

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$200,000,000 GENERAL OBLIGATION BOND OF THE CITY OF CHARLOTTE, NORTH CAROLINA**

*WHEREAS*, the Bond Orders (as defined in Appendix A) have been adopted, and it is desirable to make provision for the issuance of the Bond authorized by the Bond Orders;

*WHEREAS*, the City of Charlotte, North Carolina (the “*City*”) desires to issue its General Obligation Bond, Series 2025C in an aggregate principal amount of \$200,000,000 (the “*Bond*”) and to request that the Local Government Commission (the “*Commission*”) sell the Bond to PNC Bank, National Association (the “*Purchaser*”), in accordance with the terms provided herein and in a Bond Purchase and Advance Agreement related to the Bond (the “*Purchase Agreement*”) between the City and the Purchaser;

*WHEREAS*, the City Council has determined that it is in the best interest of the City to continue to have a short-term borrowing program to finance the capital costs of projects authorized by the Bond Orders;

*WHEREAS*, the City Council has determined to authorize the Bond to evidence its short-term borrowing program to finance capital costs of projects authorized by the Bond Orders;

*WHEREAS*, the City Council has considered and recognizes that variable interest rate debt instruments may subject the City to the risk of higher interest rates but believes that utilizing the short-term financing as an interim source of funding for paying costs of the projects authorized by the Bond Orders lowers the City’s overall cost of capital and therefore is superior to issuing fixed rate bonds for such purpose at this time;

*NOW, THEREFORE, BE IT RESOLVED* by the City Council of the City of Charlotte, North Carolina, as follows:

**Section 1.** For purposes of this Bond Resolution, all capitalized, undefined words have the meanings ascribed to them in Appendix A hereto.

**Section 2.** The City is hereby authorized to issue not to exceed \$200,000,000 in total aggregate principal amount of its Bond. The City Manager and the Chief Financial Officer of the City, and their respective designees, with advice from the City Attorney and bond counsel, are hereby authorized, directed and designated to provide such information as the North Carolina Local Government Commission requests related to the issuance of the Bond.

Although the Bond will be issued in a nominal principal amount of \$200,000,000, because proceeds of the Bond are being drawn down over time and the total principal amount may not be used, the amount of each Advance will be used for purposes of determining the amount of bonds issued under and against the Bond Orders. An Advance

may be made against a Bond Order only within the time that bonds may be issued under such Bond Order in accordance with Section 159-64 of the North Carolina General Statutes. The Chief Financial Officer, or his designee, will indicate as part of each Advance the amount to be applied against each Bond Order.

**Section 3.** The Bond shall be issued on the terms set forth in Appendix A. The Bond is being issued to provide funds to pay the capital costs of the Projects authorized by the Bond Orders.

**Section 4.** Each of the Mayor, the City Manager, the Chief Financial Officer, the City Treasurer and the Debt Manager, or their respective designees (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 in order to consummate the transactions contemplated by this Bond Resolution and the Purchase Agreement except that none of the above is authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Bond Resolution, (b) any agreement to which the City is bound, (c) any rule or regulation of the City or (d) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State of North Carolina.

From the adoption of this Bond Resolution until the date of the first issuance of the Bond hereunder, the City Manager and the Chief Financial Officer are each hereby authorized, empowered and directed to make any changes, modifications, additions or deletions to Appendix A hereto as shall to them seem necessary, desirable or appropriate and that in their opinion may be necessary to implement the intent of this Bond Resolution. Such changes, modifications, additions or deletions to Appendix A shall be set forth in a certificate executed by the City Manager or the Chief Financial Officer on the date of issuance of the Bond hereunder.

**Section 5.** The form and content of the Purchase Agreement are and the same hereby is in all respects approved and confirmed, and each of the Authorized Officers be and they hereby are authorized, empowered, and directed to execute and deliver the Purchase Agreement for and on behalf of the City, including necessary counterparts, in substantially the form and content presented to the City, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of his or her approval of any and all such changes, modifications, additions or deletions therein.

**Section 6.** From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers and the City Clerk and Deputy City Clerk, and their respective designees, 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 said documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary in the issuance of the Bond and administering the Purchase Agreement such that they continue to serve the purpose for which they were

executed and delivered. All actions previously taken by any of the Authorized Officers and the City Clerk, or their designee or those officers of the City authorized to act on their behalf, related to the Bond and the proceedings therefor are hereby ratified and approved.

The Authorized Officers and the City Clerk and the Deputy City Clerk are each hereby authorized and directed to prepare and furnish, when the Bond is issued, certified copies of all the proceedings and records of the City Council relating to the Bond, and such other affidavits, certificates and documents as may be required to show the facts relating to the legality and marketability of the Bond as such facts appear on the books and records in such party's custody and control or as otherwise known to them; and all such certified copies, certificates, affidavits and documents, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements contained therein.

All acts and doings of the Authorized Officers and the City Clerk and the Deputy City Clerk that are in conformity with the purposes and intents of this Bond Resolution and in the furtherance of the issuance of the Bond are in all respects approved and confirmed. 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 authorized actions either individually or collectively.

