

RESOLUTION NO. 2025-04

A RESOLUTION OF THE POLK REGIONAL WATER COOPERATIVE AUTHORIZING A REVOLVING LOAN IN THE PRINCIPAL AMOUNT AT ANY ONE TIME NOT EXCEEDING \$10,000,000 AND PROVIDING FOR THE ISSUANCE OF ITS REVOLVING REVENUE NOTE, SERIES 2025A AND REVOLVING REVENUE NOTE, SERIES 2025B (FEDERALLY TAXABLE) TO EVIDENCE SUCH LOAN TO FINANCE THE COSTS OF THE PROJECTS AND PAY COSTS OF ISSUANCE; APPROVING THE FORM OF A REVOLVING CREDIT AGREEMENT, REVOLVING REVENUE NOTE, SERIES 2025A AND REVOLVING REVENUE NOTE, SERIES 2025B (FEDERALLY TAXABLE) TO BE ISSUED THEREUNDER; AUTHORIZING THE AWARD OF THE SALE OF SAID NOTES ON A NEGOTIATED BASIS TO TRUIST COMMERCIAL EQUITY, INC. AND TRUIST BANK, AS APPLICABLE; PROVIDING OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE POLK REGIONAL WATER COOPERATIVE (the "Issuer") that:

**Section 1.** Authority for this Resolution. This Resolution is adopted pursuant to Section 163.01 and Chapter 189, Florida Statutes, the Interlocal Agreement, the Constitution of the State and other applicable provisions of law (collectively, the "Act") and the Bond Resolution, as hereinafter defined.

**Section 2.** Findings. The Issuer hereby finds as follows:

A. The Issuer was established as separate legal entity, public agency and unit of special purpose local government pursuant to Section 163.01(7)(g), Florida Statutes, and a regional water supply authority pursuant to Section 373.713, Florida Statutes, by its members pursuant to the Interlocal Agreement to provide for the planning, acquisition, development, management, operation, improvement and maintenance of Projects and the System.

B. The Interlocal Agreement was approved by the Secretary of the Florida Department of Environmental Protection pursuant to Section 373.713, Florida Statutes.

C. The Issuer is authorized under the Act and the Bond Resolution to issue the Series 2025 Notes to finance a portion of the costs of development, acquisition and construction of the Projects and to pay issuance costs. An initial advance of the proceeds of the Series 2025 Notes is hereby authorized to be applied to pay the amount of outstanding principal of and interest on the Polk Regional Water Cooperative Revolving Revenue Note, Series 2023A issued pursuant to the Loan Agreement dated February 17, 2023 (the "Loan Agreement") between the Issuer and Wells Fargo Bank, National Association and the Loan Agreement will be terminated upon application of the initial advance.

D. The Board, based on the advice of PFM Financial Advisors LLC, financial advisor to the Issuer (the "Financial Advisor"), has determined that it is financially advantageous to the Issuer to finance a portion of the costs of the Projects (including through reimbursement) through the issuance of the Issuer's Series 2025 Notes, payable from and secured by a lien upon the Pledged Revenues under the Bond Resolution.

E. The Pledged Revenues are anticipated to be sufficient to timely pay the principal of and interest on the Series 2025 Notes as the same shall become due.

F. Because of prevailing and anticipated market conditions and the nature of the Loan, and taking into account the advice of the Financial Advisor, it is not feasible, cost effective or advantageous to sell the Series 2025 Notes and enter into the hereinafter described Revolving Credit Agreement through a competitive sale and it is in the best interest of the Issuer to accept the terms of the Loan from the Lender in a principal amount outstanding at any time not to exceed the Loan Amount, at a negotiated sale upon the terms and conditions outlined herein and in the Revolving Credit Agreement and as determined by the Authorized Signatory executing the Revolving Credit Agreement on behalf of the Issuer in accordance with the terms hereof;

G. Prior to the sale of the Series 2025 Notes, there shall be delivered to the Issuer a disclosure statement containing the information required by Section 218.385(6), Florida Statutes, and a Truth-in-Bonding Statement pursuant to Section 218.385(2), Florida Statutes, in order for the Series 2025 Notes to be issued pursuant to this Resolution and the Bond Resolution. No further disclosure is required by the Issuer.

H. The Series 2025A Note shall be issued as a Tax-Exempt Bond, the interest on which shall be excludable from gross income under the applicable provisions of the Internal Revenue Code and the Series 2025B Note shall be issued as a Taxable Bond, the interest on which shall not be excludable from gross income under the applicable provisions of the Internal Revenue Code.

I. The Series 2025 Notes will not be issued unless the applicable requirements of the Bond Resolution are satisfied. Upon issuance in accordance with the terms hereof and of the Revolving Credit Agreement, the Series 2025 Notes will constitute a Series of Bonds issued under the Bond Resolution, as supplemented hereby, entitled to all the security and benefits thereof. The Series 2025 Notes are further determined to be Designated Maturity Bonds and shall be issued as a Full Draw LOC under the Bond Resolution.

**Section 3. Definitions.** Words and phrases used herein in capitalized form and not otherwise defined herein (including, without limitation, in the preamble hereto) shall have the meanings ascribed thereto in the Bond Resolution or, if not defined therein, in the Revolving Credit Agreement (as each is hereinafter defined) and, in addition, the following words and phrases shall have the following meanings:

"Authorized Signatories" means any one or more of the Chair or the Vice Chair of the Issuer.

"Bond Resolution" means Resolution No. 2022-05 duly adopted by the Board of Directors of the Issuer on July 13, 2022, as amended and supplemented.

"Business Day" means a day other than (i) a Saturday, Sunday, legal holiday or day on which banking institutions in Polk County, Florida are authorized or required by law or executive order to close, or (ii) a day on which the New York Stock Exchange is closed.

"Lender" means, collectively, Truist Bank and Truist Commercial Equity, Inc., together with their respective successors and assigns.

"Loan" means the loan to the Issuer by the Lender as documented herein and in the Revolving Credit Agreement, and as evidenced by the Series 2025 Notes.

"Revolving Credit Agreement" means the Revolving Credit Agreement between the Issuer and the Lender related to the Series 2025 Notes, the form of which is attached hereto as Exhibit A.

"Loan Amount" means a principal amount outstanding at any time not to exceed \$10,000,000.

"Projects" means collectively, the Southeast Wellfield Project and the West Polk Wellfield Project, together with supply lines, transmission lines and water production facilities, the costs of which are to be funded in whole or in part with proceeds from the Series 2025 Notes, as set forth in the Revolving Credit Agreement.

"Series 2025 Notes" means, collectively, the Series 2025A Note and the Series 2025B Note.

"Series 2025A Note" means the Issuer's Revolving Revenue Note, Series 2025A.

"Series 2025B Note" means Issuer's Revolving Revenue Note, Series 2025B (Federally Taxable).

**Section 4. Projects.** To the extent not previously authorized, the Board hereby authorizes the Projects. The Board hereby specifically ratifies and affirms all actions previously taken in furtherance of the undertaking of the financing of the Projects and obtaining the Loan. Each Project shall be deemed to be a "Project" as defined in the Bond Resolution and an "Approved Water Project" as defined in the Interlocal Agreement.

**Section 5. Revolving Credit Agreement and Series 2025 Notes.**

A. The Issuer is authorized to execute the Revolving Credit Agreement with the Lender in substantially the form attached hereto as Exhibit "A" and to issue and deliver to the Lender the Series 2025 Notes, substantially in the forms attached to the Revolving Credit Agreement, and to apply the proceeds of advances made thereunder to finance the Projects (including through reimbursement) and to pay the costs of issuance of the Series 2025 Notes. The forms and terms of the Revolving Credit Agreement and Series 2025 Notes attached hereto are hereby approved, and the Authorized Signatories are authorized to execute and deliver the same, with such changes, insertions, omissions and filling of blanks, as may be approved by the Authorized Signatories, such approval to be conclusively evidenced by the execution thereof by any Authorized Signatory.

B. The covenants and agreements set forth herein and in the Bond Resolution to be performed by the Issuer shall be for the equal benefit, protection and security of the Lender and the Holders of the Series 2025 Notes, and the Series 2025 Notes shall be of equal rank with all other Bonds and Additional Bonds issued under the Bond Resolution, without preference, priority or distinction over any other Bond. All applicable covenants contained in the Bond Resolution shall be fully applicable to the Series 2025 Notes as if originally issued thereunder.

C. The Authorized Signatories may authorize the modification of the name or series designation of the Series 2025 Notes, as deemed appropriate, the approval of such modification to be evidenced by the execution and delivery of the Series 2025 Notes showing such modification.

D. The Series 2025 Notes shall not be secured by the Composite Reserve Account created by the Bond Resolution or any reserve account within the Reserve Fund and there shall be no Reserve Requirement with respect to the Series 2025 Notes.

E. The Series 2025 Notes shall be issued as fully registered notes in a principal amount outstanding at any time not to exceed the Loan Amount. Principal of the Series 2025 Notes shall be payable to the Lender in accordance with the Revolving Credit Agreement.

F. If the date for the payment of principal of or interest on the Series 2025 Notes shall be a day other than a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

G. The Series 2025 Notes shall be subject to redemption as set forth in the Revolving Credit Agreement and the Series 2025 Notes. Notwithstanding anything in the Bond Resolution to the contrary, notice of redemption shall be given as provided in the Revolving Credit Agreement.

H. The Series 2025 Notes shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and the Lender, in accepting the Series 2025 Notes, shall be conclusively deemed to have agreed that the Series 2025 Notes shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

I. The Revolving Credit Agreement shall be a Full Draw LOC under the Bond Resolution and the Series 2025 Notes shall be Designated Maturity Bonds.

J. Subject to full satisfaction of the conditions set forth in this Section 5, the Issuer hereby authorizes a delegated negotiated sale of the Series 2025 Notes to the Lender in accordance with the terms of the Revolving Credit Agreement, each of the Revolving Credit Agreement and the Series 2025 Notes attached thereto to be substantially in the form attached hereto as Exhibit "A," with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Chair and the Secretary or such other Authorized Signatory in accordance with the provisions of this Section 5 and upon delivery of a disclosure statement(s) and truth-in-bonding statement meeting the requirements of Section 218.385, Florida Statutes, the execution thereof being deemed conclusive evidence of the approval of such changes and the full and complete satisfaction of the conditions set forth in this Section 5.



K. The provisions of the Revolving Credit Agreement when executed and delivered by the parties thereto, shall be incorporated by reference herein so long as the Series 2025 Notes shall remain outstanding.

**Section 6.** Revolving Credit Agreement and Bond Not to be General Obligation or Indebtedness of the Issuer. Neither the Revolving Credit Agreement nor the Series 2025 Notes shall be deemed to constitute a general debt or obligation or a pledge of the faith and credit of the Issuer, the members of the Issuer, the State of Florida, or any political subdivision thereof within the meaning of any constitutional, legislative or charter provision or limitation, and no Holder of the Series 2025 Notes shall ever have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the members of the Issuer, or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for the payment of the principal of and interest on the Series 2025 Notes or under the Revolving Credit Agreement or for the payment of any other amounts provided for in the Bond Resolution or the Revolving Credit Agreement. The Issuer has no taxing power. Neither the Revolving Credit Agreement nor the Series 2025 Notes shall constitute a lien upon any property of or in the Issuer or its members, but shall constitute a lien only upon the Pledged Revenues in the manner provided in the Bond Resolution.

**Section 7.** Severability. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of the Bond Resolution, this Resolution, the Revolving Credit Agreement and the Series 2025 Notes.

**Section 8.** Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

**Section 9.** Authorizations. The Authorized Signatories are hereby authorized to execute and deliver on behalf of the Issuer the Loan Documents as provided hereby and the Secretary is hereby authorized to attest any such signatures on any such documents and to affix the Issuer's seal thereto to the extent required by such documents. All officials and employees of the Issuer, including, without limitation, the Authorized Signatories, are authorized and empowered, collectively or individually, to take all other actions and steps and to execute all instruments, documents, and contracts on behalf of the Issuer as they shall deem necessary or desirable in connection with the completion of the Loan and the carrying out of the intention of this Resolution, including, without limitation, filing of all tax reporting requirements and paying costs related hereto.

**Section 10.** Controlling Law; Member of the Board of Issuer Not Liable. All covenants, stipulations, obligations and agreements of the Issuer contained in the Bond Resolution and herein shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Board in his or her individual capacity, and neither the members of the

Board nor any official executing the Revolving Credit Agreement, the Series 2025 Notes or other documents contemplated hereby shall be liable personally on the Revolving Credit Agreement, the Series 2025 Notes or the Bond Resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution by the Board or such official.

**Section 11.** Authority as Paying Agent and Registrar. The Issuer is hereby designated paying agent and registrar for the Series 2025 Notes.

**Section 12.** Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

**Section 13.** Effective Date. This Resolution shall take effect immediately upon its adoption.

Passed and duly adopted by the Board of Directors of the Polk Regional Water Cooperative on the 19th day of March, 2025.

