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate

and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

(l) In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the Municipality, in its discretion, shall issue, and the Registration Agent, upon written direction from the Municipality, shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and in substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be able to mature, instead of issuing a substituted Bond the Municipality may pay or authorize payment of such Bond without surrender thereof. In every case, the applicant shall furnish evidence satisfactory to the Municipality and the Registration Agent of the destruction, theft or loss of such Bond, and indemnify satisfactory to the Municipality and the Registration Agent; and the Municipality may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the Municipality for the expense incurred by it in the issue thereof.

Section 5. Source of Payment. The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the Municipality are hereby irrevocably pledged. Regarding the portion of the Bonds financing improvements to the System, such portion shall be additionally payable from but not secured by the revenues to be derived from operation of the System.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form, the omissions to be appropriate completed when the Bonds are prepared and delivered:

(Form of Bond)

REGISTERED  
Number \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TENNESSEE  
CITY OF SPRING HILL, TENNESSEE  
GENERAL OBLIGATION BOND, SERIES 2024

Interest Rate:                      Maturity Date:                      Date of Bond:                      CUSIP No.:

Registered Owner:

Principal Amount:

FOR VALUE RECEIVED, the City of Spring Hill, Tennessee (the "Municipality") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on June 1, 2025, and semi-annually thereafter on the first day of June and December in each year until this Bond matures or is redeemed. The principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as

registration agent and paying agent (the "Registration Agent"), or such successor office as is designated by the Registration Agent. The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the Municipality to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Registration Agent is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the Municipality and the Registration Agent shall treat Cede & Co. as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal and maturity amounts of, premium, if any, and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal, maturity amounts, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the Municipality nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) to the extent permitted by the rules of DTC, the Municipality determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the Municipality may discontinue the book-entry system with DTC. If the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. Neither the Municipality nor the Registration Agent shall have any responsibility or obligations to DTC Participant or any Beneficial Owner with respect to (i) the Bonds; (ii) the accuracy or any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners; (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

Bonds of the issue of which this Bond is one maturing on June 1, 2032 and thereafter shall be subject to redemption prior to maturity at the option of the Municipality on June 1, 2031 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Board of Mayor and Aldermen of the Municipality, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the Municipality shall redeem Bonds maturing \_\_\_\_\_ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent in the same manner as is described above for optional redemptions. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds Redeemed</u>
-----------------------	------------------------	---

\*Final Maturity

At its option, to be exercised on or before the forty-fifth (45<sup>th</sup>) day next preceding any such redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall

be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45<sup>th</sup>) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of any call for redemption shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and it notice has been duly provided as set forth in the Resolution, as hereafter defined. In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository that the redemption did not occur and that the Bond called for redemption and not so paid remain outstanding.

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the office of the Registration Agent set forth above, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the Municipality to call such Bond for redemption.

This Bond is one of a total authorized issue aggregating \$\_\_\_\_\_ and issued by the Municipality for the purpose of providing funds for (i) the acquisition, construction, improvement and equipping of roads, highways, streets, bridges, greenways, culverts, curbs, drainage systems, including storm water sewers and drains, and viaducts; (ii) the acquisition and construction of improvements and extensions to the Municipality's water and sewer system (the "System"); (iii) the acquisition, construction, improvement and equipping of public safety and community service buildings; (iv) the acquisition of all other property, real

and personal, appurtenant to the foregoing (the "Projects"); (v) the payment of legal, fiscal, administrative, architectural and engineering costs incident to the Projects and incident to the indebtedness described herein; (vi) the payment of capitalized interest during construction of the Projects and for up to six months thereafter; (vii) the reimbursement to the Municipality for funds previously expended for any of the foregoing; and (viii) the payment of costs incident to the issuance and sale of the Bonds, pursuant to 9-21-101, *et seq.*, Tennessee Code Annotated, as amended, and pursuant to a resolution adopted by the Board of Mayor and Aldermen of the Municipality on October 7, 2024 (the "Resolution").

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the Municipality are hereby irrevocably pledged. Regarding the portion of the bonds financing improvements to the System, such portion shall be additionally payable from but not secured by the revenues to be derived from operation of the System.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond, 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 indebtedness of the Municipality, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the Municipality has caused this Bond to be signed by its Mayor and attested by its City Recorder as of the date hereinabove set forth.

