

The Board of Commissioners for the County of Wake, North Carolina met in a regular meeting at the Wake County Justice Center, Room 2700, 301 South McDowell Street in Raleigh, North Carolina, the regular place of meeting, at 5:00 p.m. on December 3, 2018. The following Commissioners were present:

Present: _____

Absent: _____

Also present: David Ellis, County Manager; Scott Warren, County Attorney; Denise Hogan, Clerk to the Board; Emily Lucas, Chief Financial Officer; Todd Taylor, Debt Manager;

* * * * *

_____ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

**RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES
2019A TO REFINANCE A LIKE AMOUNT OF BOND ANTICIPATION
NOTES PREVIOUSLY ISSUED IN ANTICIPATION OF THE RECEIPT
OF PROCEEDS OF SCHOOL BONDS AND COMMUNITY COLLEGE
BONDS AND TO PROVIDE ADDITIONAL FUNDS FOR SUCH PURPOSE**

BE IT RESOLVED by the Board of Commissioners (the “Board”) for the County of Wake, North Carolina (the “County”):

Section 1. The Board has determined and does hereby find and declare as follows:

(a) An order authorizing \$810,000,000 School Bonds (the “School Bonds”) was adopted by the Board on July 15, 2013, which order was approved by the vote of a majority of the qualified voters of the County who voted thereon at a referendum duly called and held on October 8, 2013. \$625,337,998 of the School Bonds have heretofore been issued by the County pursuant to the School Bond Order.

(b) On February 1, 2016 the Board adopted a resolution authorizing the issuance of a General Obligation Public Improvement Bond Anticipation Note, Series 2016A in a principal amount not to exceed \$275,000,000 (which Note was reduced in February 2017 to not to exceed \$262,689,625) and adopted a separate resolution authorizing the issuance of a General Obligation Public Improvement Bond Anticipation Note, Series 2016B in a principal amount of not to exceed \$125,000,000 (which Note was reduced in February 2017 to not to exceed \$119,404,375). Said Bond Anticipation Notes are herein referred to collectively as the “2016 Notes” and the resolutions authorizing the issuance thereof are herein referred to as the “2016 Note

Resolutions.” \$344,344,000 of the 2016 Notes were authorized to be issued in anticipation of the issuance of a like amount of School Bonds authorized by the School Bond Order.

(c) On March 1, 2017 the County issued \$82,415,000 General Obligation Public Improvement Bonds, Series 2017B to refinance \$89,585,390.56 of the 2016 Notes issued for school purposes, and on March 8, 2018 the County issued \$172,682,998 General Obligation Public Improvement Bonds, Series 2018A to refinance \$190,968,780.22 of the 2016 Notes issued for school purposes (such amount of Bonds is included in the \$625,337,998 of School Bonds heretofore issued that is referred to in (a) above).

(d) On January 17, 2017 the Board adopted a resolution authorizing the issuance of a General Obligation Public Improvement Bond Anticipation Note, Series 2017A in a principal amount not to exceed \$65,598,500 and adopted a separate resolution authorizing the issuance of a General Obligation Public Improvement Bond Anticipation Note, Series 2017B in a principal amount of not to exceed \$29,817,500. Said Bond Anticipation Notes are herein referred to collectively as the “2017 Notes” and the resolutions authorizing the issuance thereof are herein referred to as the “2017 Note Resolutions.” \$95,416,000 of the 2017 Notes were authorized to be issued in anticipation of the issuance of a like amount of School Bonds authorized by the School Bond Order.

(e) An order authorizing \$200,000,000 Community College Bonds (the “Community College Bonds”) was adopted by the Board for the County on August 6, 2012, which order was approved by the vote of a majority of the qualified voters of the County who voted thereon at a referendum duly called and held on November 6, 2012. \$187,912,002 of the Community College Bonds have heretofore been issued by the County.

(f) The 2016 Note Resolutions provided that \$37,750,000 of the 2016 Notes were authorized to be issued in anticipation of the issuance of a like amount of Community College Bonds authorized by the Community College Bond Order. \$25,062,002 of the General Obligation Public Improvement Bonds, Series 2018A were issued to refinance \$27,715,872.80 of the 2016 Notes issued for community college purposes (such amount of Bonds is included in the \$187,912,002 of Community College Bonds heretofore issued that is referred to in (e) above).