POLK REGIONAL WATER COOPERATIVE

By: Nathaniel J. Birdsong, Jr.  
Vice Chair

ATTESTED:

By: Josh Pfeiffer  
Secretary

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EXHIBIT "A" TO RESOLUTION  
FORM OF REVOLVING CREDIT AGREEMENT

**REVOLVING CREDIT AGREEMENT**

**by and among**

**POLK REGIONAL WATER COOPERATIVE,  
TRUIST BANK and TRUIST COMMERCIAL EQUITY, INC.**

**AND**

**TRUIST BANK, AS AGENT**

**AS OF**

**March 25, 2025**

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Exhibit A-1 – Form of Series 2025A Tax-Exempt Note

Exhibit A-2 – Form of Series 2025B Taxable Note

Exhibit B-1 – Form of Notice of Revolving Borrowing under Series 2025A Tax-Exempt Note

Exhibit B-2 – Form of Notice of Revolving Borrowing under Series 2025B Taxable Note

## **REVOLVING CREDIT AGREEMENT**

This **REVOLVING CREDIT AGREEMENT** (the "Agreement") is made and entered into as of March 25, 2025, by and among **Polk Regional Water Cooperative**, a Florida interlocal agency (the "Cooperative"), **Truist Bank** and its successors and permitted assigns (the "Bank"), **Truist Commercial Equity, Inc.**, and its successors and permitted assigns ("TRUCE," together with the Bank, the "Lender") and **Truist Bank**, as agent (the "Agent").

Subject to the satisfaction of the special conditions precedent set forth in Article II below, the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

### **WITNESSETH:**

**WHEREAS**, the Cooperative was formed pursuant to Sections 163.01 and 373.713 and Chapter 189, Florida Statutes, pursuant to an Interlocal Agreement Relating to Establishment of the Polk Regional Water Cooperative, effective as of June 1, 2016 (the "Interlocal Agreement") as executed by Polk County, Florida (the "County") and the municipalities located within the County and set forth therein (collectively, the "Members"); and

**WHEREAS**, the Interlocal Agreement was approved by the Secretary of the Florida Department of Environmental Protection pursuant Section 373.713, Florida Statutes on September 26, 2023; and

**WHEREAS**, the Board of Directors of the Cooperative (the "Board") duly adopted Resolution No. 2022-05 on July 13, 2022, as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "Resolution"), as supplemented by Resolution No. 2025-04 adopted by the Board on March 19, 2025 (the "Supplemental Resolution" and collectively with the Resolution, the "Bond Resolution"), is authorized to borrow money, and more particularly issue the Notes described below for financing the 2025 Project; and

**WHEREAS**, the Cooperative has requested the Lender, and the Lender has agreed, to advance funds under the terms of this Agreement to provide funds to the Cooperative from time to time to make Advances hereunder to finance the 2025 Project, under and pursuant to the terms of this Agreement and (i) the Cooperative's Revolving Revenue Note, Series 2025A (the "Series 2025A Tax-Exempt Note") and (ii) its Revolving Revenue Note, Series 2025B (Federally Taxable) (the "Series 2025B Taxable Note" and together with the Series 2025A Tax-Exempt Note, the "Notes"), all on the terms and conditions set forth herein, provided that the aggregate principal amount outstanding at any one time under the Notes shall never exceed the Maximum Commitment Amount, as hereinafter defined; and

**WHEREAS**, the Agent is acting as agent for the Lender for the purpose of coordinating the relationship hereunder between the Cooperative and the Lender. The parties agree, notwithstanding anything herein to the contrary, that the Cooperative may treat the Agent for all purposes of this Agreement as having the full power and authority to speak for and act on behalf of and bind each Lender, and that all payments and notices to Lender, and all waivers granted and other actions taken by Agent

on behalf of the Lenders or either of them, shall be binding on such Lenders regardless of any notice the Cooperative may receive to the contrary.

## **ARTICLE I DEFINITION OF TERMS**

Section 1.01 Definitions. The words and terms used in capitalized form in this Agreement shall have the meanings as set forth in the recitals above and the following words and terms as used in this Agreement shall have the following meanings:

"Act" means, collectively, Sections 163.01 and 373.713 and Chapter 189, Florida Statutes, the Interlocal Agreement, the Constitution of the State, the Bond Resolution, and other applicable provisions of law.

"Additional Bonds" shall have the meaning ascribed to that term under Bond Resolution.

"Advance" means a lending of money by the Lender to the Cooperative under the Revolving Commitment in accordance with Section 5.05 hereof.

"Agreement" means this Revolving Credit Agreement and any and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Alternative Benchmark Rate" means (i) with respect to the Series 2025A Tax-Exempt Note Term SOFR and (ii) with respect to the Series 2025B Taxable Note, a rate of interest per annum equal to the Prime Rate minus two and 5/10 percent (2.5%) which shall adjust daily with changes in Lender's Prime Rate.

"Applicable Law" means all applicable provisions of all constitutions, statutes (including the Act), rules, regulations and orders of all State or federal governmental bodies, all Governmental Approvals and all orders, judgments and decrees of all courts and arbitrators.

"Availability Period" means the period from the date the Conditions Precedent set forth in Article II have been satisfied to but not including the Final Maturity Date.

"Available Commitment Amount" shall mean the difference between the Maximum Commitment Amount and the Loan Amount.

"Benchmark" means initially with respect to the Series 2025A Tax-Exempt Note the SIFMA Index Rate and with respect to the Series 2025B Taxable Note Term SOFR and thereafter the then-current Successor Rate.

"Bonds" shall have the meaning ascribed to that term under the Bond Resolution.

"Business Day" means any day other than (i) a Saturday or Sunday, (ii) any day on which banks in the City of New York or the Polk County, Florida are authorized or required by law or other governmental action to close and (iii) any day on which the New York Stock Exchange is closed.

"Calculation Agent" means (i) so long as the Bank and/or TRUCE holds Series 2025A Tax-Exempt Note or the Series 2025B Taxable Note, the Agent (ii) in all other cases, such other bank, financial institution or financial advisor firm, designated from time to time by the Cooperative.

"Code" means the Internal Revenue Code of 1986, as amended, and any applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context thereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

"Conforming Changes" means, with respect to any Successor Rate, any technical, administrative or operational changes (including changes to the definitions such as "Business Day," "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters and with respect to the Series 2025A Tax-Exempt Note, an adjustment factor to adjust such replacement index to an equivalent tax-exempt rate (assuming that a Determination of Taxability has not occurred)) that Agent decides may be appropriate to reflect the adoption and implementation of such Successor Rate and to permit the administration thereof by the Agent in a manner Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Notes.

"Costs of the 2025 Project" means with respect to the Southeast Wellfield Project and the West Polk Wellfield Project, all items of cost with respect to such Projects permitted under the Act to be financed with proceeds of the Notes hereunder (including reimbursement to the Cooperative or any member of the Cooperative in connection with items previously incurred in anticipation of the issuance of the Notes).

"Counsel" means an attorney at law or firm of attorneys at law (who may be of counsel to, including an employee of, the Cooperative).

"Default" means any of the events specified in Section 10.01 hereof which with the passage of time or giving of notice or both would constitute an Event of Default.

"Default Rate" means the lesser of 18% per annum or the Maximum Lawful Rate.

"Determination of Taxability" means the occurrence after the date hereof of a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that, solely as a result of actions or inactions of the Cooperative, interest paid or payable on the Series 2025A Tax-Exempt Note is or was includable in the gross income of the holder for Federal income tax purposes (a "Taxable Event"); provided, however, that no such decree, judgment, or action will be considered final for this purpose unless the Cooperative has been given written notice and, if it is so desired and is legally allowed, the Cooperative has been afforded the opportunity to contest the same, either directly or in the name of the holder, the Lender or the holder of the Series 2025A Tax-Exempt Note, and until the conclusion of all appellate reviews, if sought. For avoidance of doubt and without limiting the foregoing, a Taxable Event does not include, and is not triggered by, a change in law, rule or regulation that causes the interest on the Series 2025A Tax-Exempt Note to be included in holder's gross income for federal income tax purposes.

"Event of Default" means an Event of Default specified in Section 10.01 of this Agreement.

"Federal Funds Rate" means, for any day, the rate *per annum* (rounded upwards, if necessary, to the next 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with member banks of the Federal Reserve System, as published by the Federal Reserve Bank of New

York on the next succeeding Business Day or, if such rate is not so published for any Business Day, the Federal Funds Rate for such day shall be the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day on such transactions received by the Agent from three Federal funds brokers of recognized standing selected by the Agent.

"Final Maturity Date" means March 24, 2026.

"Fiscal Year" means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other period of twelve consecutive months as may hereafter be designated as the fiscal year of the Cooperative by general law.

"GAAP" means generally accepted accounting and financial reporting principles applied in the United States on a consistent basis to government units as established by the Governmental Accounting Standards Board, and which are consistently applied for all applicable periods so as to present fairly the financial condition, results of operations and cash flow of the Cooperative.

"Governmental Approval" means an authorization, permit, consent, approval, license or exemption from, registration or filing with, or report to, any governmental or regulatory unit.

"Implementation Agreement" shall have the meaning given to such term in the Bond Resolution.

"Indebtedness" as of any date of determination means (i) all indebtedness for borrowed money or for the deferred purchase price of property or services and (ii) all direct or indirect guaranties to assure the credit of another against loss, including without limitation agreements (x) to pay or purchase debts of another or to advance or supply funds for the payment or purchase of such debts, or (y) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling another to make payment of such debts, or (z) to supply funds to or in any other manner invest in another (including any agreement to pay for property whether or not such property is received or such services are rendered); provided, however, that the term "Indebtedness" shall not include (A) vehicle and equipment leases and other indebtedness or guaranties owing to trade creditors in the ordinary course of business regardless of the treatment for accounting purposes, or (B) any debt or other obligation that, by the terms of an indenture of trust or other written agreement governing such debt or obligation, (i) is not required to be paid from any revenues, fees or income derived from any source other than revenues, fees or income derived solely from the operation of property, plant or equipment specifically identified in such indenture or written agreement, or (ii) is expressly without recourse to the Cooperative and for which the Cooperative has no personal pecuniary liability, or (iii) is payable solely from a revenue source other than Pledged Revenues.

"Interest Payment Date" means the first day of each month, commencing May 1, 2025, and the Final Maturity Date.

"Interest Period" means the period commencing on the date of the Note and with each successive Interest Period commencing on the first day of each month; provided that (i) if any Interest Period would commence on a day other than a Business Day, the then current Interest Period shall be extended and the Interest Period shall commence on the next succeeding Business Day, (ii) no Interest Period shall extend beyond the earlier of termination of the Loan whether by maturity or acceleration and (iii) the initial Interest Period may commence on the initial funding or booking date and result in a shorter or longer initial Interest Period.

"Interest Rate" means except as otherwise provided herein, means (i) with respect to the Series 2025A Tax-Exempt Note, the Tax-Exempt Applicable Rate and (ii) with respect to the Series 2025B Taxable Note, the Taxable Applicable Rate, and in each case subject to adjustment as provided herein.

"Interest Rate Determination Day" means that date which is two U.S. Government Securities Business Days prior to the first day of the Interest Period.

"Lender Obligations" means all amounts payable to the Lender by the Cooperative under the terms of this Agreement and the Notes and any Qualified Swap related to the interest rate of the Notes with the Lender as a counterparty, other than principal and interest on the Notes.

"Lien" as applied to the Property of any Person, means (in each case, whether the same is consensual or nonconsensual or arises by contract, operation of law, legal process or otherwise): (a) any mortgage, lien, pledge, attachment, charge, conditional sale or other title retention agreement, or other security interest or encumbrance of any kind in respect of any Property of such Person, or upon the income or profits therefrom; and (b) any arrangement, express or implied, under which any Property of such Person is transferred, sequestered or otherwise identified for the purpose of Indebtedness or performance of any other obligation in priority to the payment of the general, unsecured creditors of such Person.

"Loan" means the revolving loan by the Lender to the Cooperative contemplated hereby.

"Loan Amount" means the then current outstanding aggregate principal amount of the Notes issued hereunder; provided, that the aggregate principal amount outstanding under the Notes shall not in the aggregate at any one time exceed the Maximum Commitment Amount.

"Material Adverse Effect" means, (a)(i) with respect to any Person, a material adverse effect upon such Person's business, assets, liabilities, financial condition, results of operations or business prospects and (ii) with respect to a group of Persons as a whole, a material adverse effect upon such Persons' businesses, assets, liabilities, financial conditions, results of operations or business prospects taken as a whole and (b) with respect to any agreement or obligation, a material adverse effect upon the binding nature, validity or enforceability of such agreement or obligation.

"Maximum Commitment Amount" shall mean initially \$10,000,000, as such amount may be reduced or increased as provided herein. The Maximum Commitment Amount set forth above reflects the aggregate commitment of the Lender with respect to Advances to be made hereunder; it being understood that, under the revolving nature of this Agreement, repayments of the principal component of Advances will replenish amounts that can be drawn and redrawn hereunder, up to the Maximum Commitment Amount, in any combination of Advances under the Series 2025A Tax-Exempt Note and Series 2025B Taxable Note.

"Maximum Lawful Rate" means the maximum legal rate of interest under Applicable Law and applicable to the Cooperative's obligations to pay interest to the Lender with respect to amounts due to the Lender hereunder.

"Note Counsel" means Counsel retained by the Cooperative that is of nationally recognized experience in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions.



"Note Documents" means, at any time, each of the following as in effect or as outstanding, as the case may be, at such time: (i) the Note, (ii) this Agreement, and (iii) the Bond Resolution.

"Noteholders" or "holders" of the Notes shall mean, collectively, the Lender or such other registered owner or owners to which the Notes may be assigned pursuant to Section 11.06 hereof.

"Notes" means, collectively, the Cooperative's Series 2025A Tax-Exempt Note and the Series 2025B Taxable Note. The term "Note" shall refer to either the Series 2025A Tax-Exempt Note or the Series 2025B Taxable Note (or both) as the context may require.