**Section 7.** The Commission is hereby requested to sell the Bond by private sale without advertisement to the Purchaser at such prices as the Commission determines to be in the best interest of the City and in accordance with the provisions of the Purchase Agreement. The Bond will be sold at 100% of the principal amount thereof in accordance with the provisions hereof and will bear interest at the variable interest rates set forth in Appendix A to this Bond Resolution. The Authorized Officers and the City Clerk and the Deputy City Clerk are hereby authorized and directed to cause the Bond to be prepared and, when they shall have been duly sold by the Commission, to execute the Bond for delivery to the Purchaser.

**Section 8.** If any one or more of the agreements or provisions herein contained is 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 for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the Bond authorized hereunder.

**Section 9.** All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 10.** That this Bond Resolution is effective on the date of its adoption.

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**APPENDIX A**

to

**CITY OF CHARLOTTE, NORTH CAROLINA**

**BOND RESOLUTION ADOPTED SEPTEMBER 22, 2025**

***Relating to the Issuance of***

***\$200,000,000***

***General Obligation Bond, Series 2025C  
(Draw Program)***

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### EXHIBIT A    FORM OF BOND

## ARTICLE I

### DEFINITIONS

Section 1.01 ***Meaning of Words and Terms.*** The following terms, except where the context indicates otherwise, have the respective meanings set forth below:

“*Advance*” means all advances of the purchase price of the Bond made by the Purchaser under the Purchase Agreement on or before the Advance Termination Date.

“*Advance Termination Date*” has the meaning assigned to such term in Section 4.01.

“*Alternate Rate*” means the Overnight Bank Funding Rate plus 0.10% (10 basis points).

“*Amortization Period*” means the three year period beginning on the Full Funding Date and ending on the Maturity Date.

“*Appendix A*” means this Appendix A which is attached to, and incorporated in, the Bond Resolution.

“*Applicable Factor*” means 79%.

“*Applicable Spread*” means 0.27% per annum (27 basis points).

“*Authorized Officers*” has the meaning set forth in the Bond Resolution.

“*Base Rate*” means the greatest of (i) the Prime Rate; (ii) the Overnight Bank Funding Rate plus fifty (50) basis points (0.50%); and (iii) 6.0%. If and when the Base Rate (or any component thereof) changes, the rate of interest with respect to any amounts hereunder to which the Base Rate applies will change automatically without notice to the City, effective on the date of any such change.

“*Benchmark*” means, initially, Daily Simple SOFR, and, if a new interest rate index is established pursuant to Section 2.03(a)(iv), then such new interest rate index.

“*Benchmark Replacement*” means, for any Benchmark, the sum of (a) an alternate benchmark rate and (b) an adjustment (which may be a positive or negative value or zero), in each case that has been selected by the Purchaser as the replacement for such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the official sector or any official sector-sponsored committee or working group, for U.S. dollar-denominated credit facilities at such time; provided that, if the Benchmark Replacement as determined pursuant to the foregoing would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Bond Resolution.

“*Benchmark Transition Event*” means a public statement or publication by or on

behalf of the administrator of a Benchmark, the regulatory supervisor of such administrator, the Board of Governors of the Federal Reserve System, NYFRB, an insolvency official or resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease to provide such Benchmark permanently or indefinitely, provided that at the time of such statement or publication there is no successor administrator that will continue to provide such Benchmark or (b) such Benchmark is or will no longer be representative.

*“Bond”* means the up to \$200,000,000 City of Charlotte, North Carolina General Obligation Bond, Series 2025C issued pursuant to the Bond Resolution and this Appendix A.

*“Bond Orders”* means, collectively, (1) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 27, 2020 and approved by a majority of voters at a referendum held on November 3, 2020, and (2) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 11, 2022 and approved by a majority of voters at a referendum held on November 8, 2022.

*“Bond Resolution”* means the Bond Resolution adopted by the City Council of the City on September 22, 2025 with respect to the Bond, which includes this Appendix A, and any amendments or supplements thereto.

*“Business Day”* means any day other than (A) a Saturday or Sunday or (B) a legal holiday on which commercial banks are authorized or required by law to be closed for business in Pittsburgh, Pennsylvania; provided that, when used in connection with an amount that bears interest at a rate based on SOFR or any direct or indirect calculation or determination involving SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

*“Calculation Agent”* means the Purchaser or any affiliate of the Purchaser designated by Purchaser to be the Calculation Agent, and, if the Purchaser (or its designated affiliate) declines to continue to act as Calculation Agent and no other affiliate of the Purchaser is nominated who agrees to act as Calculation Agent, any other person or entity appointed by the City to act as Calculation Agent that is acceptable to the Purchaser.

*“Chief Financial Officer”* means the Chief Financial Officer of the City, the person performing the duties of the Chief Financial Officer or the official succeeding to the Chief Financial Officer’s principal functions, including any person serving as such in an interim capacity.

*“Code”* means the Internal Revenue Code of 1986, as from time to time amended.

*“Commission”* means the Local Government Commission of North Carolina.

