

AQUARION WATER AUTHORITY

2026 SECOND SUPPLEMENTAL RESOLUTION TO AMEND THE GENERAL BOND RESOLUTION

WHEREAS, the Aquarion Water Authority (the “Authority”) adopted its Water System Revenue Bond Resolution, General Bond Resolution, on April 24, 2025, as may be amended and supplemented from time to time (the “General Bond Resolution”); and

WHEREAS, Section 902 of the General Bond Resolution provides that the Authority may at any time adopt a resolution supplementing the General Bond Resolution subject to the consent of the Bondholders; and

WHEREAS, as of the date of this amendment, bond anticipation notes (the “Notes”) were issued under the General Bond Resolution and remain Outstanding; and

WHEREAS, Bank of America is the sole Bondholder of the Notes; and

WHEREAS, the Authority desires to amend certain sections of the General Bond Resolution.

NOW THEREFORE BE IT RESOLVED by the Aquarion Water Authority that:

1. Section 102 of the General Bond Resolution is hereby amended by deleting the following definitions and replacing them with the following definitions:

“Acceptable Surety Policy” means any Credit Facility in favor of the Trustee (a) substantially in the form attached to the applicable Supplemental Resolution, and issued by an Eligible Surety Provider, (b) the reimbursement obligations with respect to which shall be payable from funds deposited to the account of the Fund for which it is issued in lieu of cash, (c) the term of which is at least one year from the date of issue and (d) which allows drawing (i) during the 30-day period prior to expiry (unless otherwise replaced or such Credit Facility expires on the final maturity of the related Bonds for which it was issued), and (ii) if such Credit Facility is used to fund any reserve account established under the applicable Supplemental Resolution, when funds would otherwise be drawn from such reserve account.

“Authority” means (i) the Aquarion Water Authority, the public corporation created and existing under the Act, (ii) Aquarion Company, Aquarion Water Company, Aquarion Water Company of Connecticut, and Torrington Water Company, wholly owned subsidiaries of the Aquarion Water Authority which was organized to own and operate the water and wastewater systems of the Aquarion Company and (iii) any body, board, authority, agency, political subdivision or instrumentality of the State which shall hereafter succeed to the powers, duties and functions of (i) and (ii) above, other than any municipality having general governmental powers and duties.

“*Bond Insurer*” means any issuer of a policy insuring the principal and/or Accreted Value of and interest on Bonds issued under this General Bond Resolution and an applicable Supplemental Resolution, or any successors thereto or assignees thereof.

“*Bond Insurer Reimbursement Agreement*” means the reimbursement obligations relating to a Bond Insurance Policy set forth in the applicable Supplemental Resolution or pursuant to any agreement entered into between a Bond Insurer and the Authority; provided, however, this shall not be construed to include a Bond Insurance Policy.

“*Credit Facility*” means a letter of credit, line of credit, liquidity facility or other credit facility issued by a financial institution or other form of credit enhancement, including, but not limited to, municipal bond insurance (other than a Bond Insurance Policy), sureties and other guarantees, delivered to the Trustee for a Series or portion of a Series of Bonds or to meet any reserve requirement, which provides for payment, in accordance with the terms of such Credit Facility, of principal or Accreted Value of, or premium or interest on such Series or portion of a Series of Bonds or the purchase price of such Series of Bonds or portion thereof, or any combination of the foregoing. A Credit Facility may be comprised of one or more credit facilities issued by one or more financial institutions. For clarity, an Acceptable Letter of Credit and an Acceptable Surety Policy shall constitute a Credit Facility.

“*Eligible Surety Provider*” means a commercial surety provider organized in the United States of America with a long-term debt rating from Moody’s of no lower than “A3” (or its equivalent) or S&P of no lower than “A-” (or its equivalent) at the time of the initial delivery of the Credit Facility

“*Make-Whole Redemption Price*” means the amount that is equal to the greater of:

- (i) one hundred percent (100%) of the Amortized Value of the 2026 Bonds to be redeemed; or
- (ii) the remaining scheduled payments of principal and interest on the 2026 Bonds to be redeemed from and including the date of redemption to the Par Call Date of such 2026 Bonds, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the applicable MMD Rate plus, in each case, accrued interest to, but not including the redemption date.