"Notice Address" means,

As to the Cooperative:

Polk Regional Water Cooperative  
330 West Church Street  
Bartow, FL 33831  
Email address: ericdehaven@prwcwater.org  
Attn: Executive Director  
Telephone: 863-248-7388

As to the Lender (the same  
Address applies for the Bank,  
the Agent and TRUCE):

Truist Bank or Truist Commercial Equity, Inc.  
333 S. Garland Ave. FL 17  
Orlando, FL 32801  
Email address: clayton.thompson@truist.com  
Attn: Clayton Thompson, Vice  
President/Authorized Agent  
Telephone: 501-690-1562

or to such other address (or e-mail address for electronic communications) as either party may have specified in writing to the other using the procedures specified in Section 11.05 hereof.

"Notice of Revolving Borrowing" shall have the meaning set forth in Section 5.05 hereof.

"Original Purchaser" means, with respect to the Series 2025A Tax Exempt-Note, Truist Commercial Equity, Inc., and with respect to the Series 2025B Taxable Note, Truist Bank.

"Person" means an individual, corporation, partnership, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

"Pledged Revenues" shall have the meaning given in the Bond Resolution.

"Prime Rate" means the per annum rate which Truist Bank announces from time to time to be its prime rate, as in effect from time to time. The prime rate is a reference or benchmark rate, is purely discretionary and does not necessarily represent the lowest or best rate charged to borrowing customers. Truist Bank may make commercial loans or other loans at rates of interest at, above or below the prime rate. Each change in the prime rate shall be effective from and including the date such change is announced as being effective.

"Principal Office" means, with respect to the Lender, the office of the Lender specified in the Notice Address, or such other office as the Lender may designate to the Cooperative in writing.

"2025 Project" means, collectively, the Southeast Wellfield Project and the West Polk Wellfield Project, together with the supply lines, transmission lines and water production facilities, the costs of which are to be funded in whole or in part with the proceeds from the Notes.

"Projects" shall have the meaning given to such term in the Bond Resolution.

"Property" means any interest in any kind of property or assets, whether real, personal or mixed, or tangible or intangible.

"Qualified Swap" shall have the meaning ascribed to that term under Bond Resolution.

"Rebate Amount" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-1(b) of the Income Tax Regulations) over the future value, as of that date, of all payments on nonpurpose investments, all as provided by regulations under the Code implementing Section 148 thereof.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Relevant Governmental Body Recommended Rate" means, in respect of any relevant day, the rate (inclusive of any spreads or adjustments which may be positive or negative) recommended as the replacement for the Benchmark by the Relevant Governmental Body (which rate may be produced by the Federal Reserve Bank of New York or another administrator).

"Required Lenders" has the meaning set forth in Section 11.01.

"Revolving Commitment" means the obligation of the Lender to make Advances to the Cooperative in an aggregate principal amount at any time outstanding of not exceeding the Maximum Commitment Amount.

"Series 2025A Noteholder" shall mean TRUCE or such other registered owner to which the Series 2025A Tax-Exempt Note may be assigned pursuant to Section 11.06 hereof.

"Series 2025A Project" means those portions of the Project financed with Advances under the Series 2025A Tax-Exempt Note.

"Series 2025B Noteholder" shall mean the Bank or such other registered owner to which the Series 2025B Taxable Note may be assigned pursuant to Section 11.06 hereof.

"Series 2025B Project" means those portions of the Project financed with Advances under the Series 2025B Taxable Note.

"Series 2025A Tax-Exempt Note" means the Revolving Revenue Note, Series 2025A.

"Series 2025B Taxable Note" means the Revolving Revenue Note, Series 2025B (Federally Taxable).

"SIFMA Index Rate" means, for any day, the rate per annum determined on the basis of the seven-day high-grade market index comprised of tax-exempt variable rate demand obligations, as produced by

or under the sponsorship of the Securities Industry and Financial Markets Association ("SIFMA") (or any successor organization) as the SIFMA Municipal Swap index and published the immediately preceding Wednesday (or the next business day which is not a SIFMA-recommended market holiday, if Wednesday is a SIFMA-recommended market holiday) as quoted by Bloomberg Finance L.P., or any quoting service or commonly available source utilized by the Agent. For purposes of clarity, the SIFMA Index Rate shall be effective on each Thursday through the following Wednesday. If the SIFMA Index Rate determined as above would be less than zero percent (0%), then it shall be deemed to be zero percent (0%). The rate of interest charged shall be adjusted based on changes in the SIFMA Index Rate without notice to the Cooperative.

"SRF Loan Agreements" means collectively, the (i) State Department of Environmental Protection State Revolving Loan DW532000 to the Cooperative pursuant to the loan agreement entered into by the Cooperative and the State Department of Environmental Protection (ii) the State Department of Environmental Protection State Revolving Loan DW532001 to the Cooperative pursuant to the loan agreement entered into by the Cooperative and the State Department of Environmental Protection and (iii) the State Department of Environmental Protection State Revolving Loan DW532002 to the Cooperative pursuant to the loan agreement entered into by the Cooperative and the State Department of Environmental Protection.

"State" means the State of Florida.

"Supplemental Resolution" means the Resolution of the Cooperative authorizing the execution and delivery of this Agreement and the Notes as adopted by the Board on March 19, 2025.

"System" shall have the meaning ascribed to that term under Bond Resolution.

"Tax-Exempt Applicable Rate" shall mean with respect to the Series 2025A Tax-Exempt Note: (i) the Tax-Exempt Loan Rate, (ii) upon a Determination of Taxability, the Taxable Loan Rate.

"Tax-Exempt Loan Rate" shall mean the sum of (i) the SIFMA Index Rate plus (ii) twenty basis points (0.20%).

"Taxable Applicable Rate" shall mean with respect to the Series 2025B Taxable Note the Taxable Loan Rate.

"Taxable Loan Rate" shall mean Term SOFR.

"Term SOFR" means the Term SOFR reference rate for a one month tenor as administered by the Term SOFR Administrator and quoted by Bloomberg Finance L.P., or any quoting service or commonly available source utilized by Lender on the Interest Rate Determination Day; provided that if as of 5:00 p.m. (New York time) on the Interest Rate Determination Day, Term SOFR for such tenor has not been published by the Term SOFR Administrator, then, subject to Section 5.09, the rate used will be Term SOFR for such tenor as published by the Term SOFR Administrator for the immediately preceding U.S. Government Securities Business Day on which such rate was published on the Term SOFR Administrator's website so long as such immediately preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Interest Rate Determination Day; and further provided if Term SOFR would be less than zero percent (0%), then it shall be deemed to be zero percent (0%).

*"Term SOFR Administrator"* means CME Group Benchmark Administration Limited or a successor administrator of the Term SOFR selected by Lender in its sole discretion.

*"U.S. Government Securities Business Day"* means any day except for (i) a Saturday, (ii) a Sunday, or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Section 1.02 Titles and Headings. The titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.03 Accounting Matters. Unless otherwise defined herein or in the Note Documents, all accounting terms used herein and in the Note Documents are used with the meanings ascribed to such terms in accordance with GAAP.

Section 1.04 Use of Phrases. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Agreement as an entirety and not solely to the particular portion thereof in which any such word is used. The definitions set forth in Section 1.01 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

Section 1.05 Computation of Time Periods. In this Agreement, except as otherwise expressly provided herein, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding."

## **ARTICLE II SPECIAL CONDITIONS PRECEDENT TO EFFECTIVENESS; LENDER ACKNOWLEDGEMENT**

Section 2.01 Conditions Precedent. Notwithstanding anything herein to the contrary, the representations, warranties and covenants of each party contained herein shall not become effective or enforceable until the following conditions precedent are satisfied:

- (a) The Board has approved the adoption of the Supplemental Resolution; and
- (b) The Lender has reasonably determined that the conditions precedent to the initial Advance as set forth in Section 6.01 and 6.02 have been satisfied; and
- (c) Each party shall have received from the other party any closing documents they may otherwise reasonably require as shall be evidenced by the acceptance of the Note by the Lender.

## **ARTICLE III REPRESENTATIONS OF COOPERATIVE**

To induce the Lender to enter into this Agreement and make the Loan hereunder, the Cooperative hereby represents and warrants to the Lender that:

Section 3.01 Organization, Powers, Etc. The Cooperative is an interlocal agency established under the Act, is duly organized and validly existing under the constitution and the laws of the State. The Cooperative has the power to borrow the amounts provided for in this Agreement, to execute and deliver the Note Documents, to secure the Notes in the manner contemplated hereby, and to perform and observe all the terms and conditions of the Bond Resolution and the Note Documents on its part to be performed and observed. The Cooperative may lawfully issue the Notes in order to finance and refinance the Costs of the 2025 Project, including, without limitation, capitalized interest on the Loan during the period until completion of the 2025 Project.

Section 3.02 Authorization; Absence of Conflicts, Etc. The Cooperative has full legal right, power, and authority to adopt the Supplemental Resolution and to execute and deliver this Agreement, to issue, execute and deliver the Notes to the Lender, and to carry out and consummate all other transactions contemplated hereby and by the other Note Documents (as it applies to the 2025 Project and the Loan), and the Cooperative has complied and will comply with all provisions of applicable law in all material matters relating to such transactions. The Cooperative, pursuant to the Bond Resolution, has duly authorized the borrowing of the amount provided for in this Agreement, the execution and delivery of this Agreement, and the making and delivery of the Notes to the Lender, and to that end the Cooperative warrants that it will take all action and will do all things which it is authorized by law to take and to do in order to fulfill all covenants on its part to be performed and to provide for and to assure payment of the Notes. The Cooperative has duly adopted the Bond Resolution and authorized the execution, delivery, and performance of the Notes and this Agreement and the taking of any and all other such action as may be required on the part of the Cooperative to carry out, give effect to and consummate the transactions contemplated by the Note Documents (as it applies to the 2025 Project and the Loan) and the Bond Resolution. This Agreement and the Notes have been duly authorized, executed, issued and delivered to the Lender and constitute legal, valid and binding obligations of the Cooperative enforceable in accordance with their respective terms and the terms of the Bond Resolution, and are entitled to the benefits and security of the Bond Resolution and this Agreement. All approvals, consents, and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the execution and delivery of this Agreement and the issuance of the Notes or the execution and delivery of or the performance by the Cooperative of its obligations under the Note Documents and the Bond Resolution have been obtained or made and any consents, approvals, and orders to be received or filings so made are in full force and effect.

Section 3.03 Binding Obligation. This Agreement has been duly executed and delivered by the duly authorized officers of the Cooperative and is, and each of the Note Documents to which the Cooperative is a party, when executed and delivered will be, a legal, valid and binding obligation of the Cooperative enforceable against the Cooperative in accordance with its respective terms, except to the extent, if any, that the enforceability thereof may be limited by (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium, debt adjustment or other similar law or enactment now or hereafter enacted by the State or Federal government affecting the enforcement of creditors' rights generally, (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (iii) the special provisions set forth in Article II.

Section 3.04 Governmental Approvals. All Governmental Approvals necessary for the Cooperative to enter into this Agreement and the Note Documents to which it is a party and to perform its obligations hereunder and thereunder have been obtained and remain in full force and effect and are subject to no further administrative or judicial review, and no other Governmental Approval is necessary for the due execution, delivery and performance by the Cooperative of this Agreement or such Note Documents.



Section 3.05 Compliance with Applicable Law. The Cooperative is in compliance with all Applicable Law, including all Governmental Approvals, except for non-compliance that, singly or in the aggregate, have not had and will not have a Material Adverse Effect on the binding nature, validity or enforceability of, or the authority or ability of the Cooperative to perform its obligations under, the Note Documents to which it is a party or this Agreement.

Section 3.06 Financial Statements. The Cooperative has furnished to the Lender copies of audited financial statements of the Cooperative for the most recent Fiscal Year. Such financial statements present fairly, in accordance with GAAP, the financial position of the Cooperative at their respective dates and their respective revenues and expenses and changes in fund balances for the periods covered thereby. Except as disclosed or reflected in such statements, as at the date of the Cooperative's most recent audited balance sheet, the Cooperative had no liabilities, contingent or otherwise, and there were no unrealized or anticipated losses of the Cooperative, that individually or in the aggregate have had or may have a Material Adverse Effect on the Cooperative or its ability to perform its obligations pursuant to this Agreement and the Note Documents to which it is a party. No change in the financial condition of the Cooperative has occurred that might, in the reasonable judgment of the Cooperative, have a Material Adverse Effect on the Cooperative's ability to perform its obligations to the Lender pursuant to this Agreement or any of the Note Documents to which it is a party.

Section 3.07 Absence of Litigation. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the Cooperative, threatened against or affecting the Cooperative, or questioning the validity of any proceeding taken or to be taken by the Cooperative in connection with the execution, delivery and performance by the Cooperative of the Note Documents to which it is a party, or this Agreement or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the Cooperative of any of the foregoing, nor, to the best knowledge of the Cooperative, is there any basis therefor, wherein an unfavorable decision, ruling or finding (i) would adversely affect the validity or enforceability of, or the authority or ability of the Cooperative to perform its obligations under, the Note Documents to which it is a party or this Agreement, (ii) would have a Material Adverse Effect on the Cooperative's financial condition or fund reserves or (iii) would adversely affect the validity of the Act or any provision thereof material to the transactions contemplated by this Agreement or any of the Note Documents.

