

The City of Morgantown
 Combined Utility System Revenue Bonds, Series 2010 C
 (West Virginia SRF Program)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM) TO PERMIT THE FUNDING OF THE SERIES 2010 C BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2010 C BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2010 C BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on September 1, 2009, as amended and modified by a Supplemental Resolution, duly and officially adopted on January 5, 2010 (collectively, the "Bond Ordinance"), which provided for the issuance of The City of Morgantown Combined Utility System Revenue Bonds, Series 2010 C (West Virginia SRF Program) (the "Series 2010 C Bonds");

WHEREAS, the Bond Ordinance provides for a reserve account (the "Series 2010 C Bonds Reserve Account") held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2010 C Bonds. The Bond Ordinance provided that the Series 2010 C Bonds Reserve Account was to be fully funded with proceeds of the Series 2010 C Bonds upon the issuance thereof in the amount of \$934,937 (the "Series 2010 C Bonds Reserve Requirement"). The Series 2010 C Bonds Reserve Account was funded in the amount of \$935,808.94 as of June 30, 2022.

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2010 C Bonds Reserve Account a municipal bond debt service reserve insurance policy (a "Debt Service Reserve Insurance Policy"), or

surety bond, letter of credit or similar financial instrument (each known as a “Reserve Account Credit Facility”), in an amount either equal to, or lesser than, the Series 2010 C Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2010 C Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2010 C Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2010 C Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2010 C Bonds, as well as the Series 2010 D Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2015 A Bonds, Series 2015 C Bonds, Series 2015 D Bonds and Series 2019 B Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2010 C Bonds Debt Service Reserve Account in an amount equal to the Series 2010 C Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2010 C Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2010 C Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2010 C Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2010 C Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2010 C Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2010 C Bonds, cause to be deposited with the Commission and pledged to the Series 2010 C Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2010 C Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2010 C Bonds. In the event the Series 2010 C Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2010 C Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2010 C Bonds Reserve Account and any monies then on deposit in the Series 2010 C Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term "Reserve Account Credit Facility" shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2010 C Bonds Reserve Account.

(1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2010 C Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder) (i) on any date on which moneys are required to be withdrawn from the Series 2010 C Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2010 C Bonds when needed to pay debt service on such Bonds or (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 C Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months

prior to any stated expiration date of such Reserve Account Credit Facility for any Reserve Account Credit Facility that is not conterminous with the final maturity date of the Series 2010 C Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2010 C Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2010 C Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2010 C Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2010 C Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2010 C Bonds Reserve Account to the Series 2010 C Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond

Ordinance the Issuer agrees to comply, and hereby authorizes and instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Policy”) and pay all related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2010 C Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2010 C Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2010 C Bonds Sinking Fund for payment of the debt service on the Series 2010 C Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2010 C Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made

on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2010 C Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2010 C Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2010 C Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2010 C Bonds (collectively, the “Security Documents”).

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer’s obligation to pay such amount shall expressly survive payment in full of the Series 2010 C Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service

requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2010 C Bonds and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2010 C Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2010 C Bonds shall not discharge the obligation of the Issuer with respect to such Series 2010 C Bonds, and BAM shall become the owner of such unpaid Series 2010 C Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2010 C Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect

to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2010 C Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity bonds) in all revenues and collateral pledged as security for the Series 2010 C Bonds. Policy Costs shall be paid to the Reserve Insurer immediately following the payment of principal of and interest on the Series 2010 C Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer's Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the "Series 2020 A Bonds") even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2010 C Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2010 C Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
 200 Liberty Street, 27th Floor
 New York, NY 10281
 Attention: Surveillance, Re: Policy No. _____
 Telephone: (212) 235-2500
 Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize

the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2010 C Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2010 C Bonds Reserve Account; and (iii) the payment by the Board of all costs associated with actions authorized in this Supplemental Resolution, specifically including, but not limited to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2010 C Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

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Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)

The City of Morgantown
 Combined Utility System Revenue Bonds, Series 2010 D
 (West Virginia DWTRF Program)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA DWTRF PROGRAM) TO PERMIT THE FUNDING OF THE SERIES 2010 D BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2010 D BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2010 D BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on September 1, 2009, as amended and modified by a Supplemental Resolution, duly and officially adopted on January 5, 2010 (collectively, the "Bond Ordinance"), which provided for the issuance of The City of Morgantown Combined Utility System Revenue Bonds, Series 2010 D (West Virginia DWTRF Program) (the "Series 2010 D Bonds");

WHEREAS, the Bond Ordinance provides for a reserve account (the "Series 2010 D Bonds Reserve Account") held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2010 D Bonds. The Bond Ordinance provided that the Series 2010 D Bonds Reserve Account was to be fully funded with proceeds of the Series 2010 D Bonds upon the issuance thereof in the amount of \$566,383.00 (the "Series 2010 D Bonds Reserve Requirement"). The Series 2010 D Bonds Reserve Account was funded in the amount of \$667,135.55 as of June 30, 2022;

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2010 D Bonds Reserve Account a municipal bond debt service reserve insurance policy (a "Debt Service Reserve Insurance Policy"), or surety bond, letter of credit or similar financial instrument (each known as a "Reserve Account Credit Facility"), in an amount either equal to, or lesser than, the Series 2010 D Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2010 D Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2010 D Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2010 D Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2010 D Bonds, as well as the Series 2010 C Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2015 A Bonds, Series 2015 C Bonds, Series 2015 D Bonds and Series 2019 B Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2010 D Bonds Debt Service Reserve Account in an amount equal to the Series 2010 D Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2010 D Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2010 D Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2010 D Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2010 D Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2010 D Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2010 D Bonds, cause to be deposited with the Commission and pledged to the Series 2010 D Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2010 D Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2010 D Bonds. In the event the Series 2010 D Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2010 D Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2010 D Bonds Reserve Account and any monies then on deposit in the Series 2010 D Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term "Reserve Account Credit Facility" shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2010 D Bonds Reserve Account.