“*MMD Rate*” means, with respect to any redemption date for a particular Bond, the interest rate per annum included in the Municipal Market Data "AAA" scale ("MMD") most recently published on The Municipal Market Monitor (TM3) by Refinitiv (or any successor publisher of MMD) on or before the applicable redemption date with a maturity most nearly equal to the period from the redemption date to the date on which such Bonds can be optionally called at par.

“*Ordinary Course Payments*” means all regularly scheduled payments due from either party under any Swap Agreement from time to time, calculated in accordance with the terms of such Swap Agreement (including after any offset expressly contemplated thereby), but excluding, for the avoidance of doubt, any swap termination payments due and payable under

such Swap Agreement, which swap termination payments shall be payable from the General Fund as provided in Section 411 hereof.

“Outstanding”, when used with reference to Bonds, means, as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered under the Resolution except (a) any Bond canceled at or before said date, (b) any portion of a Bond which has been paid or redeemed, (c) any Bond (or portion of a Bond) for the payment or redemption of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall have theretofore been irrevocably deposited with one or more of the Fiduciaries in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with Article V or provision satisfactory to the Trustee shall have been made for the giving of such notice, (d) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to Article III or Section 506 or Section 1006, (e) any Bond deemed to have been paid as provided in subsection B of Section 1101 and (f) any amounts of a draw down bond which have not been drawn down.

“Redemption Price” means, with respect to any Bond (or portion thereof), the principal amount or Accreted Value of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and the Resolution and any Supplemental Resolution; provided the *“Redemption Price”* for Bond subject to mandatory redemption pursuant to Section 507 shall be the Make Whole Redemption Price.

“Repayment Obligations” means an obligation set forth in the applicable Supplemental Resolution or arising under a written agreement of the Authority and a Credit Facility Provider pursuant to which the Authority agrees to reimburse the Credit Facility Provider for amounts paid through a Credit Facility used to pay the principal of or interest on or purchase price of any Bonds, or an obligation arising under a written agreement of the Authority and a Liquidity Provider pursuant to which the Authority agrees to reimburse the Liquidity Provider for amounts paid through a Liquidity Facility used to purchase Bonds.

“Revenues” means (a) all rates, fees, charges, rents, grants for the payment of current expenses, and other income and receipts received by the Authority from the ownership or operation of the Water System, (b) the proceeds received with respect to insurance relating to the Water System which insures against loss of Revenues, (c) interest received on any moneys or securities held pursuant to the Resolution and paid into the Revenue Fund under the Resolution, (d) the monies and securities of any water company acquired by the Authority and deposited in the Revenue Fund to the extent such monies are applied to pay liabilities incurred by the water company prior to the date of acquisition, (e) Ordinary Course Payments and termination receipts from Swap Agreements entered into in connection with Indebtedness payable from and secured by Revenues, (f) an amount transferred from conducting or investing in a Noncore Business that the Authority shall determine and direct for deposit into the Revenue Fund, which distributions shall constitute Revenues, and (g) amounts transferred from the Rate Stabilization Fund into the Revenue Fund, all such amounts whether now existing or hereafter acquired or coming into existence and the right to receive the same. Revenues do not include (w) in-kind donations and construction grants, (x) any amounts earned from conducting or investing in a Noncore Business

which are not directed by the Authority for deposit in the Revenue Fund, (y) the proceeds for any insurance pertaining to loss or damage to persons and the property of others or to loss or damage to the Water System, or the proceeds of condemnation or the sale or other disposition of any part of the Water System, except to the extent any such proceeds are applied by the Authority to pay Operating Expenses or relate to any part of the Water System acquired or financed with the proceeds of Bonds, or (z) to the extent restricted, any amount received or receivable from the United States or the State (or any agency of either thereof) or from any other source as or on account of a grant or contribution for or with respect to (i) the construction, acquisition, improvement, extension, renewal or other development of any part of Water System or (ii) the financing of any of the foregoing except as permitted by (f) above.

“*Senior Debt Reserve Requirement*” if any, as of any date of calculation, means the amount designated as such in the applicable Supplemental Resolution. Except as otherwise provided in the applicable Supplemental Resolution, the Senior Debt Reserve Requirement for the Senior Bonds shall be equal to the lesser of (i) 10% of the original par amount of such Senior Bonds, (ii) 100% of the maximum annual Aggregate Debt Service with respect to the Senior Bonds, or (iii) 125% of the average Aggregate Debt Service with respect to such Senior Bonds.