*“Daily Simple SOFR”* means, for any day (*“SOFR Rate Day”*), the interest rate per annum determined by the Calculation Agent by dividing (the resulting quotient rounded upwards, at the Calculation Agent’s discretion, to the nearest 1/100th of 1%) (A) SOFR for the day (the *“SOFR Determination Date”*) that is 2 Business Days prior to (i) such SOFR Rate Day if such SOFR Rate Day is a Business Day or (ii) the Business Day immediately preceding such SOFR Rate Day if such SOFR Rate Day is not a Business Day, by (B) a number equal to 1.00 minus the SOFR Reserve Percentage, in each case, as such SOFR is published by the NYFRB (or a successor administrator of the secured overnight financing rate) on the website of the NYFRB, currently at <http://www.newyorkfed.org>, or any successor source identified by the NYFRB or its successor administrator for the secured overnight financing rate from time to time. If SOFR for any SOFR Determination Date has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the second Business Day immediately following such SOFR Determination Date, then SOFR for such SOFR Determination Date will be SOFR for the first Business Day preceding such SOFR Determination Date for which SOFR was published in accordance with the definition of *“SOFR”*; provided that SOFR determined pursuant to this sentence shall be used for purposes of calculating Daily Simple SOFR for no more than 3 consecutive SOFR Rate Days. If and when Daily Simple SOFR as determined above changes, any applicable rate of interest based on Daily Simple SOFR will change automatically without notice to the City, effective on the date of any such change. If at any time Daily Simple SOFR is less than zero, such rate shall be deemed to be zero.

*“Daily SOFR Interest Rate”* means a per annum rate of interest equal to the sum of (a) the Applicable Spread plus (b) the product of (i) Daily Simple SOFR multiplied by (ii) the Applicable Factor. The Daily SOFR Interest Rate shall be rounded upwards to the fourth decimal place.

*“Default Event”* has the meaning set forth in the Purchase Agreement.

*“Default Rate”* means the greatest of (i) the Prime Rate plus 3.0%; (ii) the Overnight Bank Funding Rate plus 3.5%; and (iii) 9.0%.; provided, however, that the Default Rate shall in no event exceed the Maximum Rate.

*“Determination of Taxability”* means a determination that the interest on the Bond is included in gross income of the Owner of the Bond for federal income tax purposes, which determination will be deemed to have been made on the occurrence of the first to occur of the following: (a) the date on which the Owner of the Bond is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that, as a consequence of an action, or failure to act, by the City, the interest on the Bond is included in the gross income of the Owner of the Bond for federal income tax purposes; (b) the date on which the City receives notice from the Owner of the Bond that the Owner of the Bond has been advised (i) in writing that the Internal Revenue Service has issued a statutory notice of deficiency or similar notice to the Owner of the Bond which asserts, in effect, that interest received by the Owner of the Bond is included in the gross income of



the Owner of the Bond for federal income tax purposes, as a result of an action, or failure to act, by the City, or (ii) by an opinion of national recognized tax counsel received by the Owner of the Bond which concludes, in effect, that interest on the Bond is included in the gross income of the Owner of the Bond for federal income tax purposes as a result of an action, or failure to act, by the City; (c) the day on which the City is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that there has been issued a public or private ruling of the Internal Revenue Service that the interest on the Bond is included in the gross income of the Owner of the Bond for federal income tax purposes as a result of an action, or failure to act, by the City; or (d) the day on which the City is advised in writing by counsel to the Owner of the Bond that a final determination, from which no further right of appeal exists, has been made by a court of competent jurisdiction in the United States of America in a proceeding with respect to which the City has been given written notice and an opportunity to participate and defend that the interest on the Bond is included in the gross income of the Owner of the Bond for federal income tax purposes, as a result of an action, or failure to act, by the City.

*“Full Funding Date”* means the third anniversary of the issuance of the Bond, expected to be November 13, 2028.

*“Interest Payment Date”* means the first Business Day of each month and any other date that interest is required to be paid on the Bond under the Purchase Agreement.

*“Interest Rate”* means, with respect to the Bond, the Daily SOFR Interest Rate unless the circumstances occur under this Bond Resolution to cause the interest rate on the Bond to be the Term Loan Rate, the Taxable Rate or the Default Rate, in which case such interest rate shall apply to the Bond as set forth herein; provided, however, that the Interest Rate shall not exceed the Maximum Rate.

*“Mail”* means first-class United States mail, postage prepaid.

*“Maturity Date”* means the sixth anniversary of the issuance of the Bond, expected to be November 13, 2031.

*“Maximum Rate”* means the lesser of (a) 18% per annum and (b) the maximum rate of interest permitted by applicable law.

*“NYFRB”* means the Federal Reserve Bank of New York.

*“Overnight Bank Funding Rate”* means, for any day, the rate comprised of both overnight federal funds and overnight Eurocurrency borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB, as set forth on its public website from time to time, and as published on the next succeeding Business Day as the overnight bank funding rate by the NYFRB (or by such other recognized electronic source (such as Bloomberg) selected by the Purchaser for the purpose of displaying such rate); provided, that if such day is not a Business Day, the Overnight Bank Funding Rate for such day shall be such rate on the immediately preceding Business Day; provided, further, that if such rate shall at any time, for any reason, no longer exist, a comparable replacement rate determined by the Purchaser at

such time (which determination shall be conclusive absent manifest error). If the Overnight Bank Funding Rate determined as above would be less than zero, then such rate shall be deemed to be zero. The rate of interest charged shall be adjusted as of each Business Day based on changes in the Overnight Bank Funding Rate without notice to the City.

“*Owner*” means the registered owner of the Bond.

“*Prepayment Date*” means the date on which the Bond or any portion thereof has been called for prepayment or is to be prepaid pursuant to this Appendix A.

“*Prime Rate*” means the rate publicly announced by the Purchaser from time to time as its prime rate. The Prime Rate is determined from time to time by the Purchaser as a means of pricing some loans to its borrowers. The Prime Rate is not tied to any external rate of interest or index, and does not necessarily reflect the lowest rate of interest actually charged by the Purchaser to any particular class or category of customers.