(f) The Board has determined to issue School Bonds and Community College Bonds to (i) refinance the 2016 Notes and 2017 Notes outstanding as of the date of issuance of the hereinafter mentioned Series 2019A Bonds and (ii) pay additional costs of school facilities and community college facilities initially planned to be financed with proceeds of the 2016 Notes and 2017 Notes. It is in the best interest of the County to consolidate said bonds for the purposes of sale into a single series of bonds.

(h) The maximum period of usefulness of the public improvements to be provided with the proceeds of the 2016 Notes being refinanced is estimated as not earlier than a period of forty (40) years from February 9, 2016, the first date of issuance of Series 2016 Notes being refinanced by the Series 2019A Bonds authorized hereby, and that such period expires on February 9, 2056.

Section 2. In order to provide funds to either refinance the 2016 Notes and 2017 Notes issued for School purposes or to pay the remaining costs of the school projects to be financed with the proceeds of the 2016 Notes and 2017 Notes, pursuant to the bond order authorizing School Bonds adopted by the Board on July 15, 2013, and approved by the vote of a majority of the qualified voters of the County who voted thereon at a referendum duly called and held on October 8, 2013, the County shall issue School Bonds in the aggregate principal amount of not to exceed \$159,205,850. Furthermore, in order to refinance the 2016 Notes issued for community college purposes and to pay the remaining costs of the community college projects to be financed with the proceeds of the 2016 Notes, pursuant to the bond order authorizing Community College Bonds adopted by the Board on August 6, 2012, and approved by the vote of a majority of the qualified voters of the County who voted thereon at a referendum duly called and held on November 6, 2012, the County shall issue Community College Bonds in the aggregate principal amount of not to exceed \$10,034,150. Such Bonds shall be consolidated into a single series of bonds designated "General Obligation Public Improvement Bonds, Series 2019A" (the "Series 2019A Bonds") in the principal amount of not to exceed \$169,240,000.

The principal amount of the Series 2019A Bonds shall be the amount necessary to (i) refinance the outstanding 2016 Notes and 2017 Notes that have been issued in anticipation of the issuance of school bonds and community college bonds and (ii) pay the remaining costs of the school projects and community college projects that were to be provided by the 2016 Notes and 2017 Notes. To the extent that all of the 2016 Notes or 2017 Notes have not been issued as of the date of issuance of the Series 2019A Bonds, the proceeds of the Series 2019A Bonds shall be used for such community college or school purposes and the authorization for the issuance of the remaining 2016 Notes or 2017 Notes shall be extinguished.

The Series 2019A Bonds shall be dated the date of delivery thereof. The Series 2019A Bonds shall mature annually, in approximately equal principal amounts, on March 1, 2020 through 2038, inclusive, and shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time the Series 2019A Bonds are sold, which interest to the respective maturities thereof shall be payable on each March 1 and September 1, beginning September 1, 2019, until payment of such principal sum.

Initially, and subject to adjustment as hereinafter provided, the Series 2019A Bonds shall be issued in the aggregate principal amount of \$153,350,000 and shall be stated to mature on March 1 in the amount of \$8,075,000 2020 through 2023, inclusive, and in the amount of \$8,070,000 2024 through 2038, inclusive. Notwithstanding the foregoing, the Chief Financial Officer of the County is hereby authorized to determine at or before the time of opening of the bids for the Series 2019A Bonds the aggregate principal amount and the amount for each maturity of the Series 2019A Bonds as the Chief Financial Officer deems necessary or convenient to carry out the plan of refinancing the 2016 Notes and 2017 Notes and paying the balance of the costs of the facilities to be financed thereby as described above, provided that the aggregate principal amount of the Series 2019A Bonds shall not exceed \$169,240,000, the Series 2019A Bonds shall mature in approximately equal principal amounts and the final maturity may not be later than March 1, 2038. In the event that the Chief Financial Officer of the County determines, in consultation with the Local Government Commission, that it is in the best interests of the County to do so, the Chief Financial Officer may direct that any consecutive

maturities of the Series 2019A Bonds may be combined into a term bond maturing on one date, subject to mandatory sinking fund redemption on the March 1 specified above as a maturity date in the amount specified as maturing on such March 1. The Chief Financial Officer shall file a certificate among the County's official records specifying the final maturity schedule for the Series 2019A Bonds and setting forth any mandatory redemption provisions for the Series 2019A Bonds that are subject to mandatory sinking fund redemption.

