

CITY OF POQUOSON, VIRGINIA

A RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$4,100,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BOND OR BONDS OF THE CITY OF POQUOSON, VIRGINIA, FOR THE PURPOSE OF REFUNDING CERTAIN GENERAL OBLIGATION BONDS OF THE CITY AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF.

(REFUNDING)

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Be it Resolved by the City Council of the City of Poquoson:

Section 1 — Definitions

Unless the context shall clearly indicate some other meaning, the following words and terms shall for all purposes of this Resolution and of any certificate, resolution or other instrument amendatory thereof or supplemental thereto for all purposes of any opinion or instrument or other documents therein or herein mentioned, have the following meanings:

“**Act**” shall mean the Public Finance Act, Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended.

“**Bond Counsel**” shall mean Sands Anderson PC or another attorney or firm of attorneys nationally recognized on the subject of municipal bonds selected by the City.

“**Bondholders,**” “**Holder of the Series 2021C Bond**” or “**Holders**” shall mean the registered owners of the Series 2021C Bond.

“**Bond Purchase Agreement**” shall mean the Bond Purchase Agreement between the City and the Purchaser setting forth the terms of the loan represented by the Bond.

“**Business Day**” shall mean any Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banks generally are open for business in the Commonwealth of Virginia.

“**City**” shall mean the City of Poquoson, Virginia.

“**City Manager**” shall mean the City Manager of the City, or any acting City Manager designated by Council.

“**City Charter**” shall mean the City Charter of the City of Poquoson, as amended.

“**Clerk**” shall mean the City Clerk or the Deputy City Clerk.

“**Closing Date**” shall mean the date on which the Series 2021C Bond is issued and delivered to the Purchaser.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended, and applicable regulations, procedures and rulings thereunder.

“**Commonwealth**” shall mean the Commonwealth of Virginia.

“**Council**” shall mean the City Council of the City of Poquoson, Virginia.

“**Maturity Date**” shall mean February 15, 2028.

“**Mayor**” shall mean the Mayor or Vice Mayor of the City.

“Outstanding” when used in reference to the Series 2021C Bond shall mean, as of a particular date, the Series 2021C Bond authenticated and delivered under this Resolution except as to portions (i) canceled by the City at or before such date, (ii) for the redemption or purchase of which cash or noncallable direct obligations of the United States of America, equal to the redemption or purchase price thereof to the redemption or purchase date, shall have been deposited with the Paying Agent, for which notice of redemption or purchase shall have been given in accordance with the Resolution or (iii) which is defeased as provided for in the Bond Purchase Agreement, except that such Series 2021C Bond shall be considered Outstanding until the maturity or redemption date thereof only for the purposes of actually being paid.

“Paying Agent” shall mean the Treasurer of the City acting as Paying Agent hereunder as designated and authorized under Section 3 or the successors or assigns serving as such hereunder.

“Payment Date” shall have the meaning set forth in the Bond Purchase Agreement.

“Purchaser” shall mean Truist Bank.

“Registrar” shall mean the Paying Agent, or the successors or assigns serving as such hereunder.

“Series 2021C Bond” shall mean the City’s General Obligation Refunding Bond, Series 2021C, which may be issued in one or more series, in an aggregate principal amount not to exceed \$4,100,000 authorized to be issued hereunder.

Section 2 — Findings and Determinations

The Council has received a plan of refinancing from the City’s Financial Advisor, Davenport & Company LLC (**the “Financial Advisor”**) and determined under such plan to issue its refunding bond to refund a portion of the City’s General Obligation Refunding Bonds, Series 2012, (**the “Refunded Bonds”**) and to pay costs incurred refunding the Refunded Bonds and in issuing such refunding bond. The Council has determined that the refunding of the Refunded Bonds will provide debt service savings which will benefit the City and its citizens.

The Council has determined that (i) the City is in need of funds to be used by the City for refunding the Refunded Bonds and paying certain costs of issuance of the Series 2021C Bond, (ii) the obtaining of such funds will be for municipal purposes of the City for the welfare of citizens of the City for purposes which will serve the City and its citizens, (iii) the most effective, efficient and expedient manner in which to provide such funds to refund the Refunded Bonds is by the issuance of the Series 2021C Bond in the maximum principal amount of up to \$4,100,000, the issuance of such Series 2021C Bond being within the power of the City to contract debts, borrow money and make and issue evidence of indebtedness, and (iv) the issuance of the Series 2021C Bond is in the best interests of the City and its citizens.