“*Principal Amount*” means the sum of all Advances less any prepayment of Bond. Advances and prepayments shall be recorded (which records may be electronic) on the Table of Advances and Table of Partial Prepayments attached to the Bond, however failure to record an Advance or prepayment shall not affect the Principal Amount outstanding under the Bond.

“*Projects*” means the projects financed with the proceeds of the Bond in accordance with the authority under the respective Bond Orders.

“*Purchase Agreement*” means the Bond Purchase and Advance Agreement among the City, the Purchaser and the Commission related to the Purchaser’s purchase of the Bond.

“*Purchaser*” means PNC Bank, National Association, and its successors and assigns.

“*SOFR*” means a rate equal to the secured overnight financing rate as administered by the NYFRB (or a successor administrator of the secured overnight financing rate).

“*Stated Principal Amount*” means \$200,000,000.

“*Taxable Period*” means the period beginning on the date interest on the Bond first becomes subject to inclusion in gross income as a result of a Determination of Taxability, and ends on the date (if any) such interest is no longer included in gross income.

“*Taxable Rate*” means, during a Taxable Period, an interest rate per annum as determined in accordance with Section 2.03(a)(v).

“*Term Loan Rate*” means a per annum rate of interest equal to (1) for the first 90 days after the Full Funding Date, the Base Rate, and (2) for the 91<sup>st</sup> day after the Full Funding Date and thereafter, the Base Rate + 2.00%; provided, however, the Term Loan Rate shall not exceed the Maximum Rate at any time.

“*U.S. Government Securities Business Day*” means any day except for (A) a Saturday or Sunday or (B) 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.

## ARTICLE II

### AUTHORIZATION, FORM, ISSUANCE, DELIVERY AND REGISTRATION OF BOND

Section 2.01 ***Authorization of Financing and Authorization of the Bond.*** There is hereby authorized the issuance of a general obligation bond, designated “*City of Charlotte, North Carolina General Obligation Bond, Series 2025C.*” The Bond is being issued to provide funds to pay the costs of the Projects and costs of issuing the Bond, under and in accordance with the Bond Orders. No Bond may be issued under the provisions of the Bond Resolution, including this Appendix A, except in accordance with this Article. The total principal amount of the Bond that may be issued and Outstanding is hereby expressly limited to the Stated Principal Amount.

Section 2.02 ***Issuance of the Bond.*** The Bond will be issuable as a fully registered bond in the Stated Principal Amount. The Bond will be numbered RC-1 and will be substantially in the form set forth in Exhibit A with such appropriate variations, omissions and insertions as are permitted or required by this Appendix A. The execution and delivery of the Bond by the City under the Bond Resolution is conclusive evidence of the approval of the form of the Bond by the City Council, including any insertions, omissions, variations, notations, legends or endorsements authorized by the Bond Resolution.

### Section 2.03 ***Details of the Bond; Payment.***

(a) (i) The Bond will mature, subject to prepayment as set forth herein, on the Maturity Date. The Bond shall initially bear interest at the Daily SOFR Interest Rate from the date of the issuance of the Bond until the earlier of the Full Funding Date or the date on which circumstances occur which cause the Bond to bear interest at another Interest Rate under this Bond Resolution. Interest payable on the Bond shall be determined based on the Principal Amount of the Bond. Interest payable on the Bond shall be calculated by the Calculation Agent on the basis of the actual number of days elapsed in a 360 day year as the case may be. Interest shall accrue during each period for which interest is computed from and including the first day thereof to but excluding the last day thereof. The amount of interest payable on each Interest Payment Date shall be the amount of

interest accrued from the next preceding Interest Payment Date (or the date the Bond is issued if interest has not been previously paid) to, but excluding, the Interest Payment Date on which interest is being paid. Interest on the Bond will be payable in arrears. Payments on the Bond will be made by the City without presentation and surrender of the Bond by the Owner.

(ii) Upon the request of the City, the Calculation Agent shall confirm the Interest Rate then in effect.

(iii) The determination of the Interest Rate by the Calculation Agent shall be conclusive and binding on the City and the Owner absent manifest error. In determining the Interest Rate the Calculation Agent shall have no liability to the City or the Owner except for its negligence or willful misconduct.

(iv) If the Interest Rate is based on a Benchmark and the Purchaser determines (which determination shall be final and conclusive) that (A) such Benchmark cannot be determined pursuant to its definition other than as a result of a Benchmark Transition Event (as defined below), or (B) any enactment, promulgation or adoption of or any change in any applicable law, rule or regulation, or any change in the interpretation or administration thereof by a governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Purchaser with any guideline, request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impracticable for the Purchaser to make or maintain or fund loans based on that Benchmark, then the Purchaser shall give notice thereof to the City and the Commission. Thereafter, until the Purchaser notifies the City and the Commission, that the circumstances giving rise to such determination no longer exist, the Interest Rate on the Bond shall be the sum of (1) 79% of the Alternate Rate plus (2) the Applicable Spread.