CITY OF SPRING HILL, TENNESSEE

By:           [FORM – DO NOT SIGN]            
Mayor

ATTESTED:

          [FORM – DO NOT SIGN]            
City Recorder

Transferable and payable at the  
Following office of the Registration Agent: \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

Date of Registration: \_\_\_\_\_

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

\_\_\_\_\_  
Registration Agent

By: \_\_\_\_\_  
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_  
\_\_\_\_\_, whose address is \_\_\_\_\_ (Please insert  
Federal Identification or Social Security Number of Assignee \_\_\_\_\_), the within Bond of City  
of Spring Hill, Tennessee, and does hereby irrevocably constitute and appoint \_\_\_\_\_,  
attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution  
in the premises.

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

NOTICE: The signature to this assignment must  
correspond with the name of the registered owner as it  
appears on the face of the within Bond in every particular,  
without alteration or enlargement or any change  
whatsoever.

Signature guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed  
by a member firm of a Medallion Program  
acceptable to the Registration Agent

Section 7. Levy of Tax. The Municipality, through its Governing Body, shall annually levy  
and collect a tax upon all taxable property within the Municipality, in addition to all other taxes authorized  
by law, sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that  
purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to  
pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any  
time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the  
Municipality and reimbursement therefor shall be made out of the taxes hereby provided to the levied when  
the same shall have been collected. The tax herein provided may be reduced to the extent of any direct  
appropriations from other funds, taxes and revenues of the Municipality to the payment of debt service on  
the Bonds, including revenues of the System.

Section 8. Sale of Bonds.

(a) The Bonds shall be offered for competitive public sale in one or more series, at a price of not less than 98% of par, plus accrued interest, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with the Municipal Advisor. The Bonds, or any series thereof, shall be sold by delivery of bids via physical delivery, mail, fax, or telephone or by electronic bidding means of an internet bidding service as shall be determined by the Mayor, in consultation with the Municipal Advisor.

(b) If the Bonds are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown in Section 4 hereof for each series, so long as the total aggregate principal amount of all series issued does not exceed the total aggregate of Bonds authorized to be issued herein.

(c) The Mayor is further authorized with respect to each series of Bonds to:

(1) change the dated date of the Bonds, or any series thereof, to a date other than the date of issuance of the Bonds;

(2) change the designation of the Bonds, or any series thereof, to a designation other than "General Obligation Bonds" and to specify the series designation of the Bonds, or any series thereof;

(3) change the first interest payment date on the Bonds, or any series thereof, to a date other than June 1, 2025, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(4) establish and adjust the principal and interest payment dates and the maturity amounts of the Bonds, or any series thereof, provided that (A) the total principal amount of all series of the Bonds does not exceed the total amount of Bonds authorized herein; (B) the final maturity date of each series shall not be later than thirty (30) years from the initial principal payment date; provided however, the portion of each series that funds improvements to the System shall mature not later than twenty (20) years from the initial principal payment date; and (C) the debt service on the Bonds shall not result in balloon indebtedness that requires the approval of the Director of Local Government Finance;

(5) adjust or remove the Municipality's optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds or any series thereof does not exceed two percent (2%) of the principal amount thereof;

(6) sell the Bonds, or any series thereof, or any maturities thereof as Term Bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as otherwise determined by the Mayor, as he shall deem most advantageous to the Municipality; and

(7) cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company if such insurance is requested and paid for by the winning bidder of the Bonds, or any series thereof.

The form of the Bond set forth in Section 6 hereof shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

(d) The Mayor is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more series as the Mayor shall deem to be advantageous to the Municipality and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than "General Obligation Bonds"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(e) The Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on the Bonds does not exceed the maximum rate prescribed by Section 4 hereof. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Governing Body with respect thereto shall be required.

