

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF
CHATHAM, NORTH CAROLINA, APPROVING A CONTRACT AND A DEED OF
TRUST AND THE DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER
RELATED MATTERS**

WHEREAS, the County of Chatham, North Carolina (the “*County*”) is a validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “*State*”);

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) purchase real and personal property, (2) enter into installment financing contracts in order to finance the purchase of real and personal property used, or to be used, for public purposes, and (3) finance the construction of fixtures or improvements on real property by contracts that create in the fixtures or improvements and in the real property on which such fixtures or improvements are located a security interest to secure repayment of moneys advanced or made available for such construction;

WHEREAS, the County has previously determined that it is in the best interest of the County to enter into an installment financing contract (the “*Contract*”) with the Chatham County Public Facilities Corporation, a North Carolina nonprofit corporation (the “*Corporation*”), in order to pay the capital costs of acquiring, constructing and equipping (a) a new high school to be known as Seaforth High School, (b) a new elementary school to be known as Chatham Grove Elementary School, and (c) a Health Sciences building for Central Carolina Community College (collectively, the “*Project*”);

WHEREAS, in order to secure the County’s obligations under the Contract, the County will enter into a Deed of Trust, Security Agreement and Fixture Filing dated as of July 1, 2018 (the “*Deed of Trust*”) related to the site of the Seaforth High School (the “*Site*”) and the improvements thereon;

WHEREAS, the Corporation will execute and deliver its Limited Obligation Bonds, Series 2018 (the “*Bonds*”) in an aggregate principal amount not to exceed \$125,000,000, evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the Contract) pursuant to the Contract;

WHEREAS, in connection with the sale of the Bonds by the Corporation to Merrill Lynch, Pierce, Fenner & Smith Incorporated and PNC Capital Markets LLC (collectively, the “*Underwriters*”), the County made certain representations and warranties to the Underwriters in the form of the County’s Letter of Representations to the Underwriters (the “*Letter of Representations*”);

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

- (1) the Contract;
- (2) the Deed of Trust;
- (3) an Indenture of Trust dated as of July 1, 2018 (the “*Indenture*”) between the Corporation and U.S. Bank National Association, as trustee;

(4) a Lease and Agency Agreement dated as of July 1, 2018 (the "*Lease and Agency Agreement*") between the County and the Chatham County Board of Education; and

(5) the Letter of Representations;

WHEREAS, to make an offering and sale of the Bonds, there will be prepared a Preliminary Official Statement with respect to the Bonds (the "*Preliminary Official Statement*"), a draft thereof having been presented to the Board, and a final Official Statement relating to the Preliminary Official Statement (together with the Preliminary Official Statement, the "*Official Statement*"), which Official Statement will contain certain information regarding the County;

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

WHEREAS, the Board conducted a public hearing on June 18, 2018 to receive public comment on the proposed Contract, the Deed of Trust and the Project; and

WHEREAS, the County has filed an application to the LGC for approval of the Contract;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF CHATHAM, NORTH CAROLINA, AS FOLLOWS:

Section 1. Ratification of Instruments. All actions of the County, the Chairman of the Board, the Clerk to the Board, the County Manager, the Finance Director of the County, the County Attorney and their respective designees, 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.

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 of the final Official Statement by the Underwriters in connection with the sale of the Bonds is hereby in all respects authorized, approved and confirmed. The Chairman of the Board, the County Manager or the Finance Director is hereby authorized and directed, individually and collectively, to deliver, on behalf of the County, the Official Statement in substantially such form, with such changes, insertions and omissions as he or she may approve.

Section 3. Authorization to Execute the Contract. The County hereby approves the financing in accordance with the terms of the Contract, which will be a valid, legal and binding obligation of the County in accordance with its terms. The form and content of the Contract are hereby in all respects authorized, approved and confirmed, and the Chairman of the Board, the Clerk to the Board and the County Manager and their respective designees are hereby authorized, empowered and directed, individually and collectively, to execute and deliver the Contract, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the County's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Contract presented to the Board. From and after the execution and delivery of the Contract, the Chairman of the Board, the Clerk to the Board, the County Manager and the Finance Director of the County, individually and collectively, are hereby authorized, empowered and directed, individually and collectively, 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 Contract as executed.