(1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2010 D Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder) (i) on any date on which moneys are required to be withdrawn from the Series 2010 D Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2010 D Bonds when needed to pay debt service on such Bonds or (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 D Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months prior to any stated expiration date of such Reserve Account Credit Facility for any Reserve Account Credit Facility that is not conterminous

with the final maturity date of the Series 2010 D Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2010 D Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2010 D Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2010 D Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2010 D Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2010 D Bonds Reserve Account to the Series 2010 D Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond Ordinance the Issuer agrees to comply, and hereby authorizes and instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Policy”) and pay all related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2010 D Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2010 D Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2010 D Bonds Sinking Fund for payment of the debt service on the Series 2010 D Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2010 D Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2010 D Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account

Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2010 D Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2010 D Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2010 D Bonds (collectively, the “Security Documents”).

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer’s obligation to pay such amount shall expressly survive payment in full of the Series 2010 D Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a)

hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2010 D Bonds and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2010 D Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2010 D Bonds shall not discharge the obligation of the Issuer with respect to such Series 2010 D Bonds, and BAM shall become the owner of such unpaid Series 2010 D Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2010 D Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2010 D Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity bonds) in all revenues and collateral pledged as security for the Series 2010 D Bonds. Policy Costs shall be paid to the Reserve Insurer

immediately following the payment of principal of and interest on the Series 2010 D Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer's Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the "Series 2020 A Bonds") even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2010 D Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2010 D Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
 200 Liberty Street, 27th Floor
 New York, NY 10281
 Attention: Surveillance, Re: Policy No. _____
 Telephone: (212) 235-2500
 Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2010 D Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2010 D Bonds Reserve Account; and (iii) the payment by the Board of all costs associated with actions authorized in this Supplemental Resolution, specifically including, but not limited

to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2010 D Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

[Remainder of Page Intentionally Blank]

Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)

The City of Morgantown
 Combined Utility System Revenue Bonds, Series 2012 A
 (West Virginia DWTRF Program)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA DWTRF PROGRAM) TO PERMIT THE FUNDING OF THE SERIES 2012 A BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2012 A BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2012 A BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on January 3, 2012, as amended and modified by a Supplemental Resolution, duly and officially adopted on August 24, 2012 (collectively, the "Bond Ordinance"), which provided for the issuance of The City of Morgantown Combined Utility System Revenue Bonds, Series 2012 A (West Virginia DWTRF Program) (the "Series 2012 A Bonds");

WHEREAS, the Bond Ordinance provides for a reserve account (the "Series 2012 A Bonds Reserve Account") held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2012 A Bonds. The Bond Ordinance provided that the Series 2012 A Bonds Reserve Account was to be funded by quarterly payments of \$511.83 to reach a total amount of \$20,473.00 (the "Series 2012 A Bonds Reserve Requirement"). The Series 2012 A Bonds Reserve Account was funded in the amount of \$20,495.29 as of June 30, 2022;

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2012 A Bonds Reserve Account a municipal bond debt service reserve insurance policy (a "Debt Service Reserve Insurance Policy"), or surety bond, letter of credit or similar financial instrument (each known as a "Reserve Account Credit Facility"), in an amount either equal to, or lesser than, the Series 2012 A Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2012 A Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2012 A Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2012 A Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2012 A Bonds, as well as the Series 2010 C Bonds, Series 2010 D Bonds, Series 2013 A Bonds, Series 2015 A Bonds, Series 2015 C Bonds, Series 2015 D Bonds and Series 2019 B Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2012 A Bonds Debt Service Reserve Account in an amount equal to the Series 2012 A Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2012 A Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2012 A Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2012 A Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2012 A Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2012 A Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2012 A Bonds, cause to be deposited with the Commission and pledged to the Series 2012 A Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2012 A Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2012 A Bonds. In the event the Series 2012 A Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2012 A Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2012 A Bonds Reserve Account and any monies then on deposit in the Series 2012 A Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term "Reserve Account Credit Facility" shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2012 A Bonds Reserve Account.

(1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2012 A Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder) (i) on any date on which moneys are required to be withdrawn from the Series 2012 A Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2012 A Bonds when needed to pay debt service on such Bonds or (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 D Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months prior to any stated expiration date of such Reserve Account Credit Facility for any Reserve Account Credit Facility that is not conterminous with the final maturity date of the Series 2012 A Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver

an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2012 A Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2012 A Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2012 A Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2012 A Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2012 A Bonds Reserve Account to the Series 2012 A Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond Ordinance the Issuer agrees to comply, and hereby authorizes and instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the "Reserve Policy") and pay all

related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2012 A Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2012 A Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2012 A Bonds Sinking Fund for payment of the debt service on the Series 2012 A Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2012 A Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2012 A Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for

disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2012 A Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2012 A Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2012 A Bonds (collectively, the "Security Documents").

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer's obligation to pay such amount shall expressly survive payment in full of the Series 2012 A Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2012 A Bonds

and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2012 A Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2012 A Bonds shall not discharge the obligation of the Issuer with respect to such Series 2012 A Bonds, and BAM shall become the owner of such unpaid Series 2012 A Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2012 A Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2012 A Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity bonds) in all revenues and collateral pledged as security for the Series 2012 A Bonds. Policy Costs shall be paid to the Reserve Insurer immediately following the payment of principal of and interest on the Series 2012 A Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer's Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the "Series 2020 A Bonds") even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2012 A Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2012 A Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
 200 Liberty Street, 27th Floor
 New York, NY 10281
 Attention: Surveillance, Re: Policy No. _____
 Telephone: (212) 235-2500
 Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2012 A Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2012 A Bonds Reserve Account; and (iii) the payment by the Board of all costs associated with actions authorized in this Supplemental Resolution, specifically including, but not limited to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2012 A Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