(f) The Mayor and City Recorder are authorized to cause the Bonds, in book-entry form (except as otherwise permitted herein), to be authenticated and delivered by the Registration Agent to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The Mayor is hereby authorized to enter into a contract with the Municipal Advisor, for financial advisory services in connection with the sale of the Bonds and to enter into an engagement letter with Bass, Berry & Sims PLC to serve as bond counsel in connection with the Bonds, and all actions heretofore taken by the officers of the Municipality in that regard are hereby ratified and approved.

(g) No Bonds shall be issued until publication of the Initial Resolution in a newspaper of general circulation in the Municipality and the passage of twenty (20) days from the date of publication thereof, and in no event shall the Bonds be issued if a legally sufficient petition, as defined by Section 9-21-207, Tennessee Code Annotated, is filed within such twenty-day period.

(h) Disposition of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited with a financial institution regulated by the Federal Deposit Insurance Corporation or similar federal agency in a special fund known as the 2024 Project Fund (the "Project Fund"), or such other designation as shall be determined by the Mayor to be kept separate and apart from all other funds of the Municipality. The Municipality shall disburse funds in the Project Fund to pay costs of issuance of the Bonds, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds. Notwithstanding the foregoing, costs of issuance of the Bonds may be withheld from the good faith deposit or purchase price of the Bonds and paid to the Municipal Advisor to be used to pay costs of issuance of the Bonds. The remaining funds in the Project Fund shall be disbursed solely to pay the costs of the Projects and to reimburse the Municipality for any funds previously expended for costs of the Projects. Money in the Project Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or, in the absence of such a statute, by a pledge of readily marketable securities having at all times a market value of not less than the amount in said Project Fund. Money in the Project Fund shall be invested in such investments as shall be permitted by applicable law to the extent permitted by applicable law.

Section 9. Official Statement. The officers of the Municipality, or any of them, are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the officers of the Municipality, or any of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The officers of the Municipality, or any of them, shall arrange for the delivery to the successful bidder on the Bonds of a reasonable number of copies of the Official Statement within seven (7) business days after the Bonds have been awarded for delivery, by the successful bidder on the Bonds, to each potential investor requesting a copy of the Official Statement and to each person to whom such bidder and members of his bidding group initially sell the Bonds.

The officers of the Municipality, or any of them, are authorized, on behalf of the Municipality, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of such pricing and other information.

Notwithstanding the foregoing, no Official Statement is required to be prepared if the Bonds, or any series thereof, are purchased by a purchaser that certifies that such purchaser intends to hold the Bonds, or any series thereof, for its own account and has no present intention to reoffer the Bonds, or any series thereof.

Section 10. Discharge and Satisfaction of Bonds. If the Municipality shall pay and discharge the indebtedness evidenced by any series of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice); or

(c) By delivering such Bonds to the Registration Agent for cancellation by it;

and if the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations

of the Municipality to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or obligations of any agency or instrumentality of the United States, which obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 11. Federal Tax Matters Related to the Bonds.

(a) The Bonds are expected to be issued as federally tax-exempt bonds. If so issued, the Municipality hereby covenants that it will not use, or permit the use of, any proceeds of the Bonds in a manner that would cause the Bonds to be subjected to treatment under Section 148 of the Code, and applicable regulations thereunder, as an "arbitrage bond." To that end, the Municipality shall comply with applicable regulations adopted under said Section 148. The Municipality further covenants with the registered owners from time to time of the Bonds that it will, throughout the term of the Bonds and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the Bonds shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

(b) It is reasonably expected that the Municipality will reimburse itself for certain expenditures made by it in connection with the Projects by issuing the Bonds. This resolution shall be placed in the minutes of the Governing Body and shall be made available for inspection by the general public at the office of the Governing Body. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

(c) The Governing Body hereby delegates to the Mayor the authority to designate, and determine whether to designate, the Bonds as "qualified tax-exempt obligations," as defined in Section 265 of the Code, to the extent the Bonds are not deemed designated as such and may be designated as such.

(d) The appropriate officers of the Municipality are authorized and directed, on behalf of the Municipality, to execute and deliver all such certificates and documents that may be required of the Municipality in order to comply with the provisions of this Section related to the issuance of the Bonds.