Each Series 2019A Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless it is (a) authenticated upon an interest payment date, in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date, in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, such Series 2019A Bond shall bear interest from the date to which interest has been paid. Interest shall be payable on each March 1 and September 1 to the person appearing as the registered owner thereof as of the close of business on the record date for such interest payment date, which shall be the 15th day of the calendar month next preceding such interest payment date.

The principal of and the interest on the Series 2019A Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

The Series 2019A Bonds shall be issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as hereinafter provided. One Bond certificate with respect to each date on which the Series 2019A Bonds are stated to mature, in the aggregate principal amount of the Series 2019A Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), shall be issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Series 2019A Bonds in the principal amount of \$5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The principal of each Bond shall be payable to Cede & Co. or any other person appearing on the registration books of the County hereinafter provided for as the registered owner of such Bond or her registered assigns or legal representative at such office of the Bond Registrar mentioned hereinafter or such other place as the County may determine upon the presentation and surrender thereof as the same shall become due and payable. Payment of the interest on each Bond shall be made by said Bond Registrar on each interest payment date to the registered owner of such Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by such Bond) at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his or her address as it appears on such registration books; provided, however, that for so long as the Series 2019A Bonds are deposited with DTC, the payment of the principal of and interest on the Series 2019A Bonds shall be made to DTC in same-day funds by 2:30 p.m. or otherwise as determined by the rules and procedures established by DTC. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Series 2019A Bonds by participants of DTC will be the responsibility of such participants and other nominees of such

beneficial owners. The County shall not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Series 2019A Bonds or (b) the Chief Financial Officer of the County determines that continuation of the book-entry system of evidence and transfer of ownership of the Series 2019A Bonds would adversely affect the interests of the beneficial owners of the Series 2019A Bonds, the County will discontinue the book-entry system with DTC. If the County identifies another qualified securities depository to replace DTC, the County will make arrangements with DTC and such other depository to effect such replacement and deliver replacement Bonds registered in the name of such other depository or its nominee in exchange for the outstanding Bonds, and the references to DTC or Cede & Co. in this resolution shall thereupon be deemed to mean such other depository or its nominee. If the County fails to identify another qualified securities depository to replace DTC, the County shall deliver replacement Bonds in the form of fully-registered certificates in denominations of \$5,000 or any whole multiple thereof ("Certificated Bonds") in exchange for the outstanding Bonds as required by DTC and others. Upon the request of DTC, the County may also deliver one or more Certificated Bonds to any participant of DTC in exchange for Bonds credited to its account with DTC.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to all Bonds issued or issuable hereunder, whether initially or in replacement thereof.

Section 3. The Series 2019A Bonds shall bear the manual or facsimile signatures of the Chair or Vice Chair of the Board and the Clerk or any Deputy Clerk to the Board and the official seal or a facsimile of the official seal of the County shall be impressed or imprinted, as the case may be, on the Series 2019A Bonds.

The certificate of the Local Government Commission of North Carolina to be endorsed on all Bonds shall bear the manual or facsimile signature of the Secretary or the Deputy Secretary of said Commission and the certificate of authentication of the Bond Registrar to be endorsed on all Bonds shall be executed as provided hereinafter.

In case any officer of the County or the Local Government Commission of North Carolina whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Series 2019A Bonds to be registered in the name of Cede & Co. and the endorsements thereon shall be in substantially the following form:

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COUNTY OF WAKE, NORTH CAROLINA OR ITS AGENT FOR REGISTRATION OR TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. RA-__

\$_____

United States of America
State of North Carolina

COUNTY OF WAKE
GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND
SERIES 2019A

Maturity Date

Interest Rate

CUSIP No.

March 1, 20__

_____%

The County of Wake, a political subdivision in the State of North Carolina, is justly indebted and for value received hereby promises to pay to

CEDE & CO.

or registered assigns or legal representative on the date specified above, upon the presentation and surrender hereof, at the office of the Chief Financial Officer of said County (the "Bond Registrar"), in the Raleigh, North Carolina, the principal sum of

_____ DOLLARS

and to pay interest on such principal sum from the date hereof or from the March 1 or September 1 next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is March 1 or September 1 to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on each March 1 and September 1, beginning September 1, 2019, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this bond (or the previous bond or bonds evidencing the same debt as that evidenced by this bond) is registered at the close of business on the record date for such interest, which shall be the 15th day of the calendar month next preceding such interest payment date, by check mailed to such person at his or her address as it appears on the bond registration books of said County; provided, however, that for so long as the Series 2019A Bonds (hereinafter defined) are deposited with The Depository Trust Company ("DTC"), the payment of the

principal of and interest on the Series 2019A Bonds shall be made to DTC in same day funds by 2:30 p.m. or otherwise as determined by the rules and procedures established by DTC. Both the principal of and the interest on this bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of said County are hereby irrevocably pledged.