Section 3.08 Absence of Defaults. The Cooperative is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which the Cooperative is a party or any judgments, decrees or orders, except for defaults that, singly or in the aggregate, have not had and will not have a Material Adverse Effect on the Cooperative's ability to perform its obligations pursuant to this Agreement or any of the Note Documents to which it is a party.

Section 3.09 Accuracy and Completeness of Information. All copies of agreements furnished to the Lender by or on behalf of the Cooperative in connection with the negotiation, preparation or execution of this Agreement or the Note Documents are true, correct and complete and include, in each instance, all amendments, supplements and modifications thereto, and all written statements made to the Lender by or on behalf of the Cooperative in connection with the approval by the Lender of the extension of credit contemplated hereby are true and correct in all material respects.

Section 3.10 Lien in Favor of the Lender. The obligations of the Cooperative to the Lender hereunder and under the Notes are secured by a valid lien on the Pledged Revenues in favor of the Lender



pursuant and subject to the Bond Resolution. The lien on the Pledged Revenues in favor of the Lender shall be for the equal and proportionate benefit and security of the Notes, the Outstanding Bonds and the Additional Bonds permitted hereunder, all of which shall be of equal rank without preference, priority or distinction, as to lien or otherwise. No filing of any financing statement or other recordation is required under Applicable Law to create, preserve and protect such lien against other creditors of the Cooperative.

Section 3.11 No Sovereign Immunity. The defense of sovereign immunity is not available to the Cooperative in any proceeding by the Lender to enforce any of the obligations of the Cooperative under this Agreement or any Note Document, and, in that regard, the Cooperative agrees, to the extent permitted by law, not to assert the defense of sovereign immunity in any such proceeding, except to the extent that any such proceeding seeks enforcement based on a tort or similar claim and in such case such defense is available only to the extent set forth under Florida Statutes, Section 768.28(1).

Section 3.12 Interlocal Agreement. The Interlocal Agreement has been properly filed with the Clerk of the Circuit Court of Polk County, Florida, in accordance with Section 163.01 and approved by the Secretary of the Florida Department of Environmental Protection.

## **ARTICLE IV THE NOTES**

Section 4.01 Issuance of the Notes. The Cooperative has authorized the issuance of the Series 2025A Tax-Exempt Note and the Series 2025B Taxable Note in the collective aggregate principal amount, not to exceed at any one time the Maximum Commitment Amount to evidence Advances made hereunder.

Section 4.02 Registration and Exchange of Notes. The Series 2025A Tax-Exempt Note and the Series 2025B Taxable Note shall initially be owned by the respective Original Purchasers. The ownership of the Notes may only be transferred, other than transfers to successors of the Lender, and the Cooperative will register the transfer of ownership of such Note, only upon compliance with the requirements of Section 11.06 hereof and upon written request of the Lender to the Cooperative specifying the name, address and taxpayer identification number of the qualifying transferee, and the Cooperative will keep and maintain at all times a record setting forth the identification of the owner of the Notes. The Notes may only be sold, assigned or otherwise transferred to an affiliate of the Lender, an "accredited investor," as defined in Rule 501(A)(1), (2) or (3) under Regulation D of the Securities Act of 1933. The Person in whose name the Notes shall be registered shall be deemed and regarded the absolute owner thereof for all purposes, and payment of principal and interest on such Notes shall be made only to or upon the written order of such Person. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Notes to the extent of the sum or sums so paid. No such transfer shall relieve the Noteholders of their commitment to make Advances in accordance with the terms hereof.

Section 4.03 Notes Mutilated, Destroyed, Stolen or Lost. In case a Note shall become mutilated, or be destroyed, stolen or lost, the Cooperative shall issue and deliver a new Note, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for such Note destroyed, stolen or lost and upon the Lender furnishing the Cooperative proof of ownership thereof and an affidavit of lost or stolen instrument to the Cooperative and paying such expenses as the Cooperative may reasonably incur in connection therewith.

Section 4.04 Payment of Principal and Interest. The Cooperative promises that it will promptly pay the principal of and interest on the Notes, at the place, on the dates and in the manner provided therein

according to the true intent and meaning hereof and of the Notes and the Bond Resolution, provided that the Cooperative may be compelled to pay the principal of and interest on with respect to the Notes solely from the Pledged Revenues, and nothing in the Notes, this Agreement or the Supplemental Resolution shall be construed as pledging any other funds or assets of the Cooperative to such payment or as authorizing such payment to be made from any other source.

Section 4.05 Pledge. The Notes shall be Additional Bonds under the Bond Resolution, and the Cooperative has under the Bond Resolution pledged the Pledged Revenues as security for the repayment of Bonds, including the Notes. The Cooperative promises that it will promptly pay the principal of and interest on the Loan at the place, on the dates and in the manner provided in the Notes and this Agreement according to the true intent and meaning hereof and thereof, provided that the principal of and interest on the Loan is payable solely from the Pledged Revenues, and nothing in the Notes or this Agreement shall be construed as pledging any other funds or assets to such payment or as authorizing such payment to be made from any other source. The Notes are special obligations of the Cooperative secured solely by the Pledged Revenues and are payable from the Pledged Revenues as provided in this Agreement and the Bond Resolution. The Notes will not constitute a general debt, liability or obligation of the Cooperative or its members or the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the Cooperative or its members or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or interest on the Notes and the Noteholder shall never have the right to compel any exercise of any ad valorem taxing power of the Cooperative or of the State of Florida or any political subdivision thereof, directly or indirectly to enforce such payment. The Notes shall not constitute a lien upon any property of the Cooperative except upon the Pledged Revenues.

Section 4.06 Application of Provisions of Bond Resolution. The Notes shall for all purposes be considered Additional Bonds issued under the authority of Section 12.02 of the Bond Resolution and shall be entitled to all the protection and security provided in and by the Bond Resolution for Additional Bonds, and the Notes shall be in all respects entitled to the same security, rights and privileges enjoyed by the Additional Bonds except as otherwise provided herein. The debt service on the Notes shall be payable on a parity with the Outstanding Bonds and any other Additional Bonds hereafter issued. The terms and provisions of the Bond Resolution as supplemented hereby shall remain in full force and effect and be applicable with respect to the Notes. This Agreement shall be a Full Draw LOC under the Bond Resolution, the Notes shall be Designated Maturity Bonds and, for purposes of calculating the Bond Service Requirement shall be assumed to amortize of up to a thirty year period as of such testing date. The Lender agrees that the Cooperative shall not be required to comply with Section 12.02 of the Bond Resolution in connection with additional State Revolving Fund loans or loans with the United States Environmental Protection Agency under the Water Infrastructure Financing Act, outstanding in the aggregate amount of not to exceed \$320,000,000 at any time issued to finance the 2025 Project.

Section 4.07 2025 Construction Accounts. Pursuant to Section 7.01 of the Resolution, there is hereby created and established accounts to be held by the Cooperative to be designated the "Taxable 2025 Project Construction Account" (the "Taxable 2025 Construction Account") and the "Tax-Exempt 2025 Project Construction Account" (the "Tax-Exempt 2025 Construction Account") and together with the Taxable 2025 Construction Account, each a "2025 Construction Account" and collectively the "2025 Construction Accounts") within the Construction Fund (as defined in the Resolution). The 2025 Construction Accounts shall be kept separate and apart from all other funds and accounts of the Cooperative and the moneys on deposit therein shall be withdrawn, used and applied by the Cooperative solely for the payment of Costs of the 2025 Project. Proceeds of the Series 2025B Taxable Note shall be

deposited into the Taxable 2025 Construction Account and proceeds of the Series 2025A Tax-Exempt Note shall be deposited into the Tax-Exempt 2025 Construction Account.

Any funds on deposit in the 2025 Construction Accounts that, in the opinion of the Cooperative, are not immediately necessary for expenditure, as herein provided, may be invested and reinvested in Permitted Investments pursuant to Section 10.02 of the Resolution. All income derived from investment of funds in a 2025 Construction Account shall be deposited into the respective 2025 Construction Account and shall be used to pay Costs of the 2025 Project or as permitted in the following paragraph.

Upon completion of the 2025 Project, any amounts then remaining in the Taxable 2025 Construction Account and not reserved by the Cooperative for the payment of any remaining parts of the Costs of the 2025 Project may be deposited into the Revenue Fund and used to pay debt service on the Notes or to redeem the Notes in the manner that the Notes are permitted to be redeemed under the terms of the Resolution or may be used for any other lawful purpose, and any amounts then remaining in the Tax-Exempt 2025 Construction Account and not reserved by the Cooperative for the payment of any remaining parts of the Costs of the 2025 Project may be deposited into the Revenue Fund and used to pay debt service on the Series 2025A Tax-Exempt Note or to redeem the Series 2025A Tax-Exempt Note in the manner that the Series 2025A Tax-Exempt Note is permitted to be redeemed under the terms of the Resolution or may be used for any other lawful purpose.

**Section 4.08 Limited Liability of Officers of the Cooperative.** Neither the Lender nor any Noteholder shall look to any present or future officer, agent, member or employee of the Cooperative for damages suffered by the Lender or such Noteholder as a result of the failure of the Cooperative, while acting in good faith, to perform any covenant, undertaking or obligation under this Agreement, the Notes or any instrument pertaining to the issuance, sale and delivery of the Notes, nor as a result of the incorrectness of any representation made by the Cooperative or any officer, agent, member or employee thereof in good faith, in any such instrument. In acting under this Agreement, or in refraining from acting under this Agreement, the Cooperative, its officers, agents, members and employees may conclusively rely on advice of counsel. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future employee, member, officer or agent of the Cooperative in his individual capacity, and neither the members of the Board of the Cooperative or agents or employees of the Cooperative nor any official executing this or the Notes shall be subject to any personal liability or accountability by reason hereof.

**Section 4.09 Tax Representations, Warranties and Covenants of the Cooperative.** It is the intention of the Cooperative that the interest on the Series 2025A Tax-Exempt Note be and remain excluded from gross income for federal income tax purposes and to this end the Cooperative hereby represents to and covenants with the Noteholder that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code to the extent necessary to preserve the exclusion of interest on the Series 2025A Tax-Exempt Note issued hereunder from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the Cooperative covenants and agrees:

- (1) to the extent required by the Code, to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;
- (2) to set aside sufficient moneys of the Cooperative to timely pay the Rebate Amount to the United States of America;

(3) to pay, at the time and to the extent required under the Code, the Rebate Amount to the United States of America from legally available funds;

(4) to maintain and retain all records pertaining to the Rebate Amount with respect to the Series 2025A Tax-Exempt Note and required payments of the Rebate Amount with respect to the Series 2025A Tax-Exempt Note for at least six years after the Final Maturity Date or such other period as shall be necessary to comply with the Code;

(5) to refrain from taking any action that would cause the Series 2025A Tax-Exempt Note to become an arbitrage bond under Section 148 of the Code.

The Cooperative understands that the foregoing covenants impose continuing obligations on the Cooperative that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the Series 2025A Tax-Exempt Note.

Notwithstanding any other provision of the Bond Resolution, the obligation of the Cooperative to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section 4.09 shall survive the defeasance or payment in full of the Series 2025A Tax-Exempt Note.

## **ARTICLE V FUNDING THE LOAN**

Section 5.01 The Loan. Subject to the terms and conditions set forth herein, the Lender agrees to make Advances to the Cooperative, from time to time during the Availability Period, in an aggregate principal amount outstanding at any time that will not result in the sum of the composite principal amount of Advances then outstanding under such Notes to exceed in the aggregate the Maximum Commitment Amount, to provide funds to finance and refinance the Costs of any Project for which proceeds of the Notes may be applied in accordance with the terms hereof. During the Availability Period, the Cooperative shall be entitled to borrow, prepay and reborrow in accordance with the terms and conditions of this Agreement; provided, that the Cooperative may not request an Advance should there exist at such time an Event of Default. The Cooperative's obligation to pay the principal of, and interest on, the Advance shall be evidenced by the records of the Lender and by the Notes. The entries made in such records and/or on the respective schedules annexed to the Notes shall be *prima facie* evidence of the existence and amounts of the obligations of the Cooperative therein recorded; provided, that the failure or delay of the Lender in maintaining or making entries into any such record or on such schedule or any error therein shall not in any manner affect the obligation of the Cooperative to repay the Loan Amount (both principal and unpaid accrued interest) in accordance with the terms of this Agreement.

Section 5.02 Description and Payment Terms of the Notes. To evidence the obligation of the Cooperative to repay the Advances, the Cooperative shall make and deliver to the Lender the Notes in the forms attached hereto as Exhibit "A-1" and "A-2," respectively. Interest on the principal amount of all Advances shall accrue at the Tax-Exempt Applicable Rate with respect to the Series 2025A Tax-Exempt Note, and the Taxable Applicable Rate with respect to the Series 2025B Taxable Note, in each case from and including the date such Advances are made to but excluding the date of any repayment thereof, with such interest payable monthly in arrears on each Interest Payment Date.

At any time that the Loan Amount exceeds the Maximum Commitment Amount, due to a reduction in the Maximum Commitment Amount or otherwise, the Cooperative shall promptly repay to the Lender principal in such amount that the Loan Amount will no longer exceed the Maximum

Commitment Amount. The outstanding principal amount of all Advances shall be due and payable (together with accrued and unpaid interest thereon) on the Final Maturity Date.