Section 12. Continuing Disclosure. The Municipality hereby covenants and agrees that it will provide annual financial information and event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The Mayor is authorized to execute at the closing of the sale of the Bonds an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and event notices to be provided and its obligations relating thereto. Failure of the Municipality to comply with the undertaking herein described and to be detailed in said closing agreement shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the Municipality to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 13. Reasonably Expected Economic Life. The "reasonably expected economic life" of the Projects within the meaning of Sections 9-21-101, et seq., Tennessee Code Annotated, is greater than the term of the Bonds authorized herein.

Section 14. Resolution a Contract. The provisions of this resolution shall constitute a contract between the Municipality and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

Section 15. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 16. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

Duly adopted and approved on October 7, 2024.

  
\_\_\_\_\_  
Jim Hagaman, Mayor

Attested:

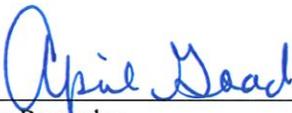
  
\_\_\_\_\_  
April Goad, City Recorder

STATE OF TENNESSEE )

COUNTY OF Maury )

I, April Goad, certify that I am the duly qualified and acting City Recorder of the City of Spring Hill, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a meeting of the governing body of the Municipality held on October 7, 2024; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the issuance of not to exceed \$58,000,000 of the Municipality's General Obligation Bonds.

WITNESS my official signature on October 7, 2024.

  
\_\_\_\_\_  
City Recorder

45616648.1

**BASS BERRY + SIMS<sub>PLC</sub>**

150 Third Avenue South, Suite 2800  
Nashville, TN 37201  
(615) 742-6200

September 13, 2024

City of Spring Hill, Tennessee  
199 Town Center Parkway  
Spring Hill, TN 37174  
ATTN: Pam Caskie, City Administrator

**Re: Agreement for Legal Services as Bond Counsel**

Dear Pam:

We appreciate the opportunity to represent the City of Spring Hill, Tennessee (the "City"). Our engagement would include, when requested by the City, the provision of bond counsel services in connection with the City's issuance of general obligation and revenue debt obligations. This letter confirms our undertaking to represent the City in these matters and governs the terms of our relationship with the City.

This letter and the attached Terms of Representation describe the terms of our engagement. Unless otherwise agreed to, we will deliver our statements to you at the address provided above.

Again, we are pleased that the City has retained our firm to provide these legal services, and we look forward to an excellent working relationship with you and your representatives. To confirm your agreement to our engagement, please return a signed copy of this letter to us at your earliest convenience.

Sincerely,

BASS, BERRY & SIMS PLC



Betsy Knotts  
Counsel

Attachment: Terms of Representation

**APPROVED AND AGREED:**

**City of Spring Hill, Tennessee**

By   
Name Jim Hagaman  
Title Mayor  
Date 10-7-2024

## **TERMS OF REPRESENTATION**

Bass, Berry & Sims PLC (“Bass, Berry & Sims” or the “Firm”) will provide legal services as described in our engagement letter dated September 13, 2024, of which these Terms of Representation are a part (collectively, the “Engagement Letter”), and on the following terms and conditions:

### **1. Bond Counsel Services**

The City is desirous of obtaining assistance in connection with primary debt offerings and other financial matters, as needed. Therefore, the City is seeking Bond Counsel to provide, if requested, the following services:

- Subject to the completion of proceedings to our satisfaction, render our legal opinion (the Bond Opinion) regarding the validity and binding effect of a debt offering, the source of payment and security for a debt offering, and, if applicable, the excludability of interest on the debt offering from gross income for federal income tax purposes.
- Prepare and review documents necessary or appropriate for the authorization, issuance and delivery of a debt offering, coordinate the authorization and execution of such documents, and review enabling legislation.
- Assist the City in seeking from other governmental authorities such approvals, permissions and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, and delivery of a debt offering, except that we will not be responsible for any required blue-sky filings.
- Review legal issues relating to debt offerings (including state law issues, federal tax law issues and federal securities law issues).
- Draft those sections of the official statement to be disseminated in connection with a debt offering, describing the Bond Opinion, the terms of and security for a debt offering, and the treatment of a debt offering and interest thereon under state and federal tax law.
- Assist the City in presenting information to bond rating organizations and providers of credit enhancement relating to legal issues affecting a debt offering, if requested.
- If applicable, review the notice of sale pertaining to the competitive sale of a debt offering.
- When requested, provide general counsel to the City as to matters of municipal finance law (including state law matters, federal law matters and federal securities law matters).