“*Senior Obligations*” means all Indebtedness of the Authority that is intended to be payable from and secured by a first priority lien on and pledge of the Revenues, including, without limitation, (i) amounts due to a Bond Insurer in reimbursement of amounts paid under a policy and related interest amounts accrued under a Bond Insurer Reimbursement Agreement relating to Senior Obligations and (ii) Repayment Obligations payable under any Credit Facility or Liquidity Facility relating to Senior Obligations. For clarity, any Repayment Obligations relating to an Acceptable Letter of Credit or Acceptable Surety Policy supporting a Senior Obligation shall constitute a Senior Obligation.

“*Service Area*” means the premises where water was distributed and wastewater services provided by the Aquarion Water Company of Connecticut and Torrington Water Company in the State on the date of acquisition of the Aquarion Company by the Authority and any premises added thereto from time to time by the Authority in accordance with the terms and provisions of the Act. After the Aquarion Company and all or any one of its subsidiary entities in Connecticut are dissolved, the Service Area will include water services provided by the Authority in the Aquarion Regional Water District and wastewater services in Ansonia and New Hartford and as may be acquired.

2. Section 102 of the General Bond Resolution is hereby amended to add the following definitions:

“*Amortized Value*” means an amount equal to (i) the principal amount of the Bonds to be redeemed, multiplied by (ii) the price of such Bond expressed as percentage, calculated based on the industry standard method of calculating bond prices, assuming that (A) the delivery date of such Bonds is the redemption date, (B) the applicable maturity date of such Bonds is the maturity date (taking into account any optional redemption provisions of the Bonds) and (C) a yield equal to such Bond’s original offering yield.

3. Section 202 of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

Resolution to Constitute a Contract and Trust Indenture. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time and of the execution and delivery of any credit enhancement by the providers thereof, the Resolution shall constitute a contract between the Authority and the Holders from time to time of the Bonds and the providers of any such credit enhancement and the pledge and lien made in the Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the benefit, protection and security of the Holders of any and all of the Bonds and the providers of any and all such credit enhancement. All of the Senior Obligations, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Senior Obligations over any other thereof except as expressly provided in or permitted by the Resolution. All of the Subordinate Obligations, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Subordinate Obligations over any other thereof except as expressly provided in or permitted by the Resolution, and in any event shall be subordinated in all respects (including both in terms of payment as set forth in Section 404, and in respect of security hereunder) to the Senior Obligations, as more expressly provided in the Resolution. The Resolution shall constitute a trust indenture by and between the Authority and the Trustee.

4. Section 203D of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

D. In connection with the issuance or carrying of any Bonds, the Authority may enter into contracts to provide credit enhancement, including Bond Insurance Policies, Credit Facilities, Liquidity Facilities, Swap Agreements, and contracts limiting the Authority's interest rate exposure and otherwise providing protection against future interest rate levels.

5. The first paragraph of Section 401 of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

The Pledge and Lien Effected by the Resolution. In order to secure the payment of the principal, Accreted Value and Redemption Price of, and interest and Ordinary Course Payments on, the Bonds in accordance with their terms and the provisions of the Resolution, there is hereby pledged, and created a lien and charge on, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, (i) all Revenues, and (ii) all moneys and securities in all Funds established by the Resolution (the "*Trust Estate*"); provided that, except as otherwise expressly provided, the Senior Obligations will be secured by a pledge of, lien and charge on and first-priority security interest in the Trust Estate, such pledge, lien, charge and security interest to be senior in all respects and prior to any pledge of or lien or charge on or security interest in the Trust Estate securing Subordinate Obligations; provided further, that the Senior Obligations shall not be secured by any Funds expressly excluded as collateral under the applicable Supplemental Resolution with respect to the Senior Obligations, and the Subordinate Obligations shall not be secured by any Funds expressly excluded under the applicable Supplemental Resolution as

collateral with respect to the Subordinate Obligations. The Bonds shall be general obligations of the Authority and the full faith and credit of the Authority are hereby pledged to the payment of the principal and Accreted Value and Redemption Price, if any, of and interest and Ordinary Course Payments on the Bonds. The Bonds shall not be a debt of the State or of any municipality in the State, and neither the State nor any municipality in the State shall be liable therefor, nor shall the Bonds be payable out of any funds other than those of the Authority as provided hereunder and under the Act.