Section 5.03 Termination of Commitment. Unless previously terminated or extended by mutual agreement of the Lender and the Cooperative, the Revolving Commitment shall terminate on the Final Maturity Date.

Section 5.04 Interest Rate.

(a) Except as otherwise adjusted as described below, the Series 2025A Tax-Exempt Note shall bear interest at the Tax-Exempt Applicable Rate and the Series 2025B Taxable Note shall bear interest at the Taxable Applicable Rate, which on the date of the original delivery of the Notes to the Lender shall be the Tax-Exempt Loan Rate with respect to the Series 2025A Tax-Exempt Note and the Taxable Loan Rate with respect to the Series 2025B Taxable Note.

So long as the Default Rate shall not be in effect, the Calculation Agent shall determine the Interest Rate on each Interest Rate Determination Day, and such rate shall become effective on the first day of the immediately succeeding Interest Period. Such Interest Rate shall be in effect to and including the last day of the related Interest Period. All Advances evidenced by the Note shall bear interest at the same Interest Rate. In the event an Advance is advanced on a date other than a Interest Rate Determination Day and no Advances are currently outstanding hereunder, the Calculation Agent shall determine Interest Rate based upon the Interest Rate in effect two (2) U.S. Government Securities Business Days immediately preceding the date of such Advance.

The determination of the Tax-Exempt Applicable Rate and the Taxable Applicable Rate (absent manifest error) shall be conclusive and binding upon the Cooperative. If for any reason the Lender shall fail to establish the Tax-Exempt Loan Rate or the Taxable Loan Rate, the Notes shall bear interest at the Tax-Exempt Applicable Rate or the Taxable Applicable Rate, as applicable, last in effect for such Note.

(b) In the event of a Determination of Taxability, the Interest Rate on the Series 2025A Tax-Exempt Note shall be adjusted to the Taxable Loan Rate effective on the next succeeding Interest Payment Date. In addition, promptly following a Determination of Taxability, the Cooperative agrees to pay to the Series 2025A Noteholder, subject to such Determination of Taxability the Additional Amount. "Additional Amount" means (i) the difference between (a) interest on the Series 2025A Tax-Exempt Note at a rate per annum equal to the Taxable Loan Rate, for the period commencing on the date on which the interest on the Series 2025A Tax-Exempt Note ceases to be excludable from gross income for federal income tax purposes and for which the Internal Revenue Service is able to assess a deficiency and ending on the earlier of the date the Series 2025A Tax-Exempt Note ceased to be outstanding or the date the Series 2025A Tax-Exempt Note began to bear interest at the Taxable Loan Rate (the "Taxable Period"), and (b) the aggregate amount of interest paid on the Series 2025A Tax-Exempt Note for the Taxable Period under the provisions of this Agreement and the Series 2025A Tax-Exempt Note without considering the Determination of Taxability, plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Series 2025A Noteholder as a result of the occurrence of a Determination of Taxability.

(c) The Lender shall, except as provided in Section 5.04(a) hereof with respect to the periodic calculation of the Tax-Exempt Loan Rate and the Taxable Loan Rate, promptly notify the Cooperative in writing of any adjustments to the Interest Rates. Such adjustments shall become effective as of the effective date of the event causing such adjustment. Adjustments may be retroactive, to the



extent expressly provided herein. The Lender shall certify to the Cooperative in writing the additional amount, if any, due to the Lender as a result of an adjustment in the Interest Rates pursuant hereto.

(d) If the Series 2025A Noteholder or the Series 2025B Noteholder is any person or entity other than either of the Original Purchasers, in no event shall the adjustments contemplated in this Section 5.04 with respect to the Series 2025A Tax-Exempt Note exceed the amounts that otherwise would have applied had the respective Original Purchaser been the Series 2025A Noteholder and the Cooperative shall not be obliged to pay any fees, costs, expenses or other Lender Obligations, including, without limitation, taxes and the like under this Agreement, in amounts greater than it would have been obligated to pay the Original Purchaser, had no such transfer or assignment occurred.

(e) The Cooperative agrees to pay to the Lender interest on any and all amounts required to be paid under this Agreement (excluding interest on interest) from and after the due date thereof until payment in full at the Default Rate.

(f) Notwithstanding any other provision of this Agreement to the contrary, if the rate of interest payable on the Notes or any Lender Obligation hereunder shall exceed the Maximum Lawful Rate for any period for which interest is payable, then interest only at the Maximum Lawful Rate shall be due and payable with respect to such interest period (interest at the rate equal to the difference between (A) the rate of interest otherwise payable in accordance with the terms hereof but for the limitation provided for in this Section 5.04(f), and (B) the Maximum Lawful Rate being referred to herein as the "Excess Interest"), and notwithstanding any subsequent reduction in the Interest Rate that otherwise would be applicable but for the limitation provided for in this Section 5.04(f), the Lender Obligations shall continue to bear interest, from and after the date on which any Excess Interest is accrued, at the Maximum Lawful Rate until Excess Interest is fully paid to the applicable Lender or Lenders.

#### Section 5.05 Requisitions for Advances; Other Conditions.

(a) The Cooperative shall give the Lender written notice of each Advance substantially in the form of Exhibit "B-1" for an Advance with respect to the Series 2025A Tax-Exempt Note and substantially in the form of Exhibit "B-2" for an Advance with respect to the Series 2025B Taxable Note (each such written notice a "Notice of Revolving Borrowing") prior to 12 noon and each Notice of Revolving Borrowing shall be irrevocable and shall specify: (i) the principal amount of the Advance, and (ii) the proposed date of such Advance (which shall be a Business Day and shall be no earlier than two Business Days following the date that the request for such Advance shall be deemed received by the Lender hereunder) and whether such Advance shall be made under the Series 2025A Tax-Exempt Note or Series 2025B Taxable Note.

Any Notice of Revolving Borrowing received by the Lender after 12:00 noon shall be deemed received on the next Business Day. The aggregate principal amount of each Advance shall be not less than \$100,000 (in any combination of either or both Notes) or in such lesser amounts equal to the Available Commitment Amount and not more than one (1) Advance may be made per calendar month; provided, however, the funding of an Advance made by the Lender that does not comply with the foregoing shall be deemed to be a waiver of such conditions.

Promptly following the receipt of a Notice of Revolving Borrowing in accordance herewith, the Lender will make available the amount of such Advance to be made hereunder on the requested date of such Advance (which shall be a Business Day and shall be no earlier than two Business Days following



the date that the request for such Advance shall be deemed received by the Lender hereunder), by wire transfer (or other electronic means) to the Issuer in immediately available funds by 4:00 p.m.

(b) No Advance shall be requested be requested by the Cooperative or honored by the Lenders upon an Event of Default or a default that with the passage of time or giving of notice, or both, would be an Event of Default.

(c) Notwithstanding anything to the contrary herein, upon the closing of the Loan on the date hereof, an initial Advance may be made pursuant to a closing memorandum executed by the Chair or the Secretary or other authorized officer of the Cooperative, indicating the amount of the Advance requested and whether the Advance shall be funded under the Series 2025A Tax-Exempt Note or the Series 2025B Taxable Note.

Section 5.06 Right of Prepayment. The Cooperative shall have the right at any time and from time to time to prepay the Loan Amount, in whole or in part, without premium or penalty, by giving written notice (or telephonic notice promptly confirmed in writing) to the Lender not less than two (2) Business Days prior to any such prepayment. Each such notice shall be irrevocable and shall specify the proposed date of such prepayment and the principal amount or portion thereof to be prepaid. Such amount shall be due and payable on the date designated in such notice, together with accrued interest to such date on the amount so prepaid. Each partial prepayment of the Loan Amount shall not be less than \$100,000 (in any combination of either or both Notes) and increments of \$1 in excess thereof or, if less, the principal balance of the Notes then outstanding.

Section 5.07 Computation of Interest and Fees; Application of Payments.

(a) All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable (to the extent computed on the basis of days elapsed).

(b) All payments made on the Notes shall be applied first to interest accrued to the date of payment and next to the unpaid principal balance; provided, however, that after an Event of Default, payments shall be applied in accordance with Section 10.02 hereof.

Section 5.08 Unused Commitment Fees. The Cooperative agrees to pay the Lender, allocated between the Noteholders if the Series 2025A Tax-Exempt Note and the Series 2025B Taxable Note are held by different parties as permitted under Section 11.06, pro rata based on the then outstanding principal amount of each Note, an unused commitment fee in the amount of twenty-five basis points (0.25%) on the difference between the average Loan Amount (based on the Loan Amount each day) during the preceding fiscal quarter and such Maximum Commitment Amount. The unused commitment fee shall be due and payable quarterly in arrears on each March 31, June 30, September 30 and December 31, commencing June 30, 2025.

Section 5.09 Effect of Benchmark Transition Event.

(a) In the event Lender determines in its sole discretion that (i) there is a public announcement by the administrator of a Benchmark or a Relevant Governmental Body that such Benchmark will cease or has ceased to be published; (ii) a public announcement is made by the administrator of a Benchmark or any Relevant Governmental Body that the Benchmark is no longer representative; or (iii) a Relevant Governmental Body has determined that Lender may no longer utilize

the Benchmark for purposes of setting Interest Rates (each a "Benchmark Transition Event"); Lender will have no obligation to make, fund or maintain a loan based on the Benchmark and on a date and time determined by Lender, without any further action or consent of by Cooperative or amendment to this Agreement or the Notes, the first available alternative set forth in the order below that can be determined by Lender shall replace the Benchmark ("Successor Rate");

- (x) Relevant Governmental Body Recommended Rate; or
- (y) Alternative Benchmark Rate.

(b) In connection with the implementation of a Successor Rate, Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary in this Agreement or Notes, any amendments implementing such Successor Rate or Conforming Changes will become effective without any further action or consent of Cooperative. Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero percent (0%), the Successor Rate will be deemed to be zero percent (0%) for the purposes of this Agreement and the Notes. For avoidance of doubt, following the implementation of the Successor Rate, in determining the applicable Interest Rate any margin or credit spread to the index under the Note shall be added to the Successor Rate and any provisions for a minimum rate shall apply.

(c) Lender will notify (in one or more notices) Cooperative of the implementation of any Successor Rate. Any determination or decision that may be made by Lender pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in Lender's sole discretion and without consent from Cooperative.

(d) In the event Lender determines in its sole discretion that Lender cannot make, fund, or maintain a loan based upon the Benchmark due to illegality or the inability to ascertain or determine said rate on the basis provided for herein ("Unavailability Period") and a Benchmark Transition Event has not occurred, then at the election of Lender the Benchmark shall convert to the Alternative Benchmark Rate for purposes of calculating the Interest Rate on the then outstanding principal balance and for interest accruing on any fundings or advances requested by Cooperative and, thereafter, the Interest Rate on the Note shall adjust simultaneously with any fluctuation in the Alternative Benchmark Rate. In the event Lender determines that the circumstances giving rise the Unavailability Period have ended, at such time as determined by Lender the Benchmark will revert to the prior Benchmark (provided a Benchmark Transition Event has not occurred). Lender shall provide notice, which may be after the implementation of the Alternative Benchmark Rate as contemplated hereunder, to Cooperative of any Benchmark change that is made pursuant to this Section. For avoidance of doubt, following the implementation of the Successor Rate, in determining the applicable Interest Rate any margin or credit spread to the index under the Note shall be added to the Successor Rate and any provisions for a minimum rate shall apply.

In the event that any applicable law or regulation, guideline or order or the interpretation or administration thereof by any governmental or regulatory authority charged with the interpretation or administration thereof (whether or not having the force of law) (i) shall change the basis of taxation of payments to Lender of any amounts payable by the Cooperative hereunder (other than taxes imposed on the overall net income of Lender) or (ii) shall impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended

by Lender, or (iii) shall impose any other condition with respect to the Note, and the result of any of the foregoing is to increase the cost to Lender of making or maintaining the loan evidenced by the Note or to reduce any amount receivable by Lender under the loan evidenced by the Note, and Lender determines that such increased costs or reduction in amount receivable was attributable to the use of the current Benchmark, then the Cooperative shall from time to time, upon demand by Lender, pay to Lender additional amounts sufficient to compensate Lender for such increased costs ("*Additional Costs*"). A detailed statement as to the amount of such Additional Costs, prepared in good faith and submitted to the Cooperative by Lender, shall be conclusive and binding in the absence of manifest error.