This bond is one of an issue of bonds designated "General Obligation Public Improvement Bonds, Series 2019A" (the "Bonds") and issued by said County for the purpose of providing funds, together with any other available funds, to pay the costs of various school and community college improvements, and this bond is issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, bond orders adopted by the Board of Commissioners for said County, which orders were approved by the vote of a majority of qualified voters who voted thereon at referenda duly called and held, and a resolution duly passed by said Board (the "Resolution").

The Series 2019A Bonds maturing on or prior to March 1, 2029 are not subject to redemption prior to maturity. The Series 2019A Bonds maturing on March 1, 2030 and thereafter will be subject to redemption prior to their maturity, at the option of said County, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than March 1, 2029, at a redemption price equal to 100% of the principal amount of the Series 2019A Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

[Insert any mandatory sinking fund redemption provisions.]

If less than all of the Series 2019A Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as said County in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or any whole multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system with The Depository Trust Company ("DTC") is used for determining beneficial ownership of Bonds, if less than all of the Series 2019A Bonds within the maturity are to be redeemed, DTC and its participants shall determine which of the Series 2019A Bonds within a maturity are to be redeemed by lot. If less than all of the Series 2019A Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such manner as said County may determine.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, said County shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part to his address appearing upon the registration books of said County, provided that such notice to Cede & Co. shall be given by certified or registered mail or otherwise as prescribed by DTC. On the date fixed for

redemption, notice having been given as aforesaid, the Series 2019A Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds or portions thereof on such date and, if moneys for payment of such redemption price and the accrued interest are held by the Bond Registrar as provided in the Resolution, interest on the Series 2019A Bonds or the portions thereof so called for redemption shall cease to accrue. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to Cede & Co. or its legal representative upon the surrender hereof.

Any notice of redemption, [other than a notice of mandatory sinking fund redemption,] may state that the redemption to be effected is conditioned upon the receipt by the Bond Registrar on or prior to the redemption date of moneys sufficient to pay the principal of and interest on the Series 2019A Bonds to be redeemed, and that if such moneys are not so received, such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the redemption price and interest on such Bonds are not received by the Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

The Series 2019A Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Resolution. One bond certificate with respect to each date on which the Series 2019A Bonds are stated to mature, in the aggregate principal amount of the Series 2019A Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of DTC, is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Series 2019A Bonds in the principal amount of \$5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Series 2019A Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. Said County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In certain events, said County will be authorized to deliver replacement Bonds in the form of fully-registered certificates in the denomination of \$5,000 or any whole multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at his office the books of said County for the registration of transfer of Bonds. The transfer of this bond may be registered only upon such books and as

otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his or her attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the unredeemed principal amount of this bond, of the same maturity and bearing interest at the same rate.

The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within said County sufficient to pay the principal of and the interest on this bond as the same shall become due; and that the total indebtedness of said County, including this bond, does not exceed any constitutional or statutory limitation thereon.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the County of Wake, North Carolina, by resolution duly passed by its Board of Commissioners, has caused this bond to be manually signed by the Chair of said Board and the Clerk to said Board and its official seal to be impressed hereon, all as of the ____ day of January, 2019.

[Do not sign] _____

Chair of Board of Commissioners

[SEAL]

[Do not sign] _____

Clerk to the Board of Commissioners

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

[Do not sign] _____

[Deputy] Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

[Do not sign] _____

Chief Financial Officer, as Bond Registrar

Date of authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns and transfers unto _____

_____ the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____,

attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

In the presence of:

NOTICE: The signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

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

Certificated Bonds issuable hereunder shall be in substantially the form of the Series 2019A Bonds registered in the name of Cede & Co. with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 4. Except as hereinafter provided, the Series 2019A Bonds maturing on or prior to March 1, 2029 are not subject to redemption prior to maturity. The Series 2019A Bonds maturing on March 1, 2030 and thereafter will be subject to redemption prior to their maturity, at the option of the County, from any moneys that may be made available for such purpose, either

in whole or in part on any date not earlier than March 1, 2029, at a redemption price equal to 100% of the principal amount of the Series 2019A Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption. Notwithstanding the foregoing, if the Chief Financial Officer determines that it is in the best interests of the County that any of the Series 2019A Bonds have different optional redemption provisions, then the Chief Financial Officer may change the optional provisions prior to the sale of the Bonds. If the Chief Financial Officer so determines, the Chief Financial Officer shall specify the revised optional redemption provisions for the Series 2019A Bonds in the certificate filed pursuant to Section 2.