### **2. Staffing and Rates**

We currently expect that Betsy Knotts and other members of our public finance team will provide services with respect to your matters. Staffing needs change on many matters over time, and we will adjust staffing to respond to those needs.

For most matters on which we expect to provide services to the City, our fees will be included as an expense of closing a transaction. For these matters, we will request that our fees be paid as a closing cost, and we will provide a fixed fee (once approved by you as provided below) to be paid at closing. For each transaction at which we would expect to be paid at closing, and once the structure of a particular

transaction is finalized, we will provide a proposed fixed fee for your approval which will take into account: (i) our understanding of the terms, structure, size and schedule of the transaction; (ii) the services we will undertake as to such transaction; (iii) the time we anticipate devoting to the transaction; and (iv) the responsibilities we will assume in connection therewith. After a fixed fee is established, such fixed fee may vary: (a) if the nature of the transaction differs significantly from what has been presented to us at the time the fixed fee is established, (b) if material changes in the structure or schedule of the transaction occur; or (c) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. If, at any time, we believe that circumstances require an adjustment of our fixed fee estimate, we will advise you and provide to you a revised fee quote for your consideration and approval. Any fees quoted will include all out-of-pocket expenses incurred by us, except payments to third parties. Until such time as we agree upon a mutually acceptable fixed fee for our work or if our engagement is terminated as to a matter at any time prior to the consummation of a transaction or if the transaction is indefinitely postponed, we will bill for that matter at our hourly rates discounted by 25%.

While we expect that many matters on which we will provide services will be billed on a fixed fee basis, we also expect that the City may request us to assist with particular projects that are not part of a transaction and that will need to be billed on an hourly basis. In such cases, our hourly rates will be discounted as described in the prior paragraph.

### **3. Payment of Fees and Other Charges**

As described above, we expect our fees for legal services to be payable as a cost of closing in many cases. In those cases where our fees are paid based upon hourly rates, we will periodically submit bills based upon those rates. Payment will be due within 30 days of the date of our statement. If bills are not timely paid, we may cease work and withdraw from the representation to the extent permitted by applicable Rules of Professional Conduct.

In addition to the payment of the Firm's fees, clients are responsible for all out-of-pocket expenses that we may be required to advance on the City's behalf in connection with the representation unless included in a fixed fee as described above. In case of large out-of-pocket costs (generally over \$1,000), the City may be asked to advance such costs or to pay them directly as they are incurred. We will not incur any material out-of-pocket expense, such as travel expenses, without your permission, and generally do not bill for typical overhead expenses such as copying costs.

### **4. Term**

Our engagement shall remain in effect until terminated by the City or by us. Either party may terminate our engagement at any time. However, we may only terminate our engagement subject to applicable Rules of Professional Conduct. The City may also terminate our engagement as to any particular matter by notice to us.

### **5. Client Identification**

We can only represent clients that have been cleared through a conflicts check and whose names appear in our conflicts database. The person or entity named in the Engagement Letter is our client for the specific matters on which we are engaged, and we shall not be deemed to represent any affiliates of the City unless the City has specifically identified them to us and we agree in writing to do so. Our representation of a municipal corporation or other entity does not include a representation of the individuals or entities that are officers, directors, or employees of such entity. When individuals are acting in their official capacities with respect to an entity, such communications are subject to the attorney-client privilege, but the privilege belongs to and can be waived by the entity rather than by the individuals.