## **ARTICLE VI CONDITIONS OF LENDING**

Section 6.01 Conditions Precedent to Making the Initial Advance. The Lender's obligation to enter into this Agreement and to make the initial Advance as set forth in Section 5.01 hereof is subject to the conditions precedent that, on or prior to the date of the delivery of the Notes to the Lender, the Lender shall receive the following documents, each dated the date of delivery of the Notes to the Lender, in form and substance satisfactory to it:

- (a) a fully executed counterpart original of this Agreement, duly executed by the Cooperative;
- (b) the original Notes;
- (c) certified copies of the Resolution and the Supplemental Resolution, and certified copies of all other documents evidencing any other official action of the Cooperative taken with respect thereto as each is then in full force and effect;
- (d) customary closing certificates executed by appropriate officers of the Cooperative respecting its organization, the incumbency of its officers, the execution and delivery of the Notes and the other Note Documents to which it is a party, the compliance with all conditions precedent to the issuance of the Notes and the consummation of the transactions contemplated by this Agreement and the Note Documents, and such other matters as the Lender may reasonably require;
- (e) certified copies of all Governmental Approvals, if any, necessary for the Cooperative to execute, deliver and perform its obligations under this Agreement and the Note Documents;
- (f) a favorable opinion of Counsel to the Cooperative, which shall be addressed to the Lender and shall be in form and substance satisfactory to the Lender, concerning such matters as the Lender may reasonably request, including, but not limited to, opining (i) as to the due organization and valid existence of the Cooperative, the due authorization, execution and delivery of this Agreement and the Notes and the enforceability thereof; (ii) to the effect that all consents and approvals required with respect to the Projects or components thereof to be financed or refinanced with the proceeds of the Notes have been obtained, and if not obtained, are expected to be obtained; and (iii) as to the compliance by the Cooperative with any applicable requirements for the issuance of indebtedness under the documents authorizing and providing for the issuance of Additional Bonds, if any such indebtedness is then outstanding;

(g) a certificate of an appropriate officer of the Cooperative to the effect that all conditions precedent contained in this Section 6.01 and Section 6.02 hereof have been fulfilled by the Cooperative;

(h) An opinion of Note Counsel, either addressed to the Lender or in the form of a reliance opinion to the Lender, to the effect that (i) under existing law, the Notes, when issued in accordance with this Agreement, will be valid and legally binding special obligations of the Cooperative, payable solely from and secured by the Pledged Revenues, all in accordance with the terms of the Agreement, and (ii) if the initial advances is made under the Series 2025A Tax-Exempt Note, that the interest on the Series 2025A Tax-Exempt Note is excludable from gross income for federal income tax purposes;

(i) Evidence satisfactory to the Lender that the Cooperative's Revolving Revenue Note, Series 2023A and its Revolving Revenue Note, Series 2023B (Federally Taxable) (collectively, the "*Series 2023 Notes*") and the related Loan Agreement dated as of February 17, 2023 (the "*Loan Agreement*") between the Cooperative and Wells Fargo Bank, National Association have been paid in full and terminated; and

(j) such other documents, certificates, instruments, opinions, including reliance letters, approvals (and, if requested by the Lender, certified duplicates of executed copies thereof) or filings with respect to the Note Documents and this Agreement, in each case as the Lender or its Counsel may reasonably request.

Section 6.02 Additional Conditions Precedent. The Lender's obligation to make the initial Advance as set forth in Section 5.01 hereof shall be additionally subject to the conditions precedent that the following statements shall be true and correct on the date of the delivery of the Notes to the Lender, and the Lender shall receive a certificate signed by the chief financial officer and another authorized officer of the Cooperative, dated the date of the delivery of the Notes to the Lender, to the effect that:

(a) the representations and warranties of the Cooperative set forth herein and the other Note Documents are true and correct in all material respects on and as of the date of delivery of the Notes as though made on and as of the date of delivery of the Notes (unless given as of a specific date); and

(b) as of the date of delivery of the Notes, no Default or Event of Default has occurred and is continuing, or would result directly or indirectly from the Lender's making of the Loan.

## **ARTICLE VII**

### **AFFIRMATIVE COVENANTS OF THE COOPERATIVE**

From the date of delivery of the Notes to the Lender and until the termination of this Agreement and payment in full of all amounts payable hereunder and under the Note Documents, the Cooperative hereby covenants and agrees that:

Section 7.01 Compliance with Note Documents. The Cooperative will observe and perform fully and faithfully all of its obligations under this Agreement and the Note Documents to which it is a party (whether or not any such Note Document expires in accordance with its terms).

Section 7.02 Compliance with Applicable Laws. The Cooperative will comply in all material respects with any and all Applicable Laws material to the System, the Note Documents to which it is a party and this Agreement.

Section 7.03 Accounting and Reports. The Cooperative will maintain its present customary system of accounting in accordance with GAAP and will furnish to the Lender:

(a) within 270 days after the end of each Fiscal Year, audited financial statements for such Fiscal Year;

(b) within 30 days of its adoption, the Cooperative's annual budget for the next succeeding Fiscal Year; and

(c) promptly, from time to time, such other information regarding the operations, financial condition and property of the Cooperative as the Lender may reasonably request.

Section 7.04 Maintenance of Books and Records. The Cooperative will maintain complete and accurate books and records pertaining to the Cooperative and all receipts and disbursements with respect thereto in accordance with GAAP.

Section 7.05 Notice of Defaults. The Cooperative shall within five (5) Business Days after it acquires knowledge thereof, notify the Agent in writing at its notice address provided in Section 1.01 hereof (a) of any change in any material fact or circumstance represented or warranted by the Cooperative in this Agreement or in connection with the issuance of the Notes; (b) upon the happening, occurrence, or existence of any Event of Default, and (c) any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Lenders, with such written notice, a detailed statement by a responsible officer of the Cooperative of all relevant facts and the action being taken or proposed to be taken by the Cooperative with respect thereto. Regardless of the date of receipt of such notice by the Lenders, such date shall not in any way modify the date of occurrence of the actual Event of Default.

Section 7.06 Visits and Inspections. The Cooperative will permit representatives of the Lender, from time to time as often as may be reasonably requested, subject to Applicable Law and during regular business hours, to (i) visit and inspect the facilities of the Cooperative, (ii) inspect the books and records of the Cooperative related to the facilities and make copies and extracts of such books and records that relate to the Cooperative's performance under this Agreement and any Note Documents to which it is a party, and (iii) discuss the affairs, finances and accounts of the Cooperative with, and to be advised as to the same by, its officials, all in connection with the performance by the Cooperative of its obligations hereunder and under the Note Documents.

Section 7.07 Preservation of Lien. The Cooperative shall take all necessary action to maintain and preserve the Lien on the Pledged Revenues, to secure the Notes and the Lender Obligations.

Section 7.08 Use of Proceeds. The Cooperative covenants that the proceeds from the Notes will be used only to pay the costs of the 2025 Project, including those paid with proceeds of the Series 2023 Notes pursuant to the Loan Agreement.

Section 7.09 Further Assurances. The Cooperative will, at any and all times, insofar as it may be authorized so to do by Applicable Law, pass, make, do, execute, acknowledge and deliver every and all such further resolutions, acts, deeds, conveyances, assignments, recordings, filings, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, revenues and other funds pledged or assigned to the payment of the Notes (including the interest thereon) and payment of its obligations hereunder and under the Note Documents.



## **ARTICLE VIII NEGATIVE COVENANTS OF THE COOPERATIVE**

From the date of delivery of the Notes to the Lender and until the termination of this Agreement and payment in full of all amounts payable hereunder and under the Note Documents, the Cooperative hereby covenants and agrees that:

Section 8.01 Amendments to Related Documents. The Cooperative shall not alter or amend the Bond Resolution, the Implementation Agreement or the Interlocal Agreement, which would materially adversely affect the payment obligations hereunder, rights or remedies of the Lender or impair the authority thereby or hereby given with respect to the issuance and payment of the Notes, without prior written approval of the Lender. Nothing contained herein shall, however, impair or restrict the Cooperative's right to amend the Interlocal Agreement or the Implementation Agreement in accordance with the Bond Resolution.

Section 8.02 Disposition of Assets. The Cooperative shall not dispose of any of its assets other than in accordance with the Bond Resolution.

Section 8.03 No Pledge or Impairment; Additional Bonds. Except in accordance with the Bond Resolution or as set forth in Section 4.06 hereof, the Cooperative will not pledge or permit a lien to occur on any Pledged Revenues to any other indebtedness of the Cooperative or issue any indebtedness payable from Pledged Revenues without the express written consent of the Lender.

## **ARTICLE IX FURTHER AFFIRMATIVE COVENANTS OF THE COOPERATIVE**

Section 9.01 Base Rate Charge. The Cooperative agrees to assess all amounts due from the members of the Cooperative under the Interlocal Agreement and Implementation Agreements required to be paid thereunder in order to collect sufficient Revenues to pay the Outstanding Bonds.

Section 9.02 Covenant to Perform Undertakings. The Cooperative covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Agreement, in the Notes executed and delivered hereunder and in all proceedings of the Cooperative pertaining thereto. The Cooperative represents, warrants and covenants that it is duly authorized under the Constitution and laws of the State of Florida, including particularly and without limitation the Act, to issue the Notes authorized hereby and to enter into this Agreement, to pledge the Pledged Revenues in the manner and to the extent herein set forth; that all action on its part for the issuance of the Notes initially issued hereunder and the execution and delivery of this Agreement has been duly and effectively taken; and that such Notes in the hand of the holder and owner thereof are and will be valid and enforceable limited obligations of the Cooperative according to the tenor and import thereof.

Section 9.03 Covenant to Perform Further Acts. The Cooperative covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such loan agreements supplemental hereto and such further acts, instruments and transfers as the Lender may reasonably require for the better pledging unto the Lender of all and singular the Pledged Revenues pledged hereby to the payment of the principal of and interest, on the Notes.

Section 9.04 Other Senior and Parity Indebtedness. Except for additional State Revolving Fund loans or loans with the United States Environmental Protection Agency under the Water



Infrastructure Financing Act, outstanding in the aggregate amount of not to exceed \$320,000,000 at any time issued to finance the 2025 Project, the Cooperative will not issue any Additional Bonds payable from Pledged Revenues without the express written consent of the Lender, which consent will not be unreasonably withheld.

## **ARTICLE X EVENTS OF DEFAULT**

Section 10.01 General. An "Event of Default" shall be deemed to have occurred under this Agreement if:

(a) An Event of Default under the Bond Resolution shall continue following the expiration of any applicable grace periods provided therein; or

(b) (i) The failure by the Cooperative to perform or observe any term, covenant or agreement contained in this Agreement not specifically in paragraphs (a) above, if such failure shall continue for a period of the earlier of thirty (30) calendar days after (x) the date the Cooperative was to give notice to the Lender in accordance with Section 7.05 hereof or (y) the date of written notice thereof by the Lender to the Cooperative; provided, that the Cooperative shall not be in default hereunder with respect to defaults that can, with time, be cured, if the Cooperative shall proceed with due diligence to remedy such default, but in no event shall such period be extended for a period longer than sixty (60) days; or

(c) The Cooperative shall default in the performance of or compliance with any covenant contained herein, other than a covenant that is dealt with in any other subsection of this Section 5.01, which default or non-compliance shall continue and not be cured within thirty (30) days after the earlier of (i) written notice thereof to the Cooperative by the Lender or (ii) actual knowledge of such breach by a responsible officer of the Cooperative, or such longer period as may be reasonably necessary to cure such default, as long as the Cooperative initiates curative action within such 30-day period and diligently prosecutes such action until the cure has been achieved, but not to exceed 90 days;

Section 10.02 Effect of Event of Default. Upon the occurrence of an Event of Default, the Lender may, in its sole discretion, but shall not be obligated to, exercise all or any of its rights and remedies as it may otherwise have under Applicable Law or under this Agreement, or any Note Document or otherwise, by such suits, actions, or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for specific performance of any covenant or agreement contained in this Agreement or any Note Document, or in aid or execution of any power granted herein or therein or for the enforcement of any proper legal or equitable remedy. Remedies shall not include a right of acceleration of the Notes unless such right shall have been granted to any other lender secured by the Pledged Revenues.

All payments made on the Notes, after an Event of Default, shall be first applied to accrued interest, then to any reasonable costs or expenses, including reasonable legal fees and expenses that the Lender may have incurred in protecting or exercising the Lender's rights under the Note Documents and the balance thereof shall apply to the principal sum due. From and after any Event of Default hereunder and so long as such Event of Default remains uncured, interest shall accrue on principal then outstanding under the Notes at the Default Rate. Upon an Event of Default, and so long as such Event of Default remains uncured, the Lender may, upon written notice to the Cooperative, reduce the Maximum Commitment Amount to the Loan Amount.

## ARTICLE XI MISCELLANEOUS

Section 11.01 Waivers, Amendments. Any provision of this Agreement or the Notes may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Cooperative and the Lender. If, pursuant to the terms of Section 11.06, there is more than one Lender, amendments and waivers will require approval of both Lenders (the "Required Lenders"), except that the consent of all Lenders or affected Lenders shall be required to (i) extend or increase the Maximum Commitment Amount, or (ii) extend the date scheduled for payment of any principal (excluding any mandatory prepayment), interest or fees, or (iii) reduce the principal amount of the Loan, the rate of interest thereunder or fees payable in respect thereof, or (iv) reduce the percentage required for "Required Lenders." No course of dealing between the Cooperative and the Lender, nor any delay in exercising any rights hereunder, shall operate as a waiver of any rights of the Lender hereunder. Unless otherwise specified in such waiver or consent, a waiver or consent given hereunder shall be effective only in the specific instance and for the specific purpose for which given.

Section 11.02 Survival of Representations and Warranties. All statements of or on behalf of the Cooperative contained in any Note Document or in any certificate, financial statement or other instrument delivered by or on behalf of the Cooperative pursuant to or in connection with this Agreement (including but not limited to any such statement made in or in connection with any amendment hereto or thereto) shall constitute representations and warranties of the Cooperative made under this Agreement. All representations and warranties of the Cooperative made under this Agreement shall survive the execution and delivery of this Agreement, regardless of any investigation made by the Lender or on their behalf.