Notwithstanding anything to the contrary herein, if the Purchaser determines (which determination shall be final and conclusive) that a Benchmark Transition Event has occurred with respect to a Benchmark, the City agrees to make conforming changes to this Bond Resolution to replace such Benchmark with a Benchmark Replacement; and any such conforming changes shall be in writing, shall specify the date that the Benchmark Replacement is effective and will not require any further action or consent of the City or the Commission. Until the Benchmark Replacement is effective, amounts bearing interest with reference to a Benchmark will continue to bear interest with reference to such Benchmark as long as such Benchmark is available, and otherwise such amounts automatically will bear interest at an interest rate equal to the sum of (1) 79% of the Alternate Rate plus (2) the Applicable Spread.

(v) In the event of a Determination of Taxability, the City will be obligated to pay to the Owner an amount equal to the positive difference, if any, between the amount of interest that would have been paid during the period of taxability as a

result of such Determination of Taxability if the Bond had borne interest at a taxable rate and the interest actually received by the Purchaser with respect to the Bond.

(vi) Notwithstanding the foregoing provisions of this section, on the occurrence and continuation of a Default Event, the interest rate on the Bond will be established at all times equal to the Default Rate.

(b) The Bond is a general obligation of the City for the payment of the principal of and interest on which it has pledged its faith and credit.

The Bond shall be registered as to principal and interest, and the Chief Financial Officer, or his designee, is directed to maintain the registration records with respect thereto. One definitive Bond is to be delivered to the Purchaser. The books and records of the City of the Advances (less any amounts previously prepaid) on the Bond shall be deemed controlling, absent manifest error. Principal of and interest on the Bond shall be payable to the registered owner appearing on the registration records by wire transfer or by check, mailed to such registered owner at its address or in accordance with the wire instructions, as applicable, as it appears on such registration books and shall be received by the registered owner on the date such payment is due.

Actions taken by officials of the City to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

(c) Both the principal of and the interest on the Bond are payable in any lawful coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The Bond shall bear interest from its date until the Principal Amount has been paid, but if such Bond has matured or has been called for prepayment and the Prepayment Date has occurred and funds are available for the payment thereof in full in accordance with the terms of the Bond Resolution, such Bond shall then cease to bear interest as of the maturity date or Prepayment Date, as applicable. The Bond will be dated as of its date of issuance, except that a Bond issued in exchange for or on the registration of transfer of the Bond will be dated as of the Interest Payment Date next preceding the date of authentication thereof, unless (1) the date of such authentication precedes the first Interest Payment Date, in which case it will be dated as of the date of the initial issuance of the Bond or (2) the date of such authentication is an Interest Payment Date to which interest on the Bond has been paid in full or duly provided for in accordance with the terms of this Appendix A, in which case it will be dated as of such Interest Payment Date; except that if interest on the Bond is in default, the Bond executed and delivered in exchange for or on registration of transfer of the Bond will be dated as of the date to which interest on the Bond has been paid in full. If no interest has been paid on the Bond, the Bond executed and delivered in exchange for or on the

registration of transfer of the Bond will be dated as of the initial issuance of the Bond.

(d) The Purchaser shall also notify the City not less than two Business Days before each Interest Payment Date of the amount due on such Interest Payment Date, such notice to be given in writing by email transmission, and if requested by the City, confirmed by first-class mail, postage prepaid, and addressed the Debt Manager, or her designee, of the City.

Section 2.04 ***Restriction on Transfer of the Bond.*** This Bond may not be transferred other than to (a) an affiliate of the Owner who is a “*qualified institutional buyer*” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, (b) a trust or custodial arrangement established by the Owner or one of its affiliates, the owners of the beneficial interests in which are limited to qualified institutional buyers, or (c) to a person that is a qualified institutional buyer that is a commercial bank having a combined capital and surplus, determined as of the date of any transfer pursuant to this Section, of \$5,000,000,000 or more that has executed and delivered to the City an investor letter in the form satisfactory to the City. In no event shall the Bond be transferred to any person or entity who holds the Bond for the benefit of a person or entity that is not a qualified institutional buyer or as part of a pool of assets in which persons that are not qualified institutional buyers may invest, such as a mutual fund or retirement plan.

The City will have no obligation to pay any amounts due on the Bond to anyone other than the Owner of the Bond as shown on the registration books kept by the City.

### ARTICLE III

#### PREPAYMENT OF THE BOND

Section 3.01 ***Optional Prepayment of the Bond.*** The City may prepay the Bond, either in whole or in part, on any Business Day at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date.

Section 3.02 ***Mandatory Prepayment of the Bond.*** The City shall prepay the Bond in whole on the Full Funding Date at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date. Notwithstanding the preceding sentence, in the event the City does not pay the outstanding principal amount of the Bond (which equals the Advances less any amounts previously prepaid pursuant to Section 3.01) on or before the Full Funding Date, and provided that (A) no Default Event has occurred and (B) the representations and warranties set forth in the Purchase Agreement are true and correct on the Full Funding Date as if made on such date, the City shall instead pay to the Owner the outstanding principal amount of the Bond as of such date (the “*Amortization Amount*”) in installments payable on the first Business Date of the month after the Full Funding Date

and on the first Business day of each month thereafter so that the Amortization Amount is repaid in approximately equal thirty-six (36) monthly principal payments during the Amortization Period. Any principal amount remaining unpaid on the Maturity Date shall be due and payable on the Maturity Date.

If the City provides to the Purchaser written notice by noon on the Full Funding Date of its intent to not repay the Bond on the Full Funding Date, accompanied by a certificate signed by the Chief Financial Officer of the City to the effect that the City is, as of the Full Funding Date, in compliance with all conditions set forth under (A) and (B) in the preceding paragraph, then the Bond shall be deemed eligible for the Amortization Period.