[Remainder of Page Intentionally Blank]

Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)

The City of Morgantown
 Combined Utility System Revenue Bonds, Series 2013 A
 (West Virginia Infrastructure Fund)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA INFRASTRUCTURE FUND) TO PERMIT THE FUNDING OF THE SERIES 2013 A BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2013 A BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2013 A BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on July 5, 2011, as amended and modified by a Supplemental Resolution, duly and officially adopted on August 13, 2013 (collectively, the "Bond Ordinance"), which provided for the assumption and redesignation of the Canyon Public Service District, Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund) (the "District Bonds") to The City of Morgantown Combined Utility System Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund) (the "Series 2013 A Bonds");

WHEREAS, the Bond Ordinance provided that the District Bonds reserve account was to be assumed by the Issuer and was renamed The City of Morgantown, Series 2013 A Bonds Reserve Account. The Bond Ordinance provides for a reserve account (the "Series 2013 A Bonds Reserve Account") held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2013 A Bonds and the District Bonds. The Series 2013 A Bonds Reserve Account was fully funded upon assumption in the amount of \$131,580.00 (the "Series 2013 A Bonds Reserve Requirement"). The Series 2013 A Bonds Reserve Account was funded in the amount of \$135,179.03 as of June 30, 2022;

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2013 A Bonds Reserve Account a

municipal bond debt service reserve insurance policy (a “Debt Service Reserve Insurance Policy”), or surety bond, letter of credit or similar financial instrument (each known as a “Reserve Account Credit Facility”), in an amount either equal to, or lesser than, the Series 2013 A Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2013 A Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2013 A Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2013 A Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2013 A Bonds, as well as the Series 2010 C Bonds, Series 2010 D Bonds, Series 2012 A Bonds, Series 2015 A Bonds, Series 2015 C Bonds, Series 2015 D Bonds and Series 2019 B Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2013 A Bonds Debt Service Reserve Account in an amount equal to the Series 2013 A Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2013 A Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2013 A Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2013 A Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2013 A Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2013 A Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2013 A Bonds, cause to be deposited with the Commission and pledged to the Series 2013 A Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2013 A Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2013 A Bonds. In the event the Series 2013 A Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2013 A Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2013 A Bonds Reserve Account and any monies then on deposit in the Series 2013 A Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term “Reserve Account Credit Facility” shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2013 A Bonds Reserve Account.

(1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2013 A Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder) (i) on any date on which moneys are required to be withdrawn from the Series 2013 A Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2013 A Bonds when needed to pay debt service on such Bonds or (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 D Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months prior to any stated expiration date of such Reserve Account Credit

Facility for any Reserve Account Credit Facility that is not conterminous with the final maturity date of the Series 2013 A Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2013 A Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2013 A Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2013 A Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2013 A Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2013 A Bonds Reserve Account to the Series 2013 A Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond Ordinance the Issuer agrees to comply, and hereby authorizes and

instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Policy”) and pay all related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2013 A Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2013 A Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2013 A Bonds Sinking Fund for payment of the debt service on the Series 2013 A Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2013 A Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the

Series 2013 A Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2013 A Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2013 A Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2013 A Bonds (collectively, the “Security Documents”).

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer’s obligation to pay such amount shall expressly survive payment in full of the Series 2013 A Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2013 A Bonds and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2013 A Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2013 A Bonds shall not discharge the obligation of the Issuer with respect to such Series 2013 A Bonds, and BAM shall become the owner of such unpaid Series 2013 A Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2013 A Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2013 A Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity

bonds) in all revenues and collateral pledged as security for the Series 2013 A Bonds. Policy Costs shall be paid to the Reserve Insurer immediately following the payment of principal of and interest on the Series 2013 A Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer's Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the "Series 2020 A Bonds") even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2013 A Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2013 A Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
 200 Liberty Street, 27th Floor
 New York, NY 10281
 Attention: Surveillance, Re: Policy No. _____
 Telephone: (212) 235-2500
 Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2013 A Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2013 A Bonds Reserve Account; and (iii) the payment by the Board of all costs

associated with actions authorized in this Supplemental Resolution, specifically including, but not limited to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2013 A Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

[Remainder of Page Intentionally Blank]

Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)

The City of Morgantown
Combined Utility System Revenue Bonds, Series 2015 A
(West Virginia SRF Program)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2015 A (WEST VIRGINIA SRF PROGRAM) TO PERMIT THE FUNDING OF THE SERIES 2015 A BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2015 A BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2015 A BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on July 16, 2013, as amended and modified by a Supplemental Resolution, duly and officially adopted on March 17, 2015 (collectively, the "Bond Ordinance"), which provided for the assumption and redesignation of the Scotts Run Public Service District, Sewer Revenue Bonds Series 1991 A (the "District Bonds") to The City of Morgantown Combined Utility System Revenue Bonds, Series 2015 A (West Virginia SRF Program) (the "Series 2015 A Bonds");

WHEREAS, the Bond Ordinance provided that the District Bonds reserve account was to be assumed by the Issuer upon closing was renamed The City of Morgantown, Series 2015 A Bonds Reserve Account (the "Series 2015 A Bonds Reserve Account"). The Bond Ordinance provides for the Series 2015 A Bonds Reserve Account held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2015 A Bonds and the District Bonds. The Series 2015 A Bonds Reserve Account was fully funded upon assumption in the amount of \$11,276.00 (the "Series 2015 A Bonds Reserve Requirement"). The Series 2015 A Bonds Reserve Account was funded in the amount of \$11,288.24 as of June 30, 2022;

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2015 A Bonds Reserve Account a

municipal bond debt service reserve insurance policy (a “Debt Service Reserve Insurance Policy”), or surety bond, letter of credit or similar financial instrument (each known as a “Reserve Account Credit Facility”), in an amount either equal to, or lesser than, the Series 2015 A Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2015 A Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2015 A Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2015 A Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2015 A Bonds, as well as the Series 2010 C Bonds, Series 2010 D Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2015 C Bonds, Series 2015 D Bonds and Series 2019 B Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2015 A Bonds Debt Service Reserve Account in an amount equal to the Series 2015 A Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2015 A Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2015 A Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2015 A Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2015 A Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2015 A Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2015 A Bonds, cause to be deposited with the Commission and pledged to the Series 2015 A Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2015 A Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2015 A Bonds. In the event the Series 2015 A Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2015 A Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2015 A Bonds Reserve Account and any monies then on deposit in the Series 2015 A Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term “Reserve Account Credit Facility” shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2015 A Bonds Reserve Account.