### Section 11.03 Costs, Expenses and Taxes; Reimbursement.

(a) The Cooperative shall pay within thirty days of demand (i) the reasonable fees and disbursements of counsel to the Lender, in connection with the negotiation, preparation and execution of this Agreement and the other documents described herein in an amount not exceeding \$15,000, (ii) all reasonable out-of-pocket expenses and internal charges of the Lender (including fees and disbursements of counsel to the Lender) incurred in connection with any waiver or consent under any Note Document or any amendment of any Note Document or any Default or alleged Default hereunder and (iii) if there is an Event of Default, all reasonable out-of-pocket expenses and internal charges incurred by the Lender in connection with such Event of Default and collection and other enforcement proceedings resulting therefrom. To the extent permitted by law, the Cooperative shall pay any and all transfer taxes, documentary taxes, assessments or charges made by any governmental authority by reason of the execution and delivery of this Agreement or the Notes.

(b) In addition to any other amounts payable by the Cooperative under this Agreement, the Cooperative hereby agrees, to the extent permitted by law, to reimburse the Lender, promptly upon demand, in respect of all claims, demands, liabilities, damages, losses, reasonable costs, reasonable charges and reasonable expenses (including reasonable attorneys' fees) that the Lender may incur or be subject to as a consequence of (i) the making of the Loan, (ii) any breach by the Cooperative or any official of the Cooperative of any warranty, covenant, term or condition in, or the occurrence of any default under, this Agreement or any Note Document, including all reasonable fees or expenses resulting from the settlement or defense of any claims or liabilities arising as a result of any such breach or default, (iii) involvement in any legal suit, proceeding or action as to which the Lender is involved as a consequence of its making of the loan, their execution of this Agreement or any other event or transaction contemplated by any of the foregoing; provided that the Lender shall not be entitled to

reimbursement under this Section to the extent that claims, demands, liabilities, damages, losses, costs, charges and expenses to be reimbursed are the result of the gross negligence or willful misconduct of the Lender. Nothing in this Section is intended to limit the Cooperative's obligations contained in the Agreement.

Section 11.04 Right of Setoff; Other Collateral. Except as otherwise provided herein, the Lender waives any and all current or future common law or statutory liens, security interests, rights of setoff and rights of recoupment to such special purpose accounts and such special purpose deposits therein, and all proceeds (as defined in Chapter 679, Florida Statutes) derived therefrom.

Section 11.05 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy, electronic telephone line facsimile transmission, e-mail or other similar electronic or digital transmission method (provided customary evidence of receipt is obtained); the day after it is sent, if sent by overnight common carrier service; and five days after it is sent, if mailed, certified mail, return receipt requested, postage prepaid; provided, however, that, notwithstanding anything to the contrary contained herein, no communication to the Lender shall be effective until the Lender has actually received such communication. In each case notice shall be sent to the Notice Address.

Section 11.06 Continuing Obligation; Assignment. This Agreement is a continuing obligation of the Cooperative and shall, until the Final Maturity Date, (a) be binding upon the Cooperative and its successors and assigns, and (b) inure to the benefit of and be enforceable by the Lender and its successors, and permitted transferees and assigns; provided, however, that in accordance with Section 4.02 hereof, no such transfer shall relieve the Noteholders of their commitment to make Advances in accordance with the terms hereof; provided, further that the Cooperative may not assign all or any part of this Agreement without the prior written consent of the Lender.

The Lender may assign or transfer the Notes and its rights and obligations hereunder to another financial institution. Each Note may be assigned to a separate qualified financial institution, potentially resulting in two Lenders hereunder, but each note may only be assigned in whole and not in part. The Cooperative shall not assign its rights hereunder without the express written consent of the Lender.

As a condition precedent to Lender's proposes transfer of the Notes to separate qualified institutions, one of the assignee institutions must agree to assume the role of "Agent" and "Lender" hereunder under terms reasonably satisfactory to the Cooperative so that the Cooperative is obligated to make payments to, and to interact solely with, that entity as Lender for all purposes of this Agreement, such terms to be contained in an amendment to this Agreement as executed by the Cooperative and each such institution, in form and substance satisfactory to the Cooperative, pursuant to which, among other things, such designated institution shall effectively assume the role of Lender and Agent pursuant to the terms thereof.

Section 11.07 Patriot Act Notice. Each Lender hereby notifies Cooperative that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001) (the "Patriot Act"), each Lender may be required to obtain, verify and record information that identifies the Cooperative, which information includes the name and address of the Cooperative and other information that will allow the Lender to identify the Cooperative in accordance with the Patriot Act.

Section 11.08 Satisfaction Requirement. If any agreement, certificate or other writing, or any action taken or to be taken, is by the terms of this Agreement required to be satisfactory to the Lender, the determination of such satisfaction shall be made by the Lender in its reasonable judgment exercised in good faith.

Section 11.09 Applicable Law; Venue. This Agreement and the Notes shall be construed pursuant to and governed by the Act and the substantive laws of the State. Unless applicable law provides otherwise, in the event of any legal proceeding arising out of or related to this Agreement or the Notes, the Cooperative consents to the jurisdiction and venue of any court located in the State.

Section 11.10 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

Section 11.11 Severability. Any provision of this Agreement that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction and the remaining portion of such provision and all other remaining provisions will be construed to render them enforceable to the fullest extent.

Section 11.12 Business Days. If any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 11.13 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 11.14 Satisfaction Requirement. If any agreement, certificate or other writing, or any action taken or to be taken, is by the terms of this Agreement required to be satisfactory to the Lender, the determination of such satisfaction shall be made by such Lender in the reasonable judgment of such entity or entities exercised in good faith.

Section 11.15 Term of Agreement. Except as otherwise specified in this Agreement, this Agreement and all representations, warranties, covenants and agreements contained herein or made in writing by the Cooperative in connection herewith shall be in full force and effect from the date hereof and shall continue in effect until as long as the Notes is outstanding or any amounts are due and owing hereunder or under the Notes to the Lender.

Section 11.16 No Third Party Beneficiaries. It is the intent and agreement of the parties hereto that this Agreement is solely for the benefit of the parties hereto and no person not a party hereto shall have any rights or privileges hereunder.

Section 11.17 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereunder (including in connection with any amendment, waiver or other modification hereof or of any other documents related hereto), the Cooperative acknowledges and agrees, that: (a) (i) it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, (ii) it is capable of evaluating, and understands and accepts, the terms, risks and

conditions of the transactions contemplated hereby and any other loan documents, (iii) each Lender is not acting as a municipal advisor or financial advisor to the Cooperative and (iv) neither Lender has a fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Cooperative with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Lender has provided other services or is currently providing other services to the Cooperative on other matters); (b) (i) each Lender is and has been acting solely as a principal in an arm's length commercial lending transaction and has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Cooperative, or any other person and (ii) neither Lender has any obligation to the Cooperative, with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Note Documents; (c) notwithstanding anything herein to the contrary, it is the intention of the Cooperative and each Lender that the loan documents represent a commercial loan transaction not involving the issuance and sale of a municipal security, and that any bond, note or other debt instrument that may be delivered to a Lender is delivered solely to evidence the repayment obligations of the Cooperative under the loan document; and (d) each Lender may be engaged in a broad range of transactions that involve interests that differ from those of the Cooperative, and neither Lender has any obligation to disclose any of such interests to the Cooperative. To the fullest extent permitted by law, the Cooperative hereby waives and releases any claims that it may have against each Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby. If the Cooperative would like a municipal advisor in this transaction that has legal fiduciary duties to the Cooperative, the Cooperative is free to engage a municipal advisor to serve in that capacity. The transactions contemplated herein and the Notes are delivered, pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq, to the extent that such rules apply to the transactions contemplated hereunder.

Section 11.18 Entire Agreement. Except as otherwise expressly provided, this Agreement and the Notes embody the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 11.19 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE NOTES AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

Section 11.20 Consent of TRUCE for Issuance of Notes. By its execution hereof, TRUCE, as lender under that certain Loan Agreement dated May 9, 2023 between TRUCE and the Cooperative, hereby consents to the issuance of the Notes.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective between them as of the date of first set forth above.

(SEAL)

POLK REGIONAL WATER COOPERATIVE

By: \_\_\_\_\_

Name: Nathaniel Birdsong, Jr.

Title: Vice Chair

Attested and Countersigned:

\_\_\_\_\_  
Mac Fuller, Secretary/Treasurer

TRUIST BANK, as Bank

By: \_\_\_\_\_

Name: Clayton Thompson

Title: Vice President

TRUIST COMMERCIAL EQUITY, INC.

By: \_\_\_\_\_

Name: Clayton Thompson

Title: Authorized Agent

TRUIST BANK, as Agent

By: \_\_\_\_\_

Name: Clayton Thompson

Title: Vice President

*[Signature Page to Revolving Credit Agreement]*



EXHIBIT "A-1"

FORM OF SERIES 2025A NOTE

THIS NOTE IS SUBJECT TO TRANSFER RESTRICTIONS, MORE FULLY DESCRIBED IN THE LOAN AGREEMENT REFERRED TO HEREIN, AND MAY NOT BE TRANSFERRED EXCEPT TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933.

**POLK REGIONAL WATER COOPERATIVE  
REVOLVING REVENUE NOTE, SERIES 2025A**

POLK REGIONAL WATER COOPERATIVE (the "Cooperative"), for value received, promises to pay, but solely from the sources described below to the extent provided herein and in the hereinafter described Loan Agreement, to the order of Truist Commercial Equity, Inc., a Delaware general business corporation (together with any other registered owner of this Note, hereinafter, "Lender"), at its Principal Office or any other office or at such place Lender may in writing designate, on the Final Maturity Date, as defined in the Revolving Credit Agreement dated as of March 25, 2025, between the Cooperative and Lender (as such agreement may be amended, supplemented or otherwise modified from time to time, collectively the "Loan Agreement"), the lesser of the principal sum of \$[ ] and the aggregate unpaid principal amount of all revolving loans made by the Lender to the Cooperative pursuant to the Loan Agreement and represented by this Note (and excluding all Advances under its Revolving Revenue Note, Series 2025B (Federally Taxable) (the "Series 2025B Taxable Note")) and not theretofore repaid, and any modifications, renewals, extensions or replacements thereof, without offset in lawful money of the United States of America in immediately available funds, and to pay interest from the date hereof on the principal amount thereof from time to time outstanding, in like funds, at said office, at the rate or rates per annum and payable on such dates as provided in the Loan Agreement. In the event of a conflict between any term or condition contained in this Note and in the Loan Agreement, such term or condition of the Loan Agreement shall control.

All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable (to the extent computed on the basis of days elapsed). This Note is issued pursuant to Resolution No. 2022-05 on July 13, 2022, as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "Resolution"), as supplemented by Resolution No. 2025-04 adopted by the Board on March 19, 2025 (the "Supplemental Resolution" and collectively with the Resolution, the "Bond Resolution") and in conjunction with the Loan Agreement is subject to all the terms and conditions of the Loan Agreement. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto, or as referenced, in the Loan Agreement.

This Note is payable solely from the Pledged Revenues to the extent provided in the Loan Agreement and subject to the pledge of the Pledged Revenues as more specifically provided in the Bond Resolution and the Loan Agreement. Notwithstanding any other provision of this Note, the Cooperative is not and shall not be liable for the payment of the principal of and interest on this

Note or otherwise monetarily liable in connection herewith from any property other than as provided in the Loan Agreement and the Bond Resolution. The lien on and pledge of the Pledged Revenues, provided for the benefit of the Lender shall be on a parity with the lien on and pledge of Pledged Revenues, in favor of the Series 2025B Taxable Note, the Outstanding Bonds, and any Additional Bonds.

NOTWITHSTANDING THE FOREGOING, HOWEVER, OR ANYTHING ELSE IN THIS NOTE OR THE LOAN AGREEMENT TO THE CONTRARY, NEITHER THIS NOTE NOR THE LOAN AGREEMENT SHALL CREATE, BE OR CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE COOPERATIVE OR A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FAITH AND CREDIT OF THE COOPERATIVE OR ITS MEMBERS, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE COOPERATIVE OR ITS MEMBERS, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER FOR THE PAYMENT OF ANY OBLIGATIONS HEREUNDER OR UNDER THE LOAN AGREEMENT OR TO MAKE ANY APPROPRIATION THEREFROM FOR ANY SUCH PAYMENTS. THE OBLIGATIONS OF THE COOPERATIVE HEREUNDER SHALL NOT BE PAYABLE FROM OR CONSTITUTE A LIEN OR CHARGE ON ANY FUNDS OF THE COOPERATIVE OTHER THAN THE PLEDGED REVENUES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN AND IN THE LOAN AGREEMENT.

The Cooperative promises to pay interest, on demand, on any overdue principal from their due dates at a rate or rates provided in the Loan Agreement.

All borrowings evidenced by this Note and all payments and prepayments of the principal hereof and the date thereof shall be endorsed by the holder hereof or the Lender on the schedule attached hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof, or otherwise recorded by such holder or the Lender in its internal records; provided, that the failure of the holder hereof or the Lender to make such a notation or any error in such notation shall not affect the obligations of the Cooperative to make the payments of principal and interest in accordance with the terms of this Note and the Loan Agreement.

This Note is issued in connection with, and is entitled to the benefits of, the Loan Agreement which, among other things, contains provisions for prepayment of the principal hereof prior to the maturity hereof and for the amendment or waiver of certain provisions of the Loan Agreement, all upon the terms and conditions therein specified. THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF FLORIDA AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

Prior to the Final Maturity Date, principal amounts repaid hereunder may be re-advanced so long as the total principal amount of this Note outstanding, together with the outstanding principal amount of the Series 2025B Taxable Note, taking into account all combined Advances which have not been repaid, does not exceed the Maximum Commitment Amount.