Pursuant to Section 15.2-2643 *et seq.* of the Act, the City is authorized to issue refunding bonds under the provisions of the Act. The Council elects to issue the Series 2021C Bond

pursuant to the Act.

Section 3 — Authorization, Form and Details of the Series 2021C Bond

Pursuant to the Constitution and statutes of the Commonwealth of Virginia, the Series 2021C Bond shall be issued and sold to provide funds to (a) refund the Refunded Bonds and (b) pay the costs of refunding the Refunded Bonds and of issuing the Series 2021C Bond.

The Series 2021C Bond shall be designated as the City's General Obligation Refunding Bond, Series 2021C or such other designations (including letter designations for each maturity if appropriate) as may be determined by the City Manager. The Series 2021C Bond shall be issuable as a fully registered bond or bonds, without coupons, shall be dated as of the Closing Date, shall be numbered RC-1 (with additional designations as appropriate) and shall bear interest payable on the applicable Payment Dates at a rate not to exceed 1.49% per annum (subject to conversion upon a Conversion Date as described below to 1.18% per annum (**the "Conversion Rate"**)) and thereafter subject to any provisions in the Bond Purchase Agreement relating to adverse change in tax status of interest payments on the Series 2021C Bond, if any). Principal of the Series 2021C Bond shall be paid in full on or before the Maturity Date. Prepayment of the Series 2021C Bond shall be permitted in whole or in part after November 17, 2021.

On or after November 17, 2021, the interest rate on the Series 2021C Bond may be converted to the Conversion Rate upon delivery of an opinion of Bond Counsel that the Series 2021C Bond may be treated as tax-exempt and bank qualified for federal income tax purposes as of such date (**the "Conversion Date"**).

The Series 2021C Bond is hereby authorized to be issued under the Act. The Series 2021C Bond shall bear interest from the date on which it is authenticated. Interest on the Series 2021C Bond shall be computed on the basis of 30-day months and a 360-day year.

Principal of, and interest on, the Series 2021C Bond shall be payable in lawful money of the United States of America. Principal of and interest on the Series 2021C Bond shall be payable at the principal office of the Paying Agent.

The Series 2021C Bond shall be printed, lithographed or typewritten and shall be substantially in the form set forth below, with such appropriate variations, omissions and insertions as are permitted or required by this Resolution.

If any principal of, or interest on, the Series 2021C Bond is not paid when due (whether at maturity, by acceleration or call for redemption, or otherwise), then, to the extent permitted by law, the overdue installments of principal shall bear interest until paid at the same rate as set forth in the Series 2021C Bond.

The Series 2021C Bond shall be signed by the facsimile or manual signature of the Mayor or Vice-Mayor. The facsimile of the City seal shall be printed thereon or manually impressed thereon and attested by the facsimile or manual signature of the Clerk. In case any officer whose signature or facsimile of whose signature shall appear on the Series 2021C Bond

shall cease to be such officer before delivery of the Series 2021C Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she remained in office until such delivery. The Series 2021C Bond may bear the facsimile signature of or may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign the Series 2021C Bond although on the date of delivery of the Series 2021C Bond such persons may not have been such officers.

The Series 2021C Bond shall bear a certificate of authentication, in the form set forth in the "Form of Bond" attached as Exhibit A hereto, duly executed by the Registrar. The Registrar shall authenticate the Series 2021C Bond with the signature of an authorized officer of the Registrar. Only the authenticated Series 2021C Bond shall be entitled to any right or benefit under this Resolution, and such certificate on the Series 2021C Bond issued hereunder shall be conclusive evidence that the Series 2021C Bond has been duly issued and is secured by the provisions hereof. Upon a Conversion Date, the Purchaser may request, and the City and the Registrar shall deliver upon such request a revised form of Series 2021C Bond reflecting the Conversion Rate.