During the Amortization Period, the outstanding principal amount of the Bond shall bear interest at the Term Loan Rate.

Section 3.03 **Notice of Prepayment.** The City will provide written notice of the optional prepayment of the Bond not less than 30 days (or such lesser number of days as the Owner may accept), (1) to the Commission by Mail or electronic transmission, and (2) by Mail or electronic transmission (or by such other means as may be permitted by the Owner) to the then-registered Owner of the Bond at the last address shown on the registration books kept by the City.

Failure to provide such notice to the Commission will not affect the validity of any proceedings for such prepayment.

Any notice of prepayment may state that the prepayment to be effected is conditioned on receipt by Owner on or before the prepayment date of money sufficient to pay the prepayment price of and interest on the portion of the Bond to be prepaid. If the notice contains such a condition and money sufficient to pay the prepayment price of and interest on the Bond is not received by the Owner on or before the prepayment date, the prepayment shall not be made and the City will, as soon as possible on or before the prepayment date, give notice, in the manner in which the notice of prepayment was given, that sufficient moneys were not available to the Owner and the prepayment will not take place. Failure to pay such prepayment price will not constitute a default on the Bond.

Section 3.04 **Record of Prepayment.** The Owner will record any prepayments of the Bond on the Table of Partial Prepayments attached to the Bond (or otherwise kept on the Owner's official books and records, which may be electronic records).

## ARTICLE IV

### ADVANCES

Section 4.01 **Advance of Bond Proceeds.** The City acknowledges and agrees that prior to the earliest to occur of (a) the date when the sum of the aggregate Advances made under the Purchase Agreement equals the Stated Principal Amount, (b) the date on which the Purchaser's obligation to make Advances under the Purchase Agreement terminates (as reflected in a written notice delivered by the Purchaser to the City) or

(c) the Full Funding Date (the “*Advance Termination Date*”), the proceeds of the Bond will be disbursed in installments through the making of Advances by the Purchaser in accordance with the Purchase Agreement. The Chief Financial Officer or another Authorized Officer will indicate as part of each Advance the amount to be applied against each Bond Order. The date and amount of each Advance shall be noted on the Table of Advances attached to the Bond (or otherwise kept on the Purchaser’s official books and records, which may be electronic records); *provided* that the failure to record any such Advance on the Table of Advances shall not affect the Principal Amount due. In no event may the total amount of all Advances exceed the Stated Principal Amount. Following the Advance Termination Date, no additional Advances may be made. On the Advance Termination Date, the positive difference, if any, between the Stated Principal Amount and the aggregate principal amount of all Advances made under the Purchase Agreement shall be deemed to have been prepaid automatically and without any further notice or act by the City or any other Person. Any such automatic prepayment of principal shall not be taken into consideration in determining the Principal Amount of the Bond and shall not be recorded on the Table of Partial Prepayments attached to the Bond.

Section 4.02 ***Application of Bond Proceeds.*** The Chief Financial Officer, or his designee, is hereby directed to create and establish a fund (and such accounts within the fund as may be necessary or convenient) on the City’s books and records into which the proceeds from the sale of the Bond will be deposited (the “*Project Fund*”). The proceeds from each Advance will be deposited by the Purchaser with the City, and the City shall deposit such amounts in the Project Fund. The Chief Financial Officer, or his designee, shall invest and reinvest any moneys held in the Project Fund as permitted by the laws of the State of North Carolina and the income, to the extent permitted by the Code, is to be retained in the Project Fund and applied with the proceeds of the Bond to pay the costs of the Projects. The Chief Financial Officer, or his designee, shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom so as to satisfy the requirements of the laws of the State of North Carolina and to assure that the City maintains its covenants with respect to the exclusion of the interest on the Bond from gross income for purposes of federal income taxation. The proceeds of the Bond in the Project Fund, including the investment earnings thereon, if any, will be applied to the payment of costs of the Projects.

## **ARTICLE V AMENDMENTS**

Section 5.01 ***Amendments to Bond Resolution.*** Portions of the Bond Resolution, including this Appendix A, may be amended or supplemented, from time to time, without the consent of the Owner of the Bond if, in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the Owner of the Bond and would not cause the interest on the Bond to be included in the gross income of a recipient thereof for federal income tax purposes. All other amendments or supplements to this Resolution require the consent of the Owner of the Bond, including any amendment or supplement that would reduce the principal amount of the Bond, reduce the interest rate payable on it, extend its maturity or the times



for paying interest or change the monetary medium in which principal and interest is payable.

Any act done pursuant to a modification or amendment consented to by the Owner of the Bond is binding on all Owners of the Bond and will not be deemed an infringement of any of the provisions of the Bond Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of the Bond Resolution, and after consent has been given, no Owner of the Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the City from taking any action pursuant to a modification or amendment.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

Section 6.01 **Headings.** Any heading preceding the text of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, are solely for convenience of reference and do not constitute a part of this Appendix A or affect its meaning, construction or effect.

Section 6.02 **Holidays.** Except as otherwise provided herein, whenever any payment or action to be made or taken hereunder is stated to be due on a day which is not a Business Day, such payment or action will be made or taken on the next following Business Day, and such extension of time will be included in computing interest, if any, in connection with such payment or action.

