

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA APPROVING AN INSTALLMENT FINANCING CONTRACT WITH NEW CHARLOTTE CORPORATION AND RELATED MATTERS

WHEREAS, the City of Charlotte, North Carolina (the “*City*”) is a municipal corporation duly created and validly existing under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “*State*”);

WHEREAS, the City has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

WHEREAS, the City has previously executed and delivered an Installment Payment Contract dated as of May 15, 2003 (the “*Original Payment Contract*”) as amended by Amendment Number One to the Original Payment Contract dated as of August 15, 2003 and Amendment Number Two to the Original Payment Contract dated as of May 1, 2013 (the “*Second Amendment*” and together with the Original Payment Contract, the “*Prior Contract*”), each between the New Charlotte Corporation (the “*Corporation*”) and the City, the proceeds of which were used to finance and refinance (1) a portion of the construction of the City’s Spectrum Center Arena and related improvements and (2) the construction, renovation, improvement, equipping and furnishing of various City governmental facilities, including the City’s Law Enforcement Center, now known as the City’s Police Department Headquarters building (collectively, the “*Projects*”);

WHEREAS, the Corporation has assisted the City in the financing and refinancing of the Projects by executing and delivering certificates of participation under a Master Trust Agreement dated as of June 15, 1993 between NationsBank of North Carolina, N.A., the successor to which is U.S. Bank Trust Company, National Association, as master trustee and First Union Securities, Inc., the successor to which is the Corporation, as supplemented and amended, including Variable Rate Certificates of Participation (2003 Governmental Facilities Projects), Series 2003F (the “*2003F Certificates*”) and Variable Rate Refunding Certificates of Participation (2003 Governmental Facilities Projects), Series 2013G (the “*2013G Certificates*” and together with the 2003F Certificates, the “*Prior Certificates*”), evidencing proportionate undivided interests in rights to receive revenues pursuant to the Prior Contract;

WHEREAS, the City Council of the City (the “*City Council*”) has previously determined, and hereby further determines, that in order to refinance the Projects, it is in the best interest of the City to enter into an Installment Financing Contract to be dated as of October 1, 2023 (the “*Contract*”) between the Corporation and the City in order to (1) refund the outstanding Prior Certificates and the City’s related installment financing obligations under the Prior Contract and (2) pay certain costs incurred in connection with the execution and delivery of the Contract;

WHEREAS, to secure its obligations under the Contract, the City will execute and deliver a Deed of Trust, Security Agreement and Fixture Filing dated as of October 1, 2023 (the “*Deed of Trust*”) granting a lien on the site of the City’s Police Department Headquarters building and all improvements thereon or such other of the Projects as may be necessary to secure the City’s obligations;

WHEREAS, to assist the City in the refinancing of the City’s obligations, the Corporation will execute and deliver Refunding Certificates of Participation (Governmental Facilities), Series 2023B (the “*2023B Certificates*”), evidencing proportionate undivided interests in rights to receive certain Revenues pursuant to the Contract under an Indenture of Trust (the “*Indenture*”) dated as of October 1, 2023 between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”) between the Corporation and the Trustee, in an aggregate principal amount not to exceed \$100,000,000;

WHEREAS, in connection with the sale of the 2023B Certificates by the Corporation to Wells Fargo Bank, National Association, as managing underwriter (the “*Underwriter*”), the City desires to make certain representations and warranties to the Underwriter in the form of the City’s Letter of Representation to the Underwriter (the “*Letter of Representation*”);

WHEREAS, there has been described to the City Council the following documents (collectively, the “*Instruments*”), copies of are available to the City Council, which the City Council proposes to approve, enter into and deliver, as applicable to effectuate the proposed installment financing:

- (1) the Contract;
- (2) the Deed of Trust
- (3) the Letter of Representation;
- (4) the Contract of Purchase between the Corporation and the Underwriter (the “*Purchase Contract*”); and
- (5) the Preliminary Official Statement related to the 2023B Certificates (the “*Preliminary Official Statement*”) containing certain information regarding the City;

WHEREAS, it appears that each of the Instruments is in an appropriate form and is an appropriate instrument for the purposes intended;