The Paying Agent shall act as Registrar and shall maintain registration books for the registration and the registration of transfer of the Series 2021C Bond. The City Treasurer is hereby designated and authorized to act as Paying Agent and Registrar hereunder. The transfer of the Series 2021C Bond may be registered only on the books kept for the registration and registration of transfer of the Series 2021C Bond (or any interest therein) upon surrender thereof to the Registrar together with an assignment duly executed by the registered holder in person or by his or her duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such transfer, the City shall execute and the Registrar shall authenticate and deliver, in exchange of the Series 2021C Bond, a new Series 2021C Bond or new Series 2021C Bonds, registered in the name of the transferee or transferees, of the same series, maturity and interest rate as the Series 2021C Bond so exchanged, in any denomination or denominations authorized by this Resolution. Notwithstanding anything herein to the contrary, the Series 2021C Bond may only be transferred to affiliates of the then current Bondholder or to banks, insurance companies or other financial institutions and their affiliates (including participation arrangements with such entities) and shall only be transferred in denominations equal to or greater than \$250,000.

The Registrar shall not be required to make any such registration or registration of transfer during the fifteen (15) days immediately preceding any Payment Date, the Maturity Date or a redemption date.

Prior to due presentment for registration of transfer for the Series 2021C Bond, the Registrar shall treat the registered holder as the person exclusively entitled to payment of principal of, premium, if any, and interest on, the Series 2021C Bond and the exercise of all other rights and powers of the Holder.

If the Series 2021C Bond has been mutilated, lost or destroyed, the City shall execute and the Registrar shall authenticate and deliver a new Series 2021C Bond of like date and tenor in exchange or substitution for, and upon cancellation of, such mutilated Series 2021C Bond or in

lieu of and in substitution for such lost or destroyed Series 2021C Bond; provided, however, that the City and the Registrar shall execute, authenticate and deliver such Series 2021C Bond only if the Holder has paid the reasonable expenses and charges of the City and the Registrar in connection therewith and, in the case of a lost or destroyed Series 2021C Bond, has furnished to the City and the Registrar (a) evidence satisfactory to them that such Series 2021C Bond was lost or destroyed and the Holder was the owner thereof and (b) indemnity satisfactory to them. If the Series 2021C Bond has matured, instead of issuing a new Series 2021C Bond, the Registrar may pay the same without surrender thereof upon receipt of the aforesaid evidence and indemnity.

If the Series 2021C Bond has been paid (whether at maturity, by acceleration or otherwise) or delivered to the Paying Agent for cancellation, the Series 2021C Bond shall not be reissued and the Registrar shall, unless otherwise directed by the City, cremate, shred or otherwise dispose of the Series 2021C Bond. The Registrar shall deliver to the City a certificate of any such cremation, shredding or other disposition of the Series 2021C Bond.

Notice of redemption shall be sent by registered or certified mail by the Registrar to the registered Holder of the Series 2021C Bond to be redeemed at his or her address as it appears on the registration books, provided that failure to give such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of the Series 2021C Bond with respect to which no such failure has occurred.

The Series 2021C Bond shall be substantially in the form set forth on Exhibit A attached hereto, with such appropriate variations, omissions or insertions as may be approved by the Mayor or Vice-Mayor, either of whom may act, whose approval thereof shall be conclusively evidenced by the execution, delivery or acceptance of such Series 2021C Bond by the Mayor or Vice-Mayor, either of whom may act, with such variations, omissions or insertions, and may have endorsed thereon such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

Section 4 — Proceeds

Proceeds received from the sale of the Series 2021C Bond shall be expended to (a) fund an escrow agreement in an amount sufficient to refund the Refunded Bonds on February 15, 2022, and (b) pay certain costs of issuance of the Series 2021C Bond, in accordance with a closing memorandum prepared by Davenport & Company, LLC as financial advisor to the City.

Section 5 — General Obligation

The Council, in accordance with Section 15.2-2624 of the Act, is hereafter authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any and interest on the Series 2021C Bond, to the extent other funds of the City are not lawfully available and appropriated for such purpose.