## **6. Conflicts and Confidential Information**

Bass, Berry & Sims is a large national legal practice with multiple offices. Because of the Firm's size and geographic scope, as well as the breadth and diversity of its practice, other present or future clients of Bass, Berry & Sims may have interactions or other contacts with the City. Accordingly, to prevent any misunderstanding and to preserve the Firm's ability to represent you and its other clients, you consent and agree as follows with respect to certain conflict of interest issues:

a) It is possible that, during the time that we are representing the City, one or more of our present or future clients will have transactions with the City which do not relate to any matter on which our Firm has been engaged by the City. We do not believe such representations will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the matters subject to this engagement so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the matters subject to this engagement. In the event a dispute or litigation ever arose between the City and such other parties with respect to any such matter, we would not represent the City or such other party in the resolution of such dispute. Execution of this letter will signify the consent of the City to our representation of others consistent with the circumstances described in this paragraph.

b) We are committed to our professional obligation to maintain the confidentiality of information we receive from our clients. Your advance consent does not affect our continuing obligation to maintain the confidences of you and our other clients.

c) Unless authorized, we will not disclose to you or use on your behalf any documents or information protected by confidentiality obligations to other clients.

d) We are required to confirm the absence of conflicts of interest in connection with each engagement. If there is any change in the parties or the nature of the work the Firm is doing for you, we must perform a new conflicts check to confirm that the changed circumstances have not introduced a conflict of interest. We must also perform a new conflicts check before undertaking any new matters for you.

e) The lawyers practicing in our Firm's offices in various jurisdictions are governed by the rules of professional conduct in the applicable jurisdiction. Although the rules of the various jurisdictions often are similar, they are not identical. Only the rules in force in the specific jurisdictions in which the Firm lawyers representing you are practicing apply to those lawyers, subject to any permitted modifications of those rules reflected in these Terms of Representation.

f) From time to time, our Firm identifies clients in marketing materials. These materials may include print and online descriptions of our services, brochures, presentations to other clients, industry surveys and rankings, transactions lists in professional publications, recruiting material and media outreach. The City agrees that our Firm may use the name and identifying material of the City, such as the City's logo, and a brief description of the work we do for the City in these materials, provided that no confidential information about the City, or the Firm's work for the City, is revealed.

## **7. In-House Attorney-Client Privilege**

The lawyers working on this matter may wish to consult, at no cost to you, with the Firm's in-house counsel, including its General Counsel, or with outside counsel, concerning our own rights and

responsibilities in connection with representation of the City. Any such communications and advice are protected by our own attorney-client privilege and will remain confidential with the Firm and with such counsel.

#### **8. Disclosure Issues**

Under certain circumstances, we may be required to publicly disclose our representation of you and general information about our activities on your behalf, for example in connection with:

- the Lobbying Disclosure Act of 1995;
- the Foreign Agents Registration Act;
- Internal Revenue Service tax shelter regulations;
- any audit letter request to which you ask us to respond;
- clearing conflicts of interest; and
- any subpoena or other legal process to which we are required to respond.

We will comply with a request for disclosure from a third party only to the extent that you have requested us to do so or we are legally obligated to do so. If it is practicable and permitted, we will notify you of the request or the sharing of information. As part of our service to you, we will endeavor to protect your interests in those circumstances. We will charge you for any time spent complying with these requirements, requests or demands in connection with any matters we handle for you. In the event that the Firm considers it necessary to engage counsel in connection with any such disclosure, those expenses will be reimbursable costs under this engagement. However, we will consult with you before engaging outside counsel at your expense.

#### **9. Client Files; Retention**

During the course of this engagement, we will maintain certain documents, both hard-copy and electronic, that pertain to the engagement and that in our judgment should be so maintained (the "Client File"). The Client File is your property. If you wish any documents we maintain in the Client File to be returned to you, we will do so upon your request, although we will be entitled to make copies of any such documents at our expense. Further, any expenses we incur in returning the Client File to you (other than costs incurred in making copies for ourselves) will be billed to and paid by you, including without limitation any costs incurred in converting electronic documents to hard copy documents if you request such conversion. If you do not request return of the Client File, we will maintain the documents in it for a period of ten years from the end of our representation of the City in any matter as determined by the date of the last invoice related thereto, and thereafter may destroy the subject documents without further communication with you.

#### **10. Changes in Law**

Any legal advice provided to you will be based on the law at the time we provide advice to you. Laws, including regulations, case law and rules, change frequently. These changes include amendments to laws, regulations and rules; changes in interpretation of such laws, regulations and rules by courts, regulatory agencies or counsel; changes in the facts and circumstances occurring or coming to our attention after the resolution or completion of the matter; or to reflect the occurrence of unanticipated events. We cannot predict the outcome of any future enforcement decisions. We specifically disclaim any obligation to update advice we previously provided in resolved or completed matters.