The Cooperative to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

All terms, conditions and provisions of the Loan Agreement are by this reference thereto incorporated herein as a part of this Note.

This Note may be exchanged or transferred but only as provided in the Loan Agreement.

THE COOPERATIVE AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE AND ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION WITH THIS NOTE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER TO ENTER INTO OR ACCEPT THIS NOTE. FURTHER, THE COOPERATIVE HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE LENDER, NOR THE LENDER'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION.

The Lender hereby notifies Cooperative that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001), the Lender may be required to obtain, verify and record information that identifies the Cooperative, which information includes the name and address of the Cooperative and other information that will allow the Lender to identify the Cooperative in accordance with the Act. All amounts received by the Lender shall be applied to expenses, late fees and interest before principal or in any other order as determined by the Lender, in its sole discretion, as permitted by law. Any provision of this Note which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Note. No amendment, modification, termination or waiver of any provision of this Note, nor consent to any departure by the Cooperative from any term of this Note, shall in any event be effective unless it complies fully with the requirements of such amendment, modification, termination or waiver as set forth in the Loan Agreement, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Cooperative has caused this Note to be executed in its name as of the date hereinafter set forth.

The date of this Note is March 25, 2025.

POLK REGIONAL WATER  
COOPERATIVE

(SEAL)

By: \_\_\_\_\_  
Name: Nathaniel Birdsong, Jr.  
Title: Vice Chair

Attested and Countersigned

\_\_\_\_\_  
Mac Fuller, Secretary/Treasurer

EXHIBIT "A-2"

FORM OF SERIES 2025B NOTE

THIS NOTE IS SUBJECT TO TRANSFER RESTRICTIONS, MORE FULLY DESCRIBED IN THE LOAN AGREEMENT REFERRED TO HEREIN, AND MAY NOT BE TRANSFERRED EXCEPT TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933.

**POLK REGIONAL WATER COOPERATIVE**

**REVOLVING REVENUE NOTE, SERIES 2025B (FEDERALLY TAXABLE)**

POLK REGIONAL WATER COOPERATIVE (the "Cooperative"), for value received, promises to pay, but solely from the sources described below to the extent provided herein and in the hereinafter described Loan Agreement, to the order of Truist Bank, a North Carolina banking corporation or its registered assigns (together with any other registered owner of this Note, hereinafter, the "Bank"), at its Principal Office or any other office or at such place as the Lender may in writing designate, on the Final Maturity Date, as defined in the Revolving Credit Agreement dated as of March 25, 2025, among the Cooperative and the Lender (as such agreement may be amended, supplemented or otherwise modified from time to time, collectively the "Loan Agreement"), the lesser of the principal sum of \$[ ] and the aggregate unpaid principal amount of all revolving loans made by the Lender to the Cooperative pursuant to the Loan Agreement and represented by this Note (and excluding all Advances under its Revolving Revenue Note, Series 2025A (the "Series 2025A Tax-Exempt Note")) and not theretofore repaid, and any modifications, renewals, extensions or replacements thereof, without offset in lawful money of the United States of America in immediately available funds, and to pay interest from the date hereof on the principal amount thereof from time to time outstanding, in like funds, at said office, at the rate or rates per annum and payable on such dates as provided in the Loan Agreement. In the event of a conflict between any term or condition contained in this Note and in the Loan Agreement, such term or condition of the Loan Agreement shall control.

All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable (to the extent computed on the basis of days elapsed). This Note is issued pursuant to Resolution No. 2022-05 on July 13, 2022, as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "Resolution"), as supplemented by Resolution No. 2025-04 adopted by the Board on March 19, 2025 (the "Supplemental Resolution") and collectively with the Resolution, the "Bond Resolution") and in conjunction with the Loan Agreement is subject to all the terms and conditions of the Loan Agreement. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto, or as referenced, in the Loan Agreement.

This Note is payable solely from the Pledged Revenues to the extent provided in the Loan Agreement and subject to the pledge of the Pledged Revenues as more specifically provided in the Bond Resolution and the Loan Agreement. Notwithstanding any other provision of this Note, the Cooperative is not and shall not be liable for the payment of the principal of and interest on this

Note or otherwise monetarily liable in connection herewith from any property other than as provided in the Loan Agreement and the Bond Resolution. The lien on and pledge of the Pledged Revenues, provided for the benefit of the Lender shall be on a parity with the lien on and pledge of Pledged Revenues, in favor of the Series 2025A Tax-Exempt Note, the Outstanding Bonds, and any Additional Bonds.

NOTWITHSTANDING THE FOREGOING, HOWEVER, OR ANYTHING ELSE IN THIS NOTE OR THE LOAN AGREEMENT TO THE CONTRARY, NEITHER THIS NOTE NOR THE LOAN AGREEMENT SHALL CREATE, BE OR CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE COOPERATIVE OR A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FAITH AND CREDIT OF THE COOPERATIVE OR ITS MEMBERS, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE COOPERATIVE OR ITS MEMBERS, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER FOR THE PAYMENT OF ANY OBLIGATIONS HEREUNDER OR UNDER THE LOAN AGREEMENT OR TO MAKE ANY APPROPRIATION THEREFROM FOR ANY SUCH PAYMENTS. THE OBLIGATIONS OF THE COOPERATIVE HEREUNDER SHALL NOT BE PAYABLE FROM OR CONSTITUTE A LIEN OR CHARGE ON ANY FUNDS OF THE COOPERATIVE OTHER THAN THE PLEDGED REVENUES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN AND IN THE LOAN AGREEMENT.

The Cooperative promises to pay interest, on demand, on any overdue principal from their due dates at a rate or rates provided in the Loan Agreement.

All borrowings evidenced by this Note and all payments and prepayments of the principal hereof and the date thereof shall be endorsed by the Lender on the schedule attached hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof, or otherwise recorded by the Lender in its internal records; provided, that the failure of the Lender to make such a notation or any error in such notation shall not affect the obligations of the Cooperative to make the payments of principal and interest in accordance with the terms of this Note and the Loan Agreement.

This Note is issued in connection with, and is entitled to the benefits of, the Loan Agreement which, among other things, contains provisions for prepayment of the principal hereof prior to the maturity hereof and for the amendment or waiver of certain provisions of the Loan Agreement, all upon the terms and conditions therein specified. THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF FLORIDA AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

Prior to the Final Maturity Date, principal amounts repaid hereunder may be re-advanced so long as the total principal amount of this Note outstanding, together with the outstanding principal amount of the Series 2025A Tax-Exempt Note, taking into account all combined Advances which have not been repaid, does not exceed the Maximum Commitment Amount.

The Cooperative to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.



All terms, conditions and provisions of the Loan Agreement are by this reference thereto incorporated herein as a part of this Note.

This Note may be exchanged or transferred but only as provided in the Loan Agreement.

THE COOPERATIVE AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE AND ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION WITH THIS NOTE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER TO ENTER INTO OR ACCEPT THIS NOTE. FURTHER, THE COOPERATIVE HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE LENDER, NOR THE LENDER'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION.

The Lender hereby notifies Cooperative that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001), the Lender may be required to obtain, verify and record information that identifies the Cooperative, which information includes the name and address of the Cooperative and other information that will allow the Lender to identify the Cooperative in accordance with the Act. All amounts received by the Lender shall be applied to expenses, late fees and interest before principal or in any other order as determined by the Lender, in its sole discretion, as permitted by law. Any provision of this Note which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Note. No amendment, modification, termination or waiver of any provision of this Note, nor consent to any departure by the Cooperative from any term of this Note, shall in any event be effective unless it complies fully with the requirements of such amendment, modification, termination or waiver as set forth in the Loan Agreement, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Cooperative has caused this Note to be executed in its name as of the date hereinafter set forth.

The date of this Note is March 25, 2025.

POLK REGIONAL WATER  
COOPERATIVE

(SEAL)

By: \_\_\_\_\_  
Name: Nathaniel Birdsong, Jr.  
Title: Vice Chair

Attested and Countersigned

\_\_\_\_\_  
Mac Fuller, Secretary/Treasurer

EXHIBIT "B-1"

NOTICE OF REVOLVING BORROWING UNDER

SERIES 2025A TAX-EXEMPT NOTE

Pursuant to the Revolving Credit Agreement dated as of March 25, 2025, as amended, supplemented, restated, replaced, or otherwise modified from time to time (the "Agreement"; capitalized terms used but not defined herein shall have the meanings assigned in the Agreement); this represents the undersigned's request for an Advance under the Agreement as follows:

Proposed Date of Advance: \_\_\_\_\_

\_\_\_\_\_ Aggregate Amount of Advance to be Drawn Down under the Series 2025A Tax-Exempt Note; provided, however, the aggregate amount of all advances under the Series 2025A Tax-Exempt Note shall not exceed \$125,000,000 except upon delivery of a new Bond Counsel Opinion.

The proceeds of the Advance are to be wired to the following account:

\_\_\_\_\_ Tax-Exempt 2025 Construction Account

The proceeds of the Advance are to be used for financing a portion of the Costs of the 2025 Project.

This Notice is given in order to induce TRUCE to make the Advance. We understand that TRUCE is relying on the truth and accuracy of the statements made in this Notice.

1. All of the representations and warranties of the undersigned contained in the Agreement or in any of the other Note Documents are true, correct, and complete on and as of the date of this Notice of Revolving Borrowing, with the same effect as though the representations and warranties had been made on and as of such date.

2. No Event of Default, nor any event which, upon notice or lapse of time or both, would constitute an Event of Default, has occurred and is continuing, or would result from the borrowing.

3. After giving effect to the Advance hereby requested and any other Advances requested on the date hereof under the Series 2025B Taxable Note, the aggregate amount of Advances requested and outstanding under the Agreement will not exceed the Maximum Commitment Amount as of the proposed date of the Advance hereby requested.

4. To the undersigned's knowledge, it has no setoffs or defenses under the Agreement or Notes. The Agreement, the Note, and all other Note Documents are valid, binding, and enforceable in accordance with their terms.

5. The facts, estimates, circumstances and representations set forth or made (as the case may be) in the Certificate as to Tax, Arbitrage and Other Matters as to the Series 2025A Tax-Exempt Note delivered in connection with the initial issuance of the Series 2025A Tax-Exempt

Note, as supplemented by any amendatory certificate delivered to Note Counsel on the date hereof, continue to exist and are hereby reaffirmed on the date hereof.

6. The Cooperative has approved the transaction with respect to which these instructions are given in accordance with the procedure set forth in the Agreement and the Supplemental Resolution.

7. The Cooperative has previously delivered to the Lender, addressed to the Lender and upon which opinion the Lender may rely, an opinion of an attorney to the Cooperative and/or Note Counsel as to those matters required under Sections 6.01(f) and (h) of the Agreement and the Cooperative confirms that it has not received notification from Cooperative's Counsel and/or Note Counsel of a withdrawal of such opinion (unless a replacement opinion has been obtained).

8. All other conditions precedent to the Advance as set forth in the Agreement have been satisfied.

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

POLK REGIONAL WATER  
COOPERATIVE

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT "B-2"

NOTICE OF REVOLVING BORROWING UNDER

SERIES 2025B TAXABLE NOTE

Pursuant to the Revolving Credit Agreement dated as of March 25, 2025, as amended, supplemented, restated, replaced, or otherwise modified from time to time (the "Agreement"; capitalized terms used but not defined herein shall have the meanings assigned in the Agreement); this represents the undersigned's request for an Advance under the Agreement as follows:

Proposed Date of Advance: \_\_\_\_\_

\$\_\_\_\_\_ Aggregate Amount of Advance to be Drawn Down under Series 2025B Taxable Note.

The proceeds of the Advance are to be wired to the following account:

\_\_\_\_\_

The proceeds of the Advance are to be used for the following project or group of projects:

\_\_\_\_\_

This Notice is given in order to induce the Bank to make the Advance. We understand that the Bank is relying on the truth and accuracy of the statements made in this Notice.

1. All of the representations and warranties of the undersigned contained in the Agreement or in any of the other Note Documents are true, correct, and complete on and as of the date of this Notice of Revolving Borrowing, with the same effect as though the representations and warranties had been made on and as of such date.

2. No Event of Default, nor any event which, upon notice or lapse of time or both, would constitute an Event of Default, has occurred and is continuing, or would result from the borrowing.

3. After giving effect to the Advance hereby requested and any other Advances requested on the date hereof under the Series 2025A Tax-Exempt Note, the aggregate amount of Advances requested and outstanding under the Agreement will not exceed the Maximum Commitment Amount as of the proposed date of the Advance hereby requested.

4. To the undersigned's knowledge, it has no setoffs or defenses under the Agreement or Notes. The Agreement, the Note, and all other Note Documents are valid, binding, and enforceable in accordance with their terms.

5. The Cooperative has approved the transaction with respect to which these instructions are given in accordance with the procedure set forth in the Agreement and the Supplemental Resolution.

6. The Cooperative has notified Note Counsel of the proposed Advance requested above.

7. The Cooperative has previously delivered to the Lender, addressed to the Lender and upon which opinion the Lender may rely, an opinion of an attorney to the Cooperative and/or Note Counsel as to those matters required under Sections 6.01(f) and (h) of the Agreement and the Cooperative confirms that it has not received notification from Cooperative's Counsel and/or Note Counsel of a withdrawal of such opinion (unless a replacement opinion has been obtained).

8. All other conditions precedent to the Advance as set forth in the Agreement have been satisfied.

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

POLK REGIONAL WATER  
COOPERATIVE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_