- (1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2015 A Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder)
 - (i) on any date on which moneys are required to be withdrawn from the Series 2015 A Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2015 A Bonds when needed to pay debt service on such Bonds or
 - (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 D Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months prior to any stated expiration date of such Reserve Account Credit

Facility for any Reserve Account Credit Facility that is not conterminous with the final maturity date of the Series 2015 A Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2015 A Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2015 A Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2015 A Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2015 A Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2015 A Bonds Reserve Account to the Series 2015 A Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond Ordinance the Issuer agrees to comply, and hereby authorizes and

instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Policy”) and pay all related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2015 A Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2015 A Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2015 A Bonds Sinking Fund for payment of the debt service on the Series 2015 A Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2015 A Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the

Series 2015 A Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2015 A Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2015 A Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2015 A Bonds (collectively, the “Security Documents”).

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer’s obligation to pay such amount shall expressly survive payment in full of the Series 2015 A Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2015 A Bonds and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2015 A Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2015 A Bonds shall not discharge the obligation of the Issuer with respect to such Series 2015 A Bonds, and BAM shall become the owner of such unpaid Series 2015 A Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2015 A Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2015 A Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity

bonds) in all revenues and collateral pledged as security for the Series 2015 A Bonds. Policy Costs shall be paid to the Reserve Insurer immediately following the payment of principal of and interest on the Series 2015 A Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer’s Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the “Series 2020 A Bonds”) even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2015 A Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2015 A Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
200 Liberty Street, 27th Floor
New York, NY 10281
Attention: Surveillance, Re: Policy No. _____
Telephone: (212) 235-2500
Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2015 A Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2015 A Bonds Reserve Account; and (iii) the payment by the Board of all costs

associated with actions authorized in this Supplemental Resolution, specifically including, but not limited to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2015 A Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

[Remainder of Page Intentionally Blank]

Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)

The City of Morgantown
 Combined Utility System Revenue Bonds, Series 2015 C
 (West Virginia SRF Program)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2015 C (WEST VIRGINIA SRF PROGRAM) TO PERMIT THE FUNDING OF THE SERIES 2015 C BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2015 C BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2015 C BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on July 16, 2013, as amended and modified by a Supplemental Resolution, duly and officially adopted on March 17, 2015 (collectively, the "Bond Ordinance"), which provided for the assumption and redesignation of the Scotts Run Public Service District, Sewer Revenue Bonds Series 2003 A (the "District Bonds") to The City of Morgantown Combined Utility System Revenue Bonds, Series 2015 C (West Virginia SRF Program) (the "Series 2015 C Bonds");

WHEREAS, the Bond Ordinance provided that the District Bonds reserve account was to be assumed by the Issuer upon closing and was renamed The City of Morgantown, Series 2015 C Bonds Reserve Account (the "Series 2015 C Bonds Reserve Account"). The Bond Ordinance provides for the Series 2015 C Bonds Reserve Account held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2015 C Bonds and the District Bonds. The Series 2015 C Bonds Reserve Account was fully funded upon assumption in the amount of \$213,468.00 (the "Series 2015 C Bonds Reserve Requirement"). The Series 2015 C Bonds Reserve Account was funded in the amount of \$223,151.63 as of June 30, 2022;

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2015 C Bonds Reserve Account a

municipal bond debt service reserve insurance policy (a “Debt Service Reserve Insurance Policy”), or surety bond, letter of credit or similar financial instrument (each known as a “Reserve Account Credit Facility”), in an amount either equal to, or lesser than, the Series 2015 C Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2015 C Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2015 C Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2015 C Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2015 C Bonds, as well as the Series 2010 C Bonds, Series 2010 D Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2015 A Bonds, Series 2015 D Bonds and Series 2019 B Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2015 C Bonds Debt Service Reserve Account in an amount equal to the Series 2015 C Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2015 C Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2015 C Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2015 C Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2015 C Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2015 C Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2015 C Bonds, cause to be deposited with the Commission and pledged to the Series 2015 C Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2015 C Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2015 C Bonds. In the event the Series 2015 C Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2015 C Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2015 C Bonds Reserve Account and any monies then on deposit in the Series 2015 C Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term "Reserve Account Credit Facility" shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2015 C Bonds Reserve Account.

(1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2015 C Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder) (i) on any date on which moneys are required to be withdrawn from the Series 2015 C Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2015 C Bonds when needed to pay debt service on such Bonds or (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 D Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months prior to any stated expiration date of such Reserve Account Credit

Facility for any Reserve Account Credit Facility that is not conterminous with the final maturity date of the Series 2015 C Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2015 C Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2015 C Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2015 C Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2015 C Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2015 C Bonds Reserve Account to the Series 2015 C Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond Ordinance the Issuer agrees to comply, and hereby authorizes and

instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Policy”) and pay all related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2015 C Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2015 C Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2015 C Bonds Sinking Fund for payment of the debt service on the Series 2015 C Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2015 C Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the

Series 2015 C Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2015 C Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2015 C Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2015 C Bonds (collectively, the “Security Documents”).