Section 6.03 **Report to the Commission.** As of June 30 of each year the City will provide to the Commission a report showing the outstanding Principal Amount of the Bond. On request, the City will send a report to the Commission demonstrating anticipated cash flow requirements for the Projects that the City anticipates financing with proceeds of the Bond during the next fiscal year.

Section 6.04 **Report to the Purchaser.** The City agrees that it will furnish the Purchaser current audited financial statements (the “*Audit*”) within 210 days of the end of each of the City’s fiscal year, which may be in electronic .PDF format. In the event the Audit is filed on the MSRB’s “*EMMA*” website, to satisfy this requirement the City may email a link to the posted Audit to the Purchaser within such 210-day period; provided, however, that if such audited financial statements are not then available, unaudited financial statements of the City for such fiscal year to be replaced subsequently by the Audit of the City to be delivered as soon as practicable after the Audit become available for distribution. The City will furnish to the Purchaser other financial information as reasonably requested by the Purchaser.

Section 6.05 **No Recourse Against Members, Officers or Employees of the City or the Commission.** No recourse under, or on, any statement, obligation, covenant, or agreement contained in the Bond Resolution, in any Bond, or in any document or certification relating to the Bond, or under any judgment obtained against the City or the

Commission or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, is to be had against any member, officer or employee, as such, of the City or the Commission, either directly or through the City, the Commission, or otherwise, for the payment for or to the City or the Commission or any receiver of the City or the Commission, or for, or to, any Owner or otherwise, of any sum that may be due and unpaid on any such Bond. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such member, officer or employee, as such, to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the City or the Commission or any receiver of the City or the Commission, or for, any Owner or otherwise, of any sum that may remain due and unpaid on the Bond hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the adoption of the Bond Resolution and the issuance of the Bond.

Section 6.06 **Governing Law.** The Bond Resolution, including this Appendix A, is governed by and to be construed in accordance with the laws of the State of North Carolina.

[End of Appendix A]

## EXHIBIT A

### FORM OF BOND

NO OFFERING CIRCULAR OR MEMORANDUM, OFFICIAL STATEMENT OR OTHER DISCLOSURE DOCUMENT HAS BEEN PREPARED OR PROVIDED BY THE CITY IN CONNECTION WITH THE OFFERING AND SALE OF THIS BOND. THIS BOND MAY NOT BE TRANSFERRED OTHER THAN TO (A) AN AFFILIATE OF THE OWNER WHO IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (B) A TRUST OR CUSTODIAL ARRANGEMENT ESTABLISHED BY THE OWNER OR ONE OF ITS AFFILIATES, THE OWNERS OF THE BENEFICIAL INTERESTS IN WHICH ARE LIMITED TO QUALIFIED INSTITUTIONAL BUYERS, OR (C) TO A PERSON THAT IS A QUALIFIED INSTITUTIONAL BUYER THAT IS A COMMERCIAL BANK HAVING A COMBINED CAPITAL AND SURPLUS, DETERMINED AS OF THE DATE OF ANY TRANSFER, OF \$5,000,000,000 OR MORE THAT HAS EXECUTED AND DELIVERED TO THE CITY AN INVESTOR LETTER IN A FORM ACCEPTABLE TO THE CITY. IN NO EVENT SHALL THIS BOND BE TRANSFERRED TO ANY PERSON OR ENTITY WHO HOLDS THIS BOND FOR THE BENEFIT OF A PERSON OR ENTITY THAT IS NOT A QUALIFIED INSTITUTIONAL BUYER OR AS PART OF A POOL OF ASSETS IN WHICH PERSONS THAT ARE NOT QUALIFIED INSTITUTIONAL BUYERS MAY INVEST, SUCH AS A MUTUAL FUND OR RETIREMENT PLAN.

**CITY OF CHARLOTTE, NORTH CAROLINA  
GENERAL OBLIGATION BOND, SERIES 2025C**

No. RC-1

**\$200,000,000**

INTEREST RATE  
Variable

DATED DATE  
\_\_\_\_\_, 2025

MATURITY DATE  
\_\_\_\_\_, 2031

**REGISTERED OWNER: PNC BANK, NATIONAL ASSOCIATION**

**STATED PRINCIPAL AMOUNT: TWO HUNDRED MILLION DOLLARS**

The City of Charlotte, North Carolina (the "City"), a municipal corporation of the State of North Carolina (the "State"), for value received, promises to pay, but solely from the sources and in the manner hereinafter provided, to the Owner named above the Stated Principal Amount set forth above or the Principal Amount (as hereinafter defined), whichever is less, on the Maturity Date set forth above (or earlier as hereinafter described). This Bond is issued under a Bond Resolution, including Appendix A thereto (as amended or supplemented from time to time, the "Bond Resolution"), adopted on September 22, 2025, by the City Council of the City. This Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and under The Local Government Finance Act (the "Act"), and the Bond Orders (as defined in the Bond Resolution). This Bond is being issued to provide funds to pay the capital costs of the projects authorized under the Bond Orders. Reference is hereby made to the Bond Resolution for the rights, duties and obligations of the City and the rights of the Owner of the Bond, and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Bond Resolution. Capitalized terms used herein and not defined have the meaning ascribed to them in the Bond Resolution.