If the Chief Financial Officer determines that it is in the best interests of the County that any of the Series 2019A Bonds be designated as a term bond subject to mandatory sinking fund redemption as provided in Section 2, the Series 2019A Bonds so designated shall be subject to mandatory sinking fund redemption on each March 1 as designated by the Chief Financial Officer. Upon such an occurrence, the mandatory redemption provisions for the Series 2019A Bonds that are subject to mandatory sinking fund redemption shall be set forth in the certificate of the Chief Financial Officer filed among the official records of the County pursuant to Section 2.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the County in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or any whole multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. So long as a book-entry system with DTC is used for determining beneficial ownership of Bonds, if less than all of the Bonds within the maturity are to be redeemed, DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed by lot. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such manner as the County may determine.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the County shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part to his address appearing upon the registration books of the County, provided that such notice to Cede & Co. shall be given by certified or registered mail or otherwise as prescribed by DTC. Failure to mail such notice or any defect therein shall not affect the validity of the redemption with regard to registered owners to whom such notice was properly given. Each such notice shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. In the event that Certificated Bonds are outstanding, each such notice to the registered owners thereof shall also set forth, if less than all of the Bonds of any maturity then outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption

shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond will be issued.

Any notice of redemption, other than a notice for a mandatory sinking fund redemption, may state that the redemption to be effected is conditioned upon the receipt by the Bond Registrar on or prior to the redemption date of moneys sufficient to pay the principal of and interest on the Bonds to be redeemed, and that if such moneys are not so received, such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the redemption price and interest on such Bonds are not received by the Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar to pay the principal of the Series 2019A Bonds or portions thereof called for redemption, as well as the interest accruing thereon to such redemption date.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Series 2019A Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Series 2019A Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, are held by the Bond Registrar in trust for the registered owners of Bonds or portions thereof to be redeemed, interest on the Series 2019A Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest thereon to such redemption date.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or his attorney or legal representative shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof so called for redemption, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

Section 5. Bonds, upon surrender thereof at the office of the Bond Registrar together with an assignment duly executed by the registered owner or his or her attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

The transfer of any Bond may be registered only upon the registration books of the County upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his or her attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The County or the Bond Registrar may make a charge for shipping and out-of-pocket costs for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made by the County or the Bond Registrar for exchanging or registering the transfer of Bonds under this resolution.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond and the interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

The County shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of Bonds within a reasonable time according to then current commercial standards and for the timely payment of principal of and interest on the Series 2019A Bonds. The Chief Financial Officer of the County, or any person at any time acting in such capacity, is hereby appointed the registrar, transfer agent and paying agent for the Series 2019A Bonds (collectively the "Bond Registrar"), subject to the right of the Board to appoint another Bond Registrar, and as such shall keep at his office in the County, the books of the County for the registration, registration of transfer, exchange and payment of the Series 2019A Bonds as provided in this resolution.

Section 6. The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended or as may be amended from time to time, and any Treasury regulations now or hereafter promulgated thereunder, to the extent necessary so that interest on the Series 2019A Bonds will not be included in gross income of the owners of the Series 2019A Bonds for federal income tax purposes.

Section 7. All actions of the Chair of the Board, the County Manager, the Chief Financial Officer, the Debt Manager and the Clerk to the Board in applying to the Local Government Commission of North Carolina to advertise and sell the Series 2019A Bonds are hereby

approved, ratified and confirmed, and the Local Government Commission of North Carolina is hereby requested to ask for sealed bids for the Series 2019A Bonds by publishing notices and printing and distributing a Preliminary Official Statement, to be dated as of the date of delivery thereof, relating to the sale of the Series 2019A Bonds. The preparation of such Preliminary Official Statement, in substantially the form customarily used in the offering of general obligation bonds of the County, is hereby authorized and approved.