#### **11. Application of these Terms**

The Engagement Letter, including this statement of Terms of Representation, will govern our relationship with the City even if the City does not sign and return a copy of the Engagement Letter. If we

agree to undertake additional matters, those additional matters will be governed by these Terms of Representation unless we mutually agree otherwise in writing.

Our clients sometimes present the Firm with billing guidelines, outside counsel guidelines or other additional or different terms and conditions. If you want the Firm to follow any such guidelines, please present them to us as soon as possible, so we can consider how they correspond to these Terms of Representation and come to a clear understanding that is agreed to by the City and the Firm.

If you disagree with any of these terms and conditions, please advise us immediately by return correspondence so that we can resolve any differences promptly and proceed with a clear, complete and consistent understanding of our relationship.

[City of Spring Hill Letterhead]

September \_\_, 2024

**VIA E-MAIL** ([sheila.reed@cot.tn.gov](mailto:sheila.reed@cot.tn.gov))

Ms. Sheila Reed, Director  
Division of Local Government Finance  
Comptroller of the Treasury  
Cordell Hull Building  
425 Rep. John Lewis Way, North  
Nashville, Tennessee 37243

RE: The City of Spring Hill, Tennessee–Request for Debt Issuance Approval

Dear Sheila:

The City of Spring Hill, Tennessee (the “City”) proposes to issue general obligation bonds in an amount not to exceed \$58,000,000 (the “Bonds”) to provide funds for essential improvements to roads, storm water sewers and drains, the City’s water and sewer system (the “System”), and public safety and community service buildings. The draft bond resolution (the “Resolution”) is attached for your review. Currently, the Resolution is scheduled to be reviewed by the City’s Budget and Finance Advisory Committee and the Board of Mayor of Aldermen on October 7, 2024.

The City’s fiscal year 2025 budget was not approved by your office due to a repeated oversight of the City Finance Department to conform the City’s budget ordinance to certain transparency requirements of the Municipal Budget Law of 1982. We have learned from this error and will ensure it is corrected in our fiscal year 2026 budget ordinance. We have attached a draft corrected ordinance format for your review.

Pursuant to Tenn. Code Ann. § 9-21-404, your office may waive the requirement of budget approval to allow local governments to enter into necessary financial transactions. We are requesting such waiver. As you are aware, residents are relocating to the City at high rates which is putting a major strain on the City’s infrastructure. The Bonds will finance much needed infrastructure, public safety, and public health improvements. The proposed breakdown of the costs of the projects are as follows:

- \$40,000,000 – Capital Projects (e.g. roads, public safety & community service buildings)
- \$2,000,000 – Storm Water Improvements
- \$15,000,000 – Water and Sewer System Improvements

The proceeds of the Bonds will be combined with existing funding for a total of approximately \$85,000,000 to fund road projects, \$51,000,000 to fund a new police headquarters and fire station, and \$15,000,000 to fund a new water reservoir plant and expansion of the current system. The Bonds will be secured by an unlimited ad valorem tax pledge, and the portion of the Bonds used to finance improvements to the City’s water and sewer system will be additionally payable from but not secured by revenues derived from the operation of such system.

We believe that consent to this request is in the public interest insofar as it will facilitate the City’s growth management plans and reduce the current strain on public infrastructure.

The City is scheduled to review the Resolution at its public meeting on October 7, 2024. Due to this timeframe, we respectfully ask that you consider this request as soon as possible. If you need further information, please contact me at [pcaskie@springhilltn.org](mailto:pcaskie@springhilltn.org) or (931) 451-0937. Thank you for your consideration of this request.

Sincerely,



Jim Hagaman  
Mayor  
City of Spring Hill

cc: Betsy Knotts ([betsy.knotts@bassberry.com](mailto:betsy.knotts@bassberry.com))  
John Werner ([John.Werner@cumberlandsecurities.com](mailto:John.Werner@cumberlandsecurities.com))

Enclosures: 2

Enclosure 1

Draft Bond Resolution

(See attached)

Enclosure 2

Form of Corrected Budget Ordinance

(See attached)

45621031.1