The City further promises to pay such Owner, at the address as it appears on the registration books kept by the City, interest at the Interest Rate described in the Bond Resolution and the Purchase Agreement on the lesser of (1) the Stated Principal Amount or (2) the sum of the Advances made by the Purchaser pursuant to the Bond Resolution and the Purchase Agreement (less any amount of the Bond prepaid) and as reflected in the "Table of Advances" attached hereto or kept in the Owner's records (which may be electronic records) (the "*Principal*

*Amount*"). Interest on this Bond will be payable on the first Business Day of each month (each an *"Interest Payment Date"*) from the Interest Payment Date next preceding the date of authentication (unless (1) the date of such authentication precedes the first Interest Payment Date, in which case interest with respect thereto shall be payable from the date of issuance of this Bond or (2) the date of such authentication is an Interest Payment Date to which interest on this Bond has been paid in full or duly provided for in accordance with the terms of the Bond Resolution, in which case interest with respect thereto shall be payable from such Interest Payment Date) until the Principal Amount shall have been paid or provided for in accordance with the Bond Resolution. Interest payable on this Bond shall be calculated on the basis of the actual number of days elapsed in a 360 day year.

The City may prepay this Bond, either in whole or in part, on any Business Day at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date.

The City shall prepay this Bond in whole on the Full Funding Date at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date. Notwithstanding the preceding sentence, in the event the City does not pay the outstanding principal amount of this Bond (which equals the Advances less any amounts previously prepaid) on or before the Full Funding Date, and provided that (A) no Default Event has occurred and (B) the representations and warranties set forth in the Purchase Agreement are true and correct on the Full Funding Date as if made on such date, the City shall instead pay to the Owner the outstanding principal amount of this Bond as of such date (the *"Amortization Amount"*) in installments payable on the first Business Date of the month after the Full Funding Date and on the first Business day of each month thereafter so that the Amortization Amount is repaid in approximately equal thirty-six (36) monthly principal payments during the Amortization Period. Any principal amount remaining unpaid on the Maturity Date shall be due and payable on the Maturity Date. If the City provides to the Purchaser written notice by noon on the Full Funding Date of its intent to not repay this Bond on the Full Funding Date, accompanied by a certificate signed by the Chief Financial Officer of the City to the effect that the City is, as of the Full Funding Date, in compliance with all conditions set forth under (A) and (B) in the preceding paragraph, then this Bond shall be deemed eligible for the Amortization Period. During the Amortization Period, the outstanding principal amount of this Bond shall bear interest at the Term Loan Rate.

The City will provide written notice of the optional prepayment of this Bond not less than 30 days (or such lesser number of days as the Owner may accept), (1) to the Commission by Mail or electronic transmission, and (2) by Mail (or by such other means as may be permitted by the Owner) to the then-registered Owner of this Bond at the last address shown on the registration books kept by the City. Failure to provide such notice to the Commission will not affect the validity of any proceedings for such prepayment. Any notice of prepayment may state that the prepayment to be effected is conditioned on receipt by Owner on or before the prepayment date of money sufficient to pay the prepayment price of and interest on the portion of this Bond to be prepaid. If the notice contains such a condition and money sufficient to pay the prepayment price of and interest on this Bond is not received by the Owner on or before the prepayment date, the prepayment shall not be made and the City will, as soon as possible on or before the prepayment date, give notice, in the manner in which the notice of prepayment was given, that sufficient moneys were not available to the Owner and the prepayment will not take place. Failure to pay such prepayment price will not constitute a default on this Bond.

The Owner will record any prepayments of this Bond on the Table of Partial Prepayments

attached to this Bond (or otherwise kept on the Owner's official books and records, which may be electronic).

This Bond will be non-transferable, except as set forth on the face of this Bond. The City will have no obligation to pay any amounts due on this Bond to anyone other than the Owner of this Bond as shown on the registration books kept by the City.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

*IN WITNESS WHEREOF*, the City of Charlotte, North Carolina has caused this Bond to be executed with the manual or facsimile signatures of the Mayor and the City Clerk, and has caused the City's official seal or a facsimile thereof to be impressed or imprinted hereon.

**CITY OF CHARLOTTE, NORTH CAROLINA**

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

[SEAL]

By: \_\_\_\_\_  
City Clerk

The issue hereof has been approved under the provisions of The Local Government Bond Act.

\_\_\_\_\_  
JENNIFER WIMMER  
Deputy Secretary of the Local Government Commission

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

*FOR VALUE RECEIVED* the undersigned hereby sells, assigns and transfers unto

---

(Please print or typewrite Name and Address,  
including Zip Code, and Federal Taxpayer Identification or  
Social Security Number of Assignee)

---

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

---

Attorney to register the transfer of the within Bond on the books kept for registration thereof,  
with full power of substitution in the premises.

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

Signature guaranteed by:

---

**NOTICE:** Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program ("*STAMP*") or similar program.

---

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

**TRANSFER FEE MAY BE REQUIRED**

### TABLE OF ADVANCES

Upon receipt of any Advance described in Section 4.01 of the Bond Resolution, the Owner shall make the appropriate notation on the table below (or otherwise keep on the Owner's official books and records, which may be electronic):

<u>Date</u>	<u>Amount Paid</u>	<u>Total Principal Payments</u>	<u>Signature of Representative of Owner</u>

# TABLE OF PARTIAL PREPAYMENTS

<u>Date</u>	<u>Amount Prepaid</u>	<u>Remaining Unpaid Principal Amount</u>	<u>Signature of Representative of Owner</u>