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer’s obligation to pay such amount shall expressly survive payment in full of the Series 2015 C Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2015 C Bonds and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2015 C Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2015 C Bonds shall not discharge the obligation of the Issuer with respect to such Series 2015 C Bonds, and BAM shall become the owner of such unpaid Series 2015 C Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2015 C Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2015 C Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity

bonds) in all revenues and collateral pledged as security for the Series 2015 C Bonds. Policy Costs shall be paid to the Reserve Insurer immediately following the payment of principal of and interest on the Series 2015 C Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer's Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the "Series 2020 A Bonds") even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2015 C Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2015 C Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
 200 Liberty Street, 27th Floor
 New York, NY 10281
 Attention: Surveillance, Re: Policy No. _____
 Telephone: (212) 235-2500
 Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2015 C Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2015 C Bonds Reserve Account; and (iii) the payment by the Board of all costs

associated with actions authorized in this Supplemental Resolution, specifically including, but not limited to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2015 C Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

[Remainder of Page Intentionally Blank]

Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)

The City of Morgantown
 Combined Utility System Revenue Bonds, Series 2015 D
 (West Virginia SRF Program)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2015 D (WEST VIRGINIA SRF PROGRAM) TO PERMIT THE FUNDING OF THE SERIES 2015 D BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2015 D BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2015 D BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on July 16, 2013, as amended and modified by a Supplemental Resolution, duly and officially adopted on March 17, 2015 (collectively, the "Bond Ordinance"), which provided for the assumption and redesignation of the Scotts Run Public Service District, Sewer Revenue Bonds Series 2009 A (the "District Bonds") to The City of Morgantown Combined Utility System Revenue Bonds, Series 2015 D (West Virginia SRF Program) (the "Series 2015 D Bonds");

WHEREAS, the Bond Ordinance provided that the District Bonds reserve account was assumed by the Issuer upon closing and was renamed The City of Morgantown, Series 2015 D Bonds Reserve Account (the "Series 2015 D Bonds Reserve Account"). The Bond Ordinance provides for the Series 2015 D Bonds Reserve Account held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2015 D Bonds and the District Bonds. The Series 2015 D Bonds Reserve Account is fully funded in the amount of \$44,144.00 (the "Series 2015 D Bonds Reserve Requirement"). The Series 2015 D Bonds Reserve Account was funded in the amount of \$44,189.27 as of June 30, 2022;

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2015 D Bonds Reserve Account a

municipal bond debt service reserve insurance policy (a “Debt Service Reserve Insurance Policy”), or surety bond, letter of credit or similar financial instrument (each known as a “Reserve Account Credit Facility”), in an amount either equal to, or lesser than, the Series 2015 D Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2015 D Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2015 D Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2015 D Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2015 D Bonds, as well as the Series 2010 C Bonds, Series 2010 D Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2015 A Bonds, Series 2015 C Bonds and Series 2019 B Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2015 D Bonds Debt Service Reserve Account in an amount equal to the Series 2015 D Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2015 D Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2015 D Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2015 D Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2015 D Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2015 D Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2015 D Bonds, cause to be deposited with the Commission and pledged to the Series 2015 D Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2015 D Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2015 D Bonds. In the event the Series 2015 D Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2015 D Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2015 D Bonds Reserve Account and any monies then on deposit in the Series 2015 D Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term "Reserve Account Credit Facility" shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2015 D Bonds Reserve Account.

(1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2015 D Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder) (i) on any date on which moneys are required to be withdrawn from the Series 2015 D Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2015 D Bonds when needed to pay debt service on such Bonds or (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 D Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months prior to any stated expiration date of such Reserve Account Credit

Facility for any Reserve Account Credit Facility that is not conterminous with the final maturity date of the Series 2015 D Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2015 D Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2015 D Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2015 D Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2015 D Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2015 D Bonds Reserve Account to the Series 2015 D Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond Ordinance the Issuer agrees to comply, and hereby authorizes and

instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Policy”) and pay all related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2015 D Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2015 D Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2015 D Bonds Sinking Fund for payment of the debt service on the Series 2015 D Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2015 D Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the

Series 2015 D Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2015 D Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2015 D Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2015 D Bonds (collectively, the “Security Documents”).

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer’s obligation to pay such amount shall expressly survive payment in full of the Series 2015 D Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2015 D Bonds and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2015 D Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2015 D Bonds shall not discharge the obligation of the Issuer with respect to such Series 2015 D Bonds, and BAM shall become the owner of such unpaid Series 2015 D Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2015 D Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2015 D Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity

bonds) in all revenues and collateral pledged as security for the Series 2015 D Bonds. Policy Costs shall be paid to the Reserve Insurer immediately following the payment of principal of and interest on the Series 2015 D Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer's Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the "Series 2020 A Bonds") even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2015 D Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2015 D Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
 200 Liberty Street, 27th Floor
 New York, NY 10281
 Attention: Surveillance, Re: Policy No. _____
 Telephone: (212) 235-2500
 Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2015 D Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2015 D Bonds Reserve Account; and (iii) the payment by the Board of all costs

associated with actions authorized in this Supplemental Resolution, specifically including, but not limited to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2015 D Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

[Remainder of Page Intentionally Blank]

Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)

The City of Morgantown
 Combined Utility System Revenue Bonds, Series 2019 B
 (West Virginia DWTRF Program)

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING THE AMENDMENT AND MODIFICATION OF THE BOND ORDINANCE OF THE CITY OF MORGANTOWN WHICH AUTHORIZED AND DIRECTED THE ISSUANCE OF THE CITY OF MORGANTOWN COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2019 B (WEST VIRGINIA DWTRF PROGRAM) TO PERMIT THE FUNDING OF THE SERIES 2019 B BONDS RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY OR OTHER CREDIT FACILITY; PROVIDING FOR THE WITHDRAWAL OF MONIES CURRENTLY DEPOSITED IN THE SERIES 2019 B BONDS RESERVE ACCOUNT UPON THE SATISFACTION OF SUCH RESERVE ACCOUNT THROUGH A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY AND THE USE OF SUCH MONIES FOR CAPITAL IMPROVEMENTS FOR THE SYSTEM; APPROVING THE MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT AND DEBT SERVICE RESERVE AGREEMENT FROM BUILD AMERICA MUTUAL ASSURANCE COMPANY FOR THE SERIES 2019 B BONDS RESERVE ACCOUNT; AND PROVIDING FOR THE TAKING OF ALL ACTIONS RELATED THERETO.