Section 6 — Event of Default

Each of the following shall constitute an event of default hereunder:

- (a) Failure to pay the principal of the Series 2021C Bond when due;
- (b) Failure to pay interest on the Series 2021C Bond when due;
- (c) Failure of the City to perform any other covenant or agreement contained in this Resolution or the Bond Purchase Agreement, if any, which failure shall have continued for 60 days after the notice thereof from the Holder of the Series 2021C Bond; provided, however, that if any such failure shall be such that it cannot be cured or corrected within a 60-day period but is, in fact, susceptible of cure or correction, it shall not constitute an event of default if curative or corrective action is instituted within said period and diligently pursued until the failure of performance is cured or corrected;
- (d) The instituting of any proceeding with the consent of the City for the purpose of effecting composition between the City and its creditors or for the purpose of adjusting the claims of creditors pursuant to any federal or state statute; or
- (e) If the City for any reason shall be rendered incapable of fulfilling its obligations under this Resolution or the Bond Purchase Agreement.

Section 7 — Enforcement by Bondholder

The Holder of the Series 2021C Bond may by mandamus or other appropriate proceeding at law or in equity in any court of competent jurisdiction, enforce and compel performance of this Resolution and every provision and covenant thereof, including without limiting the generality of the foregoing, the enforcement of the performance of all obligations and duties and requirements to be done or performed by the City by the Resolution or by the applicable laws of the Commonwealth.

Section 8 — Modification of Bond Resolution

The City may, without the consent of the Bondholder, make any modification or amendment of this Resolution required to cure any ambiguity or error herein contained or to make any amendments hereto or to grant to the Bondholder additional rights.

The Holder of the Series 2021C Bond shall have the power to authorize any modifications to this Resolution proposed by the City other than as permitted above.

Section 9 — No Arbitrage Covenant and Covenants and Designations as to the Code

The City hereby covenants that it will not use or invest, or permit the use or investment of any proceeds of the Series 2021C Bond, in a manner that would cause the Series 2021C Bond to be subjected to treatment under Section 148 of the Code and the regulations adopted thereunder as “arbitrage bonds,” and to that end the City shall comply with applicable regulations adopted under said Section 148 of the Code.

Although the Series 2021C Bond will initially be issued as a taxable obligation for federal income tax purposes; the City expects that the Series 2021C Bond will be able to be treated as a tax-exempt obligation for federal income tax purposes on the Conversion Date. The City covenants to comply with the Code provisions requiring that any issuance of “governmental bonds,” as defined therein, be subject to certain requirements as to rebate and timing and type of payments to be paid for from the proceeds of such bonds, as well as other additional requirements. In order to assure compliance with such Code provisions, the City will enter into a Nonarbitrage and Tax Certificate to comply with such requirements and will covenant that it will not breach the terms thereof.

Section 10 — Further Actions Authorized

The form of the Bond Purchase Agreement presented to this meeting is hereby approved, and the Mayor, Vice Mayor and City Manager, or any of them, are authorized and directed to consent to the terms of the sale of the Series 2021C Bond and to execute and deliver the Bond Purchase Agreement, with such changes and amendments as the officer executing the same shall approve, such approval to be conclusively evidenced by his execution and delivery thereof. The Mayor, Vice Mayor, City Clerk, City Manager, City Treasurer, Finance Director, City Attorney, Bond Counsel and all other officers, employees and agents of the City are hereby authorized and directed to take any and all such further action as shall be deemed necessary or desirable in order to effectuate delivery of, and payment for, the Series 2021C Bond, all in accordance with the Resolution, including, but not limited to, the execution and delivery of any escrow agreement or other documentation necessary in connection with the refunding of any obligations issued to finance the acquisition of the Refunded Bonds. The signature of such officers or employees shall be conclusive evidence of the approval of any such action by the Council.

Section 11 — Invalidity of Sections

If any section, paragraph, clause or provision of this Resolution shall be held invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining portions of this Resolution.

Section 12 — Headings of Sections, Table of Contents

The headings of the sections of this Resolution and the Table of Contents appended hereto or to copies hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of such sections of this Resolution.

