

A RESOLUTION INTRODUCING AND ADOPTING THE BOND ORDER AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$610,000,000

BOND ORDER

WHEREAS, the City of Charlotte, North Carolina (the “*City*”) is authorized by The State and Local Government Revenue Bond Act, General Statutes of North Carolina, Section 159-80 *et seq.* (the “*Act*”) to issue, subject to the approval of the Local Government Commission of North Carolina (the “*LGC*”), at one time or from time to time, revenue bonds and refunding revenue bonds of the City for the purposes as specified in the Act;

WHEREAS, the City has previously issued Water and Sewer System Revenue Bonds under the terms of an Amended and Restated General Trust Indenture dated as of September 24, 2020 (the “*General Indenture*”) between the City and U.S. Bank National Association, the successor to which is U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”);

WHEREAS, the City Council (the “*City Council*”) of the City has determined to issue its Water and Sewer System Revenue Bonds, Series 2024 (the “*2024 Bonds*”), in an aggregate principal amount not to exceed \$610,000,000 under the General Indenture and Series Indenture, Number 24 (the “*Series Indenture*”) between the City and the Trustee, for the following purposes:

(1) to prepay in full the City’s Water and Sewer System Revenue Bond Anticipation Note, Series 2022 (the “*Bond Anticipation Note*”), the proceeds of which were used to finance the costs of extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment for the City’s water and sewer system;

(2) to finance the costs of extensions, additions and capital improvements to, or the acquisition, renewal or replacement of capital assets of, or purchasing and installing new equipment for the City’s water and sewer system (the “*2024 Projects*”); and

(3) to pay the costs of issuing the 2024 Bonds;

WHEREAS, the City and the LGC have arranged for the private sale without advertisement of the 2024 Bonds to BofA Securities, Inc., as managing underwriter, on its own behalf and on behalf of PNC Capital Markets LLC and Ramirez & Co., Inc., as the underwriters (the “*Underwriters*”), under the terms of a Bond Purchase Agreement (the “*Purchase Agreement*”) among the City, the LGC and the Underwriters, pursuant to which the City and the LGC will sell the 2024 Bonds to the Underwriters in accordance with the terms and conditions set forth therein; and

WHEREAS, an application has been filed with the LGC requesting approval of the 2024 Bonds as required by the Act;

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

Section 1. In order to raise the money required to (a) prepay in full the Bond Anticipation Note, (b) finance the 2024 Projects, and (c) pay the costs of issuing the 2024 Bonds, in addition to any funds which may be made available for such purpose from any other source, the 2024 Bonds are hereby authorized and shall be issued pursuant to the Act.

Section 2. The aggregate principal amount of the 2024 Bonds authorized by this order shall not exceed \$610,000,000. The 2024 Bonds hereby authorized will be a special obligation of the City, secured by and paid solely from the proceeds thereof or from revenues, income, receipts and other money received or accrued by or on behalf of the City from or in connection with the operation of the City's water and sewer system, as more specifically provided in the General Indenture and the Series Indenture.

The principal of, premium, if any, and interest on the 2024 Bonds shall not be payable from the general funds of the City, nor shall they constitute a legal or equitable pledge, charge, lien or encumbrance upon any of its property or upon any of its income, receipts or revenues except the funds which are pledged under the General Indenture. Neither the credit nor the taxing power of the State of North Carolina or the City are pledged for the payment of the principal of, premium, if any, or interest on the 2024 Bonds, and no holder of the 2024 Bonds has the right to compel the exercise of the taxing power by the State of North Carolina or the City or the forfeiture of any of its property in connection with any default thereon.

Section 3. The issuance of the 2024 Bonds by the City, in substantially the form set forth in the Series Indenture, be and the same hereby is in all respects approved and confirmed. The form and content of the 2024 Bonds and the provisions of the Series Indenture with respect to the 2024 Bonds are approved and confirmed.

Section 4. The 2024 Bonds shall be purchased by the Underwriters under the terms of the Purchase Agreement.

Section 5. The proceeds from the sale of the 2024 Bonds shall be deposited in accordance with the Series Indenture.

Section 6. If any one or more of the agreements or provisions herein contained shall 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 separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the 2024 Bonds authorized hereunder.

Section 7. 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 8. This Bond Order shall take effect immediately on its adoption and pursuant to §159-88 of the General Statutes of North Carolina, as amended, need not be published or subjected to any procedural requirements governing the adoption of ordinances or resolutions by the City Council other than the procedures set out in the Act.

Adopted: May 13, 2024.