Section 4. Authorization to Execute the Deed of Trust. The County approves the form and content of the Deed of Trust, and the Deed of Trust is in all respects authorized, approved and confirmed. The Chairman of the Board, the Clerk to the Board and the County Manager and their respective designees are hereby authorized, empowered and directed, individually and collectively, to execute and deliver the Deed of Trust, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they deem necessary, desirable or appropriate. Execution by the Chairman of the Board, the Clerk to the Board and the County Manager or their respective designees, individually or collectively, constitutes conclusive evidence of the County's approval of any and all such changes, modifications, additions or deletions therein from the form and content of the Deed of Trust presented to the Board, and from and after the execution and delivery of the Deed of Trust, the Chairman of the Board, the Clerk to the Board, the County Manager and the Finance Director of the County are hereby authorized, empowered and directed, individually and collectively, 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 Deed of Trust as executed.

Section 5. Authorization to Execute the Lease and Agency Agreement. The County approves the form and content of the Lease and Agency Agreement, and the Lease and Agency Agreement is in all respects authorized, approved and confirmed. The County Manager and the Finance Director and their respective designees are hereby authorized, empowered and directed, individually and collectively, to execute and deliver the Lease and Agency Agreement, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they deem necessary, desirable or appropriate. Execution by the County Manager, the Finance Director or their respective designees, individually or collectively, constitutes conclusive evidence of the County's approval of any and all such changes, modifications, additions or deletions therein from the form and content of the Lease and Agency Agreement presented to the Board, and from and after the execution and delivery of the Lease and Agency Agreement, the County Manager and the Finance Director of the County are hereby authorized, empowered and directed, individually and collectively, 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 Lease and Agency Agreement as executed.

Section 6. Letter of Representations. That the form and content of the Letter of Representations are in all respects authorized, approved and confirmed, and the execution of the Letter of Representations by the Chairman of the Board, the County Manager, the Finance Director of the County and their respective designees, individually and collectively, is hereby ratified, and that from and after the execution and delivery of the Letter of Representations, the Chairman of the Board, the County Manager and the Finance Director of the County, individually and collectively, 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 Letter of Representations as executed.

Section 7. County Representative. The Chairman of the Board, the County Manager and the Finance Director of the County, individually and collectively, are hereby designated as the County's representative to act on behalf of the County in connection with the transactions contemplated by the Instruments and the Preliminary Official Statement, and the Chairman of the Board, the County Manager and the Finance Director, individually and collectively, are authorized to proceed with the financing in accordance with the Instruments and to seek opinions as a matter of law from the County Attorney, which the County Attorney is authorized to furnish on behalf of the County, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The County's representative and/or designee or designees are in all respects authorized on behalf of the County to supply all information pertaining to the County for use in the Official Statement and the transactions contemplated by the Instruments or the Preliminary Official Statement. The County's representatives or their respective designees are hereby authorized, empowered and directed, individually and collectively, 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 Preliminary Official Statement or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution.

Section 8. Severability. If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

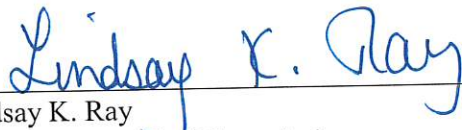
Section 9. Repealer. All motions, orders, resolutions and parts thereof, in conflict herewith are hereby repealed.

Section 10. Effective Date. This Resolution is effective on the date of its adoption.

STATE OF NORTH CAROLINA)
)
COUNTY OF CHATHAM) ss:

I, *Lindsay K. Ray*, Clerk to the Board of Commissioners of the County of Chatham, North Carolina **Do HEREBY CERTIFY** that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CHATHAM, NORTH CAROLINA, APPROVING A CONTRACT AND A DEED OF TRUST AND THE DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS**” adopted by the Board of Commissioners of the County of Chatham, North Carolina, at a meeting held on the 18th day of June, 2018.

WITNESS my hand and the corporate seal of the County of Chatham, North Carolina, this the 18th day of June, 2018.



Lindsay K. Ray
Clerk to the Board of Commissioners
County of Chatham, North Carolina

