

**TOWN OF NORTH YARMOUTH
SELECT BOARD ORDER
AUTHORIZING THE ISSUANCE
OF GENERAL OBLIGATION BONDS**

WHEREAS, at a Town Meeting election held on September 30, 2023, the voters of the Town of North Yarmouth authorized the issuance of up to \$750,000 in general obligation bonds or notes of the Town to finance the purchase of a new E-One fire apparatus to replace Engine 51 (the "Project") and the expenditure of Tax Increment Revenues of up to \$180,000 to reduce the borrowing needed for the Project; and

WHEREAS, pursuant to such Town Meeting authorization, the Select Board desires to authorize and provide for the details of the issuance of up to \$570,000 of General Obligation Bonds of the Town in order to finance the Project.

NOW, THEREFORE, be it voted and ordered by the Select Board of the Town of North Yarmouth, Maine as follows:

Section 1. Bonds Authorized and Purpose of Issue. Pursuant to Maine law, the charter of the Town, votes duly adopted by the inhabitants of the Town at a Town Meeting duly called and held on September 30, 2023, and all other authority thereto enabling, the Town Treasurer is hereby authorized and empowered in the name and on behalf of the Town to borrow up to \$570,000 to finance costs of the Project.

Section 2: Sale of Bonds. The Town Treasurer is hereby authorized to issue and sell general obligation bonds (the "Bonds") in the total aggregate principal amount not to exceed \$570,000. The Bonds shall be issued to First National Bank upon the terms and conditions set forth in a proposal dated August 30, 2023, for a loan term of five years at an interest rate of 5.530%, and the Select Board hereby authorizes the Treasurer to accept the proposal for financing as set forth therein.

Section 3: Appropriation. The sum of up to \$570,000 is hereby appropriated, from the proceeds of the Bonds herein authorized, to finance the costs of the Project.

Section 4: Rates and Other Provisions; Execution. The Bonds shall mature at the times and in the amounts, to be dated as of such date, to bear interest at the rate or rates and to be in such form and to contain such terms and provisions (including but not limited to early redemption provisions, if any) as the Treasurer may hereafter determine or authorize provided that such terms are consistent with this Order. The Bonds shall be executed in the name of the Town by its Treasurer, and countersigned by the Chair of the Select Board, and be in such form and contain such terms and provisions, not inconsistent herewith, as the Treasurer and Chair of the Select Board may approve, their approval to be conclusively evidenced by their execution thereof.

Section 5: Tax-Exempt Covenants. The Treasurer is hereby authorized to covenant and certify on behalf of the Town that no part of the proceeds of the issue and sale of the Bonds authorized to be issued hereunder shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and that no part of the proceeds of the issue and sale of such Bonds (including any notes and bonds in renewal thereof) shall be used, directly or indirectly, in such manner which would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The Treasurer is hereby authorized to covenant and agree, on behalf of the Town, for the benefit of the holders of the Bonds, that the Town will file any required reports and take any other action that may be necessary to ensure that interest on the Bonds will remain exempt from federal income taxation, and that the Town will refrain from any action that would cause interest on the Bonds to be subject to federal income taxation.

Section 6: Qualified Tax-Exempt Obligations. To the extent permitted under the Code, the Treasurer is hereby authorized to designate any of the Bonds authorized to be issued hereunder as qualified tax-exempt obligations for purposes of Section 265(b) of the Code.

Section 7: Disclosure. The Treasurer is hereby authorized to covenant, certify and agree, on behalf of the Town, for the benefit of the holders of the Bonds, that the Town will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

Section 8: Town Officials. If any of the officers or officials of the Town who have signed or sealed the Bonds shall cease to be such officers or officials before the Bonds so signed and sealed shall have been actually authenticated or delivered by the Town, such Bonds nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds had not ceased to be such officer or official; and also any such Bonds may be signed and sealed on behalf of the Town by those persons who, at the actual date of the execution of such Bonds, shall be the proper officers and officials of the Town, although at the nominal date of such Bonds any such person shall not have been such officer or official.

Section 9: Deputy Officers. If the Treasurer, Chair of the Select Board, or Clerk are for any reason unavailable to approve and execute the Bonds or any of the related financing documents, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had herself performed such act.

Section 10: Other Actions. The Treasurer, Chair of the Select Board, Clerk and other appropriate officers of the Town are hereby authorized and empowered to do all such acts and things, and to execute, deliver, file, approve, and record all such financing documents, contracts, deeds, assignments, certificates, memoranda, abstracts, and other documents as may be necessary or advisable, with the advice of counsel for the Town, including but not limited to any certificates, bond insurance agreements, notices of sale and other documents as may be necessary or

appropriate in connection with the sale of the Bonds and any letter of credit agreement or liquidity facility agreement necessary to the issuance of any Bonds, to carry out the provisions of this Bond Order and the provisions set forth above in connection with the Projects, the execution, sale, and delivery by the Town of the Bonds and the execution and delivery of any related financing documents.

Section 11: Costs; Reallocation. The term “cost” or “costs” as used herein and applied to the Projects, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Projects; (2) the cost of planning, developing, preparation of specifications, surveys, engineering, feasibility studies, legal and other professional services associated with the Projects; (3) the cost of environmental studies and assessments; (4) the cost of financing charges and issuance costs, including premiums for insurance, interest prior to and during construction and for a period not to exceed three (3) years from the issue date of the Bonds, underwriters' and financial advisor fees and costs, legal and accounting fees and costs, application fees, and other fees and expenses relating to the financing transaction; and (5) the cost of all other financing authorized hereunder, whether related or unrelated to the foregoing. In the event that any proceeds of the Bonds remain unspent upon completion of a Projects, or if the Town abandons a Projects, the Town reserves the right to reallocate unspent proceeds to the costs of other qualified projects approved, or to be approved, by the Select Board, or to apply unspent proceeds to the payment of debt service on the Bonds.

Section 12: Tax Levy. In each of the years during which any of the Bonds issued hereunder are outstanding, there shall be levied a tax in an amount which, with other revenues, if any, available for that purpose, shall be sufficient to pay the interest on said Bonds, payable in such year, and the principal of such Bonds maturing in such year (except in the case of Notes to be refunded in that year by the issuance of Bonds).

Section 13: Effective Date. This Bond Order shall take effect immediately upon adoption by the Select Board.

ADOPTED this 3rd day of October, 2023 by the Select Board of the Town of North Yarmouth, Maine:

Amy Haile, Chair

Andrea Berry, Vice-Chair

Karl Cyr

Katherine Maloney

Paul Hodgetts