6. Sections 404 C1, C4 and C5 of the General Bond Resolution are hereby deleted and the following are added in lieu thereof:

1. To the Senior Debt Service Fund, for deposit in the senior bond principal account, an amount that, together with any amounts required to be transferred from the Senior Debt Reserve Fund, is equal to the sum of (a) one-twelfth (or one-sixth to the extent principal is payable semiannually as provided in the related supplemental resolution) of the aggregate amount of principal becoming due and payable on the Senior Obligations (except to the extent that previously deposited sinking fund installments are available in the senior bond principal account to pay such principal), during the next ensuing twelve (12) months (or six (6) months, if applicable), (b) one-twelfth (or one-sixth to the extent principal is payable semiannually as provided in the related supplemental resolution) of any sinking fund installment required to be made during the next ensuing twelve (12) months (or six (6) months, if applicable), and (c) any such amounts previously due but not deposited in the senior bond principal account, provided, however, that the amount so deposited on account of principal and Sinking Fund Installments in each month after the delivery of any Series of Senior Bonds up to and including the month immediately preceding the first principal or Sinking Fund Installment payment date thereafter of the Senior Bonds of such Series shall be that amount which when multiplied by the number of such deposits will be equal to the amount of principal and Sinking Fund Installments payable on such Senior Bonds on such first principal or Sinking Fund Installment payment date; provided further that in no event shall the amount deposited to the senior bond principal account as of the date the principal of and/or Accreted Value of the Senior Obligations is due be less than the amount necessary to cause the balance then on deposit to be at least equal to the aggregate amount of principal and/or Accreted Value of such Senior Obligations so due and payable. No such deposit need be made if the amount contained in the senior bond principal account is sufficient (i) to pay the principal of all Outstanding Bonds maturing by their terms in the next ensuing twelve (12) months and (ii) to provide any Sinking Fund Installment required to be made during the next ensuing twelve (12) months.

4. To the Subordinate Debt Service Fund, except as otherwise provide in the applicable Supplemental Resolution, pro rata to the applicable accounts of the subordinated bond interest account, an amount that, together with any amounts required to be transferred from the Subordinate Debt Reserve Fund to such accounts of such subordinated bond interest account, is equal to the amount necessary to cause the amount therein to be equal to one-sixth of the aggregate amount of interest and Ordinary Course Payments (constituting Subordinate Obligations) becoming due and payable on or with respect to all Subordinate Obligations during the next ensuing six (6) months plus any such amounts previously due but not deposited in such subordinated bond interest account.

5. To the Subordinate Debt Service Fund, pro rata to the applicable accounts of the subordinated bond principal account, an amount that, together with any amounts required to be transferred from the Subordinate Debt Reserve Fund to such subordinated bond principal account, is equal to the amount necessary to cause the amount therein to be equal to the sum of (i) one-twelfth (or one sixth to the extent principal is payable semiannually as provided in the related Supplemental Resolution) of the aggregate amount of principal becoming due and payable on the Subordinate Obligations (except to the extent that previously deposited sinking fund installments are available in the senior bond principal account to pay such principal) during the next ensuing twelve (12) months (or six (6) months, if applicable), (ii) one twelfth (or one sixth to the extent principal is payable semiannually as provided in the related Supplemental Resolution) of any sinking fund installment required to be made during the next ensuing twelve (12) months (or six (6) months, if applicable), and (iii) any such amounts previously due but not deposited in the senior bond principal account; provided further that in no event shall the amount deposited to the applicable subordinate bond principal account as of the date the principal of and/or Accreted Value of the Subordinate Obligations is due be less than the amount necessary to cause the balance then on deposit to be at least equal to the aggregate amount of principal and/or Accreted Value of such Subordinate Obligations so due and payable.