Section 13 — Effectiveness and Filing of Resolution

This Resolution shall take effect immediately. A certified copy of this Resolution shall be filed by the Clerk with the Clerk of the Circuit Court of the County of York, Virginia. The filing of this Resolution with the Clerk of the Circuit Court of the County of York, Virginia shall be deemed to be the filing of an initial resolution or Resolution with such Court for all purposes of the Act. Any Resolutions or resolutions inconsistent herewith previously adopted by the City Council are amended to be consistent with this Resolution. Pursuant to Section 15.2-2643 of the Act, no approval of the authorization, sale, or exchange of the Series 2021C Bond shall be required by any official, court, board, or body and no publication of any notice, order, resolution, or proceeding relating to the issuance of the Series 2021C Bond shall be necessary.

The Members of the City Council voted as follows:

Ayes

Nays

Absent

Abstentions

Adopted this 22nd day of February, 2021.

The undersigned City Manager of the City of Poquoson, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on February 22, 2021, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing resolution, a quorum was present and action was taken in an open meeting.

Dated this _____ day of February, 2021.

City Manager of the
City of Poquoson, Virginia

EXHIBIT A
"FORM OF BOND"

No. RC- _____

\$ _____

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA, CITY OF POQUOSON
GENERAL OBLIGATION REFUNDING BOND
SERIES 2021C**

Dated: _____, 2020

Registered Holder: _____

Maturity Date: February 15, 2028

Principal Sum: \$ _____

Interest Rate: __%

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Poquoson, Virginia (hereinafter sometimes referred to as the "City"), a City of the Commonwealth of Virginia, for value received hereby promises to pay to the registered holder (named above), or assigns or legal representative, in installments and on the Maturity Date (specified above), subject to prepayment or prior redemption as described herein, the Principal Sum (specified above) to the registered holder in the amounts and on the payment dates set forth on Schedule A attached hereto, and to pay interest on said Principal Sum at the annual rate stated above (subject to adjustment to the Conversion Rate upon the Conversion Date as described below) in the amounts and on the payment dates set forth on Schedule A attached hereto.

On or after November 17, 2021, the interest rate on this Bond may be converted to 1.18% per annum (the "Conversion Rate") upon delivery of an opinion of Sands Anderson PC as bond counsel to the City dated as of such date (the "Conversion Date") that, as of such date, the Bond qualifies as tax-exempt and bank-qualified for federal income tax purposes. The holder hereof may request the City deliver and the Registrar authenticate a new Bond reflecting the Conversion Rate upon surrender of this Bond to the Registrar.

After a Conversion Date, upon a Determination of Taxability (as defined below), the interest rate on this Bond shall be automatically adjusted to the original taxable rate hereof of 1.49% (the "Taxable Rate") from the Date of Taxability (as defined below). For purposes of this Bond, the following terms have the following meanings:

"Date of Taxability" means the earliest date after a Conversion Date as of which interest on this Bond shall have been determined to be includable in the gross income of the Bondholder pursuant to a Determination of Taxability.

“Determination of Taxability” means and shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the City files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Bondholder notifies the City that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability (as defined below) has occurred unless, within 180 days after receipt by the City of such notification from such Bondholder, the City shall deliver to the Bondholder (A) a ruling or determination letter issued to or on behalf of the Authority by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) or (B) a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the City shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings by the City, or upon any review or audit of the City or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on that date when the City shall receive notice from the Bondholder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Bondholder the interest on this Bond due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the City has been afforded the opportunity, at the sole expense of the City, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Bondholder, the City shall immediately reimburse such Bondholder for any payments such Bondholder shall be obligated to make as a result of the Determination of Taxability during any such contest.

“Event of Taxability” means, after the Conversion Date, the taking of any action by the City, or the failure to take any action by the City, or the making by the City of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of this Bond which has the effect of causing interest paid or payable on this Bond to become includable, in whole or in part, in the gross income of the Bondholder for federal income tax purposes.

Both principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in regular and due time, form and manner as required by law; that this Bond does not exceed any constitutional, statutory or charter limitation of indebtedness; and that provision has been made for the payment of the principal of, and interest on, this Bond, as provided in the Resolution (as defined below).

No registration, transfer or exchange of this Bond shall be permitted within fifteen (15) days of any payment date, the Maturity Date or the date of redemption of this Bond.

This Bond is in an original principal amount of \$_____, and is issued under, pursuant to and in compliance with the Constitution and laws of the Commonwealth of Virginia, including Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended, the same being the Public Finance Act, and the Resolution duly adopted under said Chapter by the Council on April 21, 2020 (the “**Resolution**”) to refund the City’s General Obligation Bond, Series 2010B (the “**Refunded Bonds**”) and to pay costs incurred refunding the Refunded Bonds and in issuing this Bond.