The preparation of a final Official Statement (the “Final Official Statement”), which will be in the form of the Preliminary Official Statement, but will include certain pricing and other information to be made available to the successful bidder for the Series 2019A Bonds by the Local Government Commission of North Carolina, is hereby approved, and the Chair of the Board, the County Manager, the Chief Financial Officer, and the Debt Manager of the County are hereby authorized to execute and deliver the Final Official Statement for and on the behalf of the County, and such execution shall be conclusive evidence of the approval of the Board of the Final Official Statement.

Section 8. The County hereby undertakes, for the benefit of the beneficial owners of the Series 2019A Bonds, to provide to the Municipal Securities Rulemaking Board (the “MSRB”):

(a) by not later than seven months from the end of each fiscal year of the County, beginning with the fiscal year ending June 30, 2019, audited financial statements of the County for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the County are not available by seven months from the end of such fiscal year, unaudited financial statements of the County for such fiscal year to be replaced subsequently by audited financial statements of the County to be delivered within fifteen (15) days after such audited financial statements become available for distribution;

(b) by not later than seven months from the end of each fiscal year of the County, beginning with the fiscal year ending June 30, 2019, (i) the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information included under the headings “THE COUNTY - Debt Information and - Tax Information” (excluding any information on underlying units) in the Final Official Statement and (ii) the combined budget of the County for the current fiscal year, to the extent such items are not included in the audited financial statements referred to in (a) above.

(c) in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Series 2019A Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2019A Bonds or other material events affecting the tax status of the Series 2019A Bonds;

(7) modification to the rights of the beneficial owners of the Series 2019A Bonds, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of any property securing repayment of the Series 2019A Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the County;

(13) the consummation of a merger, consolidation or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) appointment of a trustee or a successor or additional trustee or the change of name of a trustee, if material; and

(d) in a timely manner, notice of a failure of the County to provide required annual financial information described in (a) or (b) above on or before the date specified.

All information provided to the MSRB as described in this Section shall be provided in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

The County may meet the continuing disclosure filing requirement described above by complying with any other procedure that may be authorized or required by the United States Securities and Exchange Commission.

If the County fails to comply with the undertaking described above, any beneficial owner of the Series 2019A Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of the Series 2019A Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Series 2019A Bonds.

The County reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the County, provided that:

(a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the County;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 (“Rule 15c2-12”) as of the date of the Final Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(c) any such modification does not materially impair the interests of the beneficial owners of the Series 2019A Bonds, as determined either by parties unaffiliated with the County (such as bond counsel), or by the approving vote of the registered owners of a majority in principal amount of the Series 2019A Bonds pursuant to the terms of this resolution, as this resolution may be amended from time to time, at the time of such amendment.

In the event that the County makes such a modification, the annual financial information containing the modified operating data or financial information shall explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Series 2019A Bonds.

Section 9. The Chair and Vice Chair of the Board, the County Manager, the Chief Financial Officer, the Debt Manager and the Clerk or any Deputy Clerk to the Board are hereby authorized and directed to execute and deliver such closing and other documents necessary for the purpose of facilitating the sale and issuance of the Series 2019A Bonds in a manner consistent with the terms of this resolution.

Section 10. This resolution shall take effect upon its passage.

Upon motion of Commissioner _____, seconded by Commissioner _____, the consent agenda, including the foregoing resolution entitled “RESOLUTION PROVIDING FOR THE SALE AND ISSUANCE OF GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2019A TO REFINANCE A LIKE AMOUNT OF BOND ANTICIPATION NOTES PREVIOUSLY ISSUED IN ANTICIPATION OF THE RECEIPT OF PROCEEDS OF SCHOOL BONDS AND COMMUNITY COLLEGE BONDS AND TO PROVIDE ADDITIONAL FUNDS FOR SUCH PURPOSE” was adopted by the following vote:

Ayes: _____

Noes: _____

* * * * *

I, Denise M. Hogan, Clerk to the Board of Commissioners for the County of Wake, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board of Commissioners for said County at a regular meeting held on December 3, 2018, as relates in any way to the adoption of the foregoing resolution providing for the issuance of General Obligation Public Improvement Bonds, Series 2019A of said County.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said County this ____ day of December, 2018.

Clerk to the Board of Commissioners
Of Wake County, North Carolina

[SEAL]