WHEREAS, the Council (the "Governing Body") of The City of Morgantown (the "Issuer") has duly and officially enacted a Bond Ordinance on May 7, 2019, as amended and modified by a Supplemental Resolution, duly and officially adopted on October 15, 2019 (collectively, the "Bond Ordinance"), which provided for the assumption and redesignation of the River Road Public Service District, Water Revenue Bonds Series 2016 A (the "District Bonds") to The City of Morgantown Combined Utility System Revenue Bonds, Series 2019 B (West Virginia DWTRF Program) (the "Series 2019 B Bonds");

WHEREAS, the Bond Ordinance provided that the District Bonds reserve account was assumed by the Issuer upon closing and was renamed The City of Morgantown, Series 2019 B Bonds Reserve Account (the "Series 2019 B Bonds Reserve Account"). The Bond Ordinance provides for the Series 2019 B Bonds Reserve Account held by the West Virginia Municipal Bond Commission (the "Bond Commission") to secure the payment of the principal of, and interest on, the Series 2019 B Bonds and the District Bonds. The Series 2019 B Bonds Reserve Account was fully funded upon assumption in the amount of \$91,445.00 (the "Series 2019 B Bonds Reserve Requirement"). The Series 2019 B Bonds Reserve Account was funded in the amount of \$95,407.99 as of June 30, 2022;

WHEREAS, the Bond Ordinance is either silent or provides an insufficient framework as to the authority of the Issuer to subsequently pledge to the Series 2019 B Bonds Reserve Account a

municipal bond debt service reserve insurance policy (a “Debt Service Reserve Insurance Policy”), or surety bond, letter of credit or similar financial instrument (each known as a “Reserve Account Credit Facility”), in an amount either equal to, or lesser than, the Series 2019 B Bonds Reserve Requirement;

WHEREAS, the Issuer has been advised, and does hereby determine, that pledging a Debt Service Reserve Insurance Policy to the Series 2019 B Bonds Reserve Account (i) is a more financially advantageous method to satisfy the Series 2019 B Bonds Reserve Requirement; and (ii) will allow the monies currently on deposit in the Series 2019 B Bonds Reserve Account which remain after the payment of the cost of purchasing such Debt Service Reserve Insurance Policy and paying any expenses related thereto, to be used for the design, acquisition, construction and equipping of capital additions, betterments and improvements for the combined waterworks, sewerage and stormwater system of the Issuer (the “System”);

WHEREAS, Build America Mutual Assurance Company (“BAM”) has agreed to provide to the Issuer a Municipal Bond Debt Service Reserve Insurance Commitment for the Series 2019 B Bonds, as well as the Series 2010 C Bonds, Series 2010 D Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2015 A Bonds, Series 2015 C Bonds and Series 2015 D Bonds as defined in the hereafter described Debt Service Reserve Agreement (collectively, the “Additional Insured Parity Bonds”), substantially in the form attached hereto as “Exhibit A” and incorporated herein by reference (the “Debt Service Reserve Insurance Commitment”), whereby BAM agrees, subject to certain conditions, to provide a Municipal Bond Debt Service Reserve Insurance Policy to fund the Series 2019 B Bonds Debt Service Reserve Account in an amount equal to the Series 2019 B Bonds Reserve Requirement and to fund the respective Reserve Accounts for the Additional Insured Parity Bonds (the Series 2019 B Bonds Debt Service Reserve Account and the respective reserve accounts for the Additional Insured Parity Bonds shall be collectively referred to herein as the “Insured Reserve Accounts”) in an amount equal to each respective reserve requirement therefor (the “Debt Service Reserve Insurance Policy”);

WHEREAS, the Debt Service Reserve Insurance Commitment includes a form of “Debt Service Reserve Agreement” by and between the Issuer and BAM (the “Debt Service Reserve Agreement”) which provides, in part, that any payments made, or Policy Costs incurred, by BAM pursuant to the Debt Service Reserve Insurance Policy shall be repaid to BAM by the Issuer pursuant to the terms of the Debt Service Reserve Agreement;

WHEREAS, the West Virginia Water Development Authority (the “WDA”) initially purchased, and remains the sole Registered Owner of, the Series 2019 B Bonds;

WHEREAS, Section 11.01 of the Bond Ordinance provides that written consent of the Registered Owners of the Series 2019 B Bonds to amendment or modification of the Bond Ordinance is required prior to any such amendment or modification;

WHEREAS, the WDA, as sole Registered Owner of the Series 2019 B Bonds, has consented to the amendment and modification of the Bond Ordinance to authorize any Debt Service Reserve Insurance Policy as provided in this Second Supplemental Resolution;

WHEREAS, the Issuer desires to purchase, and pledge to the respective Insured Reserve Accounts, the Debt Service Reserve Insurance Policy in an amount equal to the respective reserve requirements for the Series 2019 B Bonds and the Additional Insured Parity Bonds (collectively, the “Reserve Requirements”), and for the monies on deposit in the Insured Reserve Accounts to be released to the Morgantown Utility Board (the “Board”) and used as provided herein; and

WHEREAS, the Governing Body deems it essential and desirable that this Second Supplemental Resolution be adopted, and that the Bond Ordinance be amended and modified as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MORGANTOWN:

Section 1. The Bond Ordinance is hereby amended and modified by adding a new Section 6.19 in the Bond Ordinance as set forth below:

Section 6.19. Reserve Account Credit Facility. In lieu of or in addition to cash or investments, at any time the Issuer may, with the prior written consent of the Registered Owners of the Series 2019 B Bonds, cause to be deposited with the Commission and pledged to the Series 2019 B Bonds Reserve Account any form of Reserve Account Credit Facility, in the amount of the Series 2019 B Bonds Reserve Requirement, or any lesser amount, irrevocably payable to the Commission as beneficiary for the Registered Owners of the Series 2019 B Bonds. In the event the Series 2019 B Bonds Reserve Account is initially funded, in whole or in part, with proceeds of the Series 2019 B Bonds, or from monthly payments from Gross Revenues of the System by the Issuer, the Issuer may deposit a Reserve Account Credit Facility to replace all or any portion of the monies on deposit in the Series 2019 B Bonds Reserve Account and any monies then on deposit in the Series 2019 B Bonds Reserve Account, and required to be on deposit therein, shall be returned to the Board and used to pay the costs of delivering such Reserve Account Credit Facility and/or to pay the costs of design, acquisition, construction and equipping of capital additions, betterments and improvements for the System. The term "Reserve Account Credit Facility" shall mean any municipal bond debt service reserve insurance policy, surety bond, letter of credit or similar financial instrument that the Issuer deposits with the Commission and pledges to the Series 2019 B Bonds Reserve Account.

(1) Any such Reserve Account Credit Facility shall be payable to the Commission as beneficiary for the Registered Owners of the Series 2019 B Bonds, shall have a term of no less than one (1) year and shall be payable (upon the giving of such notice as may be required thereunder) (i) on any date on which moneys are required to be withdrawn from the Series 2019 B Bonds Reserve Account due to insufficient amounts in the applicable funds and accounts held by the Commission with respect to the Series 2019 B Bonds when needed to pay debt service on such Bonds or (ii) on a date not more than ten (10) days prior to the expiration date of the Reserve Account Credit Facility in the event the Issuer has not satisfied any of the requirements for a Reserve Account Credit Facility for which the expiration date is not coterminous with the Series 2010 D Bonds set forth in (i), (ii) or (iii) below. Not less than three (3) months prior to any stated expiration date of such Reserve Account Credit

Facility for any Reserve Account Credit Facility that is not conterminous with the final maturity date of the Series 2019 B Bonds, the Issuer shall either (i) provide for delivery of a replacement Reserve Account Credit Facility which satisfies the requirements of this Section 6.19, (ii) deliver an extension of the Reserve Account Credit Facility for a term of not less than one (1) year, or (iii) deposit cash in the Series 2019 B Bonds Reserve Account in an amount which satisfies the requirements of this Section 6.19. Upon delivery of a replacement Reserve Account Credit Facility, the Commission shall deliver the then-effective Reserve Account Credit Facility to, or at the direction of, the Issuer.

(2) In the event the Commission draws upon a Reserve Account Credit Facility, the Issuer shall pay to the provider thereof, from the Revenue Fund in accordance with the priority for funding of all reserve accounts from Gross Revenue set forth in Section 5.03 hereof, all principal and interest and expenses payable thereto under the terms of the applicable Reserve Account Credit Facility. This Bond Ordinance shall not be terminated until all such amounts are paid in full.

(3) The Commission shall maintain adequate records of (i) the amount available to be drawn at any time under any Reserve Account Credit Facility; and (ii) the amounts paid and payable by the Issuer to the provider thereof.

(4) In the event the Series 2019 B Bonds Reserve Account is, at any time, only partially funded by a Reserve Account Credit Facility and the Commission is required to withdraw any monies from the Series 2019 B Bonds Reserve Account, the Commission shall (i) first disburse any cash or investments in the Series 2019 B Bonds Reserve Account until such cash or investments are exhausted and, thereafter, draw on said Reserve Account Credit Facility, and (ii) reimburse the provider of said Reserve Account Credit Facility an amount equal to the aggregate amount drawn on such Reserve Account Credit Facility (including any interest accrued on any amount drawn under said Reserve Account Credit Facility) before replenishing the cash or investments in order to restore said Series 2019 B Bonds Reserve Account to the Series 2019 B Bonds Reserve Requirement.

Section 2. The Bond Ordinance is hereby amended and modified by adding a new Section 6.20 in the Bond Ordinance as set forth below:

Section 6.20. Provisions related to Build America Mutual Assurance Company Municipal Bond Debt Service Reserve Insurance Policy.

With respect to the Municipal Bond Debt Service Reserve Insurance Policy, notwithstanding anything to the contrary set forth in this Bond Ordinance the Issuer agrees to comply, and hereby authorizes and

instructs the Commission, as Paying Agent, to comply with the following provisions:

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Policy”) and pay all related reasonable expenses incurred by BAM (the “Reserve Insurer”). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Reserve Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2019 B Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Reserve Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the “Policy Costs”) shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Series 2019 B Bonds Reserve Account and all other available amounts in any funds available to pay debt service on the Bonds shall be transferred to the Series 2019 B Bonds Sinking Fund for payment of the debt service on the Series 2019 B Bonds before any drawing may be made on the Reserve Policy or any other Reserve Account Credit Facility on deposit in the Series 2019 B Bonds Reserve Account.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Account Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the

Series 2019 B Bonds Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to each other Reserve Account Credit Facility shall be made on a pro-rata basis prior to replenishment of any cash drawn from the respective Reserve Funds. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Account Credit Facility without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the reserve requirement of the Series 2019 B Bonds.