This Bond (or any interest thereof) is transferable only upon the registration books kept at the office of the Registrar by the registered holder hereof, or by his or her duly authorized attorney, upon surrender of this Bond (together with a written instrument of transfer, satisfactory in form to the Registrar, duly executed by the registered holder or his or her duly authorized attorney, which may be the form endorsed hereon) and subject to the limitations on transfer and assignment and upon payment of the charges, if any, as provided in the Resolution, and thereupon as provided in the Resolution a new Bond or new Bonds, in the aggregate principal amount and of the same series, interest rate and maturity as the Bond surrendered, shall be issued in exchange therefor. The City and the Registrar shall deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever.

This Bond is subject to prepayment in full or in part prior to maturity at the option of the City Council at any time on or after November 17, 2021 at a price equal to 100% of the outstanding principal balance of the Bond, plus interest accrued to the redemption date. This Bond is not subject to prepayment before November 17, 2021.

Notice of redemption shall be sent by registered or certified mail by the Registrar to the registered Holder of the Bond not less than thirty (30) days before the redemption date, to be redeemed at his or her address as it appears on the registration books, provided that failure to give such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of the Bond with respect to which no such failure has occurred.

THIS BOND IS A GENERAL OBLIGATION OF THE CITY, FOR THE PAYMENT OF WHICH THE CITY'S FULL FAITH AND CREDIT ARE IRREVOCABLY PLEDGED. THE COUNCIL IS AUTHORIZED AND REQUIRED TO LEVY AND COLLECT, ANNUALLY AT THE SAME TIME AND IN THE SAME MANNER AS OTHER TAXES OF THE CITY ARE ASSESSED, LEVIED AND COLLECTED, A TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY, OVER AND ABOVE ALL OTHER TAXES AUTHORIZED OR LIMITED BY LAW AND WITHOUT LIMITATION AS TO RATE OR AMOUNT, SUFFICIENT TO PAY WHEN DUE THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THIS BOND, TO THE EXTENT OTHER FUNDS OF THE CITY ARE NOT LAWFULLY AVAILABLE AND APPROPRIATED FOR SUCH PURPOSE.

Reference is hereby made to the Resolution and to all of the provisions thereof to which any Holder of this Bond, by his or her acceptance hereof hereby assents, for definitions of terms; the description of and nature and extent of the security for this Bond; the conditions upon which the Resolution may be amended or supplemented without the consent of the Holder of this Bond and upon which it may be amended only with the consent of the Holder of this Bond affected thereby; the rights and remedies of the holder hereof with respect hereto; the rights, duties and obligations of the City; the provisions discharging the Resolution as to this Bond and for the other terms and provisions of the Resolution.

This Bond shall not be valid or obligatory for any purpose unless the certificate of authentication hereon has been duly executed by the Registrar and the date of authentication inserted hereon.

IN WITNESS WHEREOF, the City of Poquoson, Virginia, by its City Council has caused this Bond to be signed by the Mayor and attested by the City Clerk, by their manual or facsimile signatures, and its seal to be impressed or imprinted hereon, and this Bond to be dated as set forth above.

(SEAL)

City Clerk

Mayor

CERTIFICATE OF AUTHENTICATION

This Bond is the Series 2021C Bond described in the within-mentioned Resolution.

**REGISTRAR - CITY OF POQUOSON,
VIRGINIA TREASURER**

By: _____
Poquoson City Treasurer

DATE OF AUTHENTICATION:

_____, 2021

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns, and transfers unto

Please insert social security number or other tax identification number of assignee:

[_____]

Name and address of assignee, including zip code: _____

_____ the within-mentioned Bond and hereby irrevocably constitutes and appoints _____ attorney-in-fact, to transfer the same on the registration books thereof maintained in the office of the within-mentioned Registrar with the full power of substitution in the premises.

PRINCIPAL AMOUNT ASSIGNED: _____

DATED: _____

BOND: The signature to this assignment must correspond with the name of the registered holder that is written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed

Schedule A