WHEREAS, in connection with the Prior Contract and Prior Certificates, the City entered into an interest rate swap agreement with Wachovia Bank, National Association, the successor to which is Wells Fargo Bank, National Association (the “*Swap Provider*”), pursuant to a Master Agreement dated as of September 13, 2005 and related schedules, annexes and that certain Confirmation between the City and the Swap Provider dated September 13, 2005 (collectively, the “*Swap Agreement*”) and, if

determined to be advantageous in connection with the proposed refunding of the Prior Certificates, the City will terminate the Swap Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA, AS FOLLOWS:

Section 1. Refunding. The Chief Financial Officer of the City is hereby authorized to pursue the refunding of all or a portion of the Prior Contract and the Prior Certificates and negotiate the termination of the Swap Agreement if she determines in her discretion that it is advantageous to the City for any or all of the purposes of fixing the interest cost of the City, lowering the City's risk and debt service costs. The City Manager and the Chief Financial Officer of the City are each hereby authorized to do any and all other things necessary to complete the steps necessary for the refunding of the Prior Contract and the Prior Certificates and the termination of the Swap Agreement, to retain such professionals as may be necessary and prudent to carry out the termination and seek approval from the North Carolina Local Government Commission for such termination. The City Manager and the Chief Financial Officer of the City are each hereby authorized to execute and deliver any agreements and other necessary documentation to terminate the Swap Agreement as described in this Resolution and to pay any termination payment owed Wells Fargo Bank, National Association in connection therewith.

Section 2. Authorization of the Official Statement. The form, terms and content of the Preliminary Official Statement are in all respects authorized, approved and confirmed, and the use of the Preliminary Official Statement and the final Official Statement related to the 2023B Certificates substantially in the form of the Preliminary Official Statement (the "*Official Statement*") by the Underwriter and any co-managing underwriters in connection with the sale of the 2023B Certificates is hereby in all respects authorized, approved and confirmed.

Section 3. Authorization to Execute the Contract, the Deed of Trust and the Letter of Representation. The City approves the transactions contemplated by the Instruments in accordance with the terms of the Contract, the Deed of Trust and the Letter of Representation, which will be valid, legal and binding obligations of the City in accordance with their terms. The form and content of the Contract, the Deed of Trust and the Letter of Representation are hereby in all respects authorized, approved and confirmed, and the Mayor, the City Manager, the Chief Financial Officer, the City Treasurer, the Debt Manager, the City Clerk and the Deputy City Clerk, including anyone serving as such in an interim capacity, and their respective designees (the "*Authorized Officers*"), are hereby authorized, empowered and directed to execute and deliver the Contract, the Deed of Trust and the Letter of Representation, including necessary counterparts, in substantially the form and content presented to the City Council, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the City's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Contract, the Deed of Trust and the Letter of Representation presented to the City Council. From and after the

execution and delivery of the Contract, the Deed of Trust and the Letter of Representation, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Instruments as executed.

Section 4. Contract of Purchase. The form and content of the Contract of Purchase are hereby in all respects approved.

Section 5. City Representative. The Authorized Officers are hereby designated as the City's representatives to act on behalf of the City in connection with the transaction contemplated by the Instruments and the Official Statement, and each is authorized to proceed with the refinancing of the Prior Certificates in accordance with the Instruments in an aggregate principal amount not to exceed \$100,000,000 and to seek opinions as a matter of law from the City Attorney, which City Attorney is authorized to furnish on behalf of the City, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The City's representative and their designees are in all respects authorized to supply on behalf of the City all information pertaining to the City for use in the Official Statement and the transactions contemplated by the Instruments or the Official Statement. The Authorized Officers are hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by the Instruments or the Official Statement or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution, including the on-going administration of the Instruments and related documents. All actions of the City officials, whether previously or hereinafter taken, in effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments. Any provision in this Resolution that authorizes more than one officer of the City to take certain actions shall be read to permit such officers to take the actions either individually or collectively and any action authorized may be taken by anyone designated to act on their behalf.

Section 6. Severability. If any section, phrase or provision of this Resolution is declared invalid for any reason, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 7. Repealer. All motions, orders, resolutions and parts thereof, in conflict herewith are hereby repealed.

Section 8. Effective Date. This Resolution will take effect immediately on its adoption.