(b) Draws under the Reserve Policy may only be used to make payments on Series 2019 B Bonds and other obligations on a parity therewith which are covered under the Reserve Policy.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Bond Ordinance or any other document executed in connection with the Series 2019 B Bonds (collectively, the “Security Documents”).

(d) The Security Documents shall not be discharged until all Policy Costs owing to the Reserve Insurer shall have been paid in full. The Issuer’s obligation to pay such amount shall expressly survive payment in full of the Series 2019 B Bonds.

(e) The Reserve Policy shall expire and terminate in accordance with the terms and provisions of the Reserve Policy and Debt Service Reserve Agreement.

(f) Any amendment, supplement, modification to, or waiver of any of the Security Documents that requires the consent of the Registered Owners of the Bonds or adversely affects the rights or interest of the Reserve Insurer shall be subject to the prior written consent of the Reserve Insurer.

(g) The Reserve Insurer is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(h) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Security Documents.

(i) The Commission shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and shall provide notice to the Reserve Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2019 B Bonds and a draw on the Reserve Policy is anticipated to make such payment. Where deposits are required to be made by the Issuer with the Commission to the debt service fund for the Series 2019 B Bonds more often than semi-annually, the Commission shall give notice to the Reserve Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(j) The Issuer agrees unconditionally that it will pay or reimburse the Reserve Insurer on demand, but solely from the Gross Revenues of the System, any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Reserve Insurer may pay or incur, including, but not limited to, fees and expenses of the Reserve Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Bond Ordinance or any other Security Document ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Reserve Insurer spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full.

(k) Payments made by the Reserve Insurer under the Reserve Policy with respect to claims for interest on or principal of the Series 2019 B Bonds shall not discharge the obligation of the Issuer with respect to such Series 2019 B Bonds, and BAM shall become the owner of such unpaid Series 2019 B Bonds and claims for the interest thereon. The Issuer and the Commission recognize and agree that to the extent the Reserve Insurer makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Series 2019 B Bonds, the Reserve Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon.

(l) In order to secure the Issuer's payment obligations with respect to Policy Cost, there is hereby granted and perfected in favor of the Reserve Insurer a security interest (subordinate only to that of the owners of the Series 2019 B Bonds and all bonds issued on a parity therewith, including the Prior Bonds and all subsequently issued additional parity

bonds) in all revenues and collateral pledged as security for the Series 2019 B Bonds. Policy Costs shall be paid to the Reserve Insurer immediately following the payment of principal of and interest on the Series 2019 B Bonds and all Parity Bonds, including following the occurrence of a default or event of default.

(m) Notice and Other Information to be given to the Reserve Insurer.

(1) The Board will provide the Reserve Insurer with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement for the Issuer's Combined Utility System Refunding Revenue Bonds, Series 2020 A (Tax Exempt) (the "Series 2020 A Bonds") even if the Series 2020 A Bonds are no longer outstanding and (ii) to the Registered Owners of the Series 2019 B Bonds or Paying Agent under the Security Documents.

(2) In addition, the Issuer shall provide the Reserve Insurer with the following notices and other information: prior written notice of the advance refunding or redemption of any of the Series 2019 B Bonds, including the principal amount, maturities and CUSIP numbers thereof, if any.

(3) The Reserve Insurer shall be entitled to receive such additional information as it may reasonably request.

(4) The notice address of Reserve Insurer is:

Build America Mutual Assurance Company
 200 Liberty Street, 27th Floor
 New York, NY 10281
 Attention: Surveillance, Re: Policy No. _____
 Telephone: (212) 235-2500
 Telecopier: (212) 235-1542 Email:
notices@buildamerica.com

A copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

Section 3. The Issuer hereby accepts, approves and ratifies the Debt Service Reserve Insurance Commitment and the form of the Debt Service Reserve Agreement, with such changes as shall be approved by the City Manager and/or Mayor in their respective discretion, and does hereby authorize the Mayor, City Clerk and City Manager to execute such documents and to take any and all actions required to consummate the transactions contemplated therein, specifically including, but not limited to (i) the purchase, and pledge to the Series 2019 B Bonds Reserve Account, of the Debt Service Reserve Insurance Policy; (ii) the release to the Board which operates the System of the monies currently on deposit in the Series 2019 B Bonds Reserve Account; and (iii) the payment by the Board of all costs

associated with actions authorized in this Supplemental Resolution, specifically including, but not limited to, the premium for the Debt Service Reserve Insurance Policy and all professional fees and costs related to the issuance of same.

Section 4. The Issuer authorizes the Board to use and the Board shall use any funds released from the Series 2019 B Bonds Reserve Account as a result of pledging the Debt Reserve Insurance Policy thereto for (i) paying costs associated with obtaining the Debt Service Reserve Insurance Policy, specifically including, but not limited to, the premium paid to BAM for the Debt Service Reserve Insurance Policy; and (ii) paying costs of design, acquisition, construction and equipping of additions, betterments, and/or improvements to the System.

Section 5. The Mayor, City Clerk and City Manager, and all other appropriate officers, employees and agents of the Issuer, are hereby authorized, empowered and directed to do any and all things proper and necessary to cause to occur the actions provided for in this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers, employees and agents of the Issuer to give such further assurance and do such further acts as may be legally required.

[Remainder of Page Intentionally Blank]

Section 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this ___ day of _____, 2022.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Second Supplemental Resolution duly adopted by the Council of The City of Morgantown on the ____ day of _____, 2022, which Resolution has not been amended or modified in any respect from such date of adoption and remains in full force and effect as of the date hereof.

Dated: _____, 2022.

[SEAL]

City Clerk

EXHIBIT A

Form of

BAM Municipal Bond Debt Service Reserve Insurance Commitment

(see attached)