7. Section 407E of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

E. Upon the substitution of an Acceptable Letter of Credit or an Acceptable Surety Policy for money or securities in the Senior Debt Reserve Fund, any money or securities on deposit in the Senior Debt Reserve Fund which, when added to the available amount of the Acceptable Letter of Credit or Acceptable Surety Policy, as applicable, exceed the Senior Debt Reserve Requirement on all Outstanding Bonds secured thereby,, shall be applied as specified in a certificate of an Authorized Officer to the Trustee if such certificate is accompanied by an opinion of Bond Counsel to the effect that such application will not cause interest on the Outstanding Senior Obligations or any Series of Bonds to be includable in gross income for Federal income tax purposes. Thereafter, the Acceptable Letter of Credit or Acceptable Surety Policy, as applicable, shall be considered a part of the Senior Debt Reserve Fund and the amount available thereunder shall be included in any calculation of the amount required to be retained in the Senior Debt Reserve Fund, (A) if the sum of the amount available under the Acceptable Letter of Credit or Acceptable Surety Policy, as applicable, and the amount of moneys on deposit in the Senior Debt Reserve Fund exceeds the Senior Debt Reserve Requirement, the Authority shall be permitted to (i) cause the amount available under the Acceptable Letter of Credit or Acceptable Surety Policy, as applicable, to be reduced by an amount equal to such excess, or (ii) direct that the excess moneys be applied as permitted above under this subsection E, and (B) only, if the Acceptable Letter of Credit and/or Acceptable Surety Policy then on deposit in the Senior Debt Reserve Fund is in the form of an Acceptable Letter of Credit, if such Acceptable Letter of Credit is not extended, renewed or replaced at least six (6) months prior to its scheduled expiration or termination date, the Trustee shall, not later than fifteen (15) days prior to such termination date, draw on such Acceptable Letter of Credit for the full amount thereof.

8. Section 411B of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

B. Subject to subsection A of this Section 411 and the Senior Debt Reserve Fund and the Subordinate Debt Reserve Fund being fully funded to their respective required levels, the Authority may apply any moneys or securities in the General Fund at any time to any lawful purpose of the Authority.

9. Section 507 of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

Mandatory Redemption. Unless the Bonds shall have been defeased pursuant to Article XI, the Bonds shall be subject to mandatory redemption if all or substantially all of the Water System is taken by the State or any municipality in the State with general governmental powers and duties. The Redemption Price with respect to any Bond redeemed under this Section shall be the Make Whole Redemption Price. For purposes of this Section “substantially all of the Water System” includes the taking of any part of the Water System which taking would cause a reduction in the Authority’s current water supply by twenty percent (20%) or more or prevent water service to twenty percent (20%) or more of the customers of the Water System at the time of such taking, unless, in the opinion of a Consultant (a) the remaining portion of the Water System is sufficient to serve the remaining customers of the Water System and (b) after adjustments for any rates adopted by the Authority will be able to comply with the requirements of Section 610 E for the next twelve (12) months. Unless the Authority directs otherwise or an Event of Default has occurred and is continuing, the Trustee shall not give any notice of redemption pursuant to this Section until one hundred and twenty (120) days after the day on which a final unappealable decision by a court of competent jurisdiction is rendered concerning such taking or the amount to be received by the Authority for such taking, or if no appeal is taken, one hundred and twenty (120) days after the last day on which such an appeal could be taken. The Make-Whole Redemption Price of the Bonds will be determined by an independent accounting firm, investment banking firm or financial advisor retained by the Authority at least two (2) Business Days prior to the redemption date, and such determination by such independent accounting firm, investment banking firm or financial advisor of the Make-Whole Redemption Price shall be final and binding in the absence of manifest error. The Trustee and the Authority may conclusively rely on such accounting firm's, investment banking firm's or financial advisor's determination of such redemption price and shall bear no liability for such reliance.

10. Section 707A of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

A. No delay or omission of the Trustee or any Bondholder or any provider of credit enhancement to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or to be an acquiescence therein

11. Section 1203 of the General Bond Resolution is hereby deleted and the following is added in lieu thereof:

Parties Interested Herein. Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the

Authority, the Fiduciaries, a Bond Insurer, a Credit Facility Provider, a Liquidity Provider, and the Holders of the Bonds any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Resolution contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Fiduciaries, a Bond Insurer, a Credit Facility Provider, a Liquidity Provider, and the Holders of the Bonds

12. The General Bond Resolution is hereby amended by adding the following Section:

Section 708. *Exclusion of Bonds.* Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article, and the Authority shall not be entitled with respect to such Bonds to give consent or take any other action provided for in this Article. At the time of consent or other action taken under this Article, the Authority shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

13. Capitalized terms used herein and not otherwise defined shall have the definitions as set forth in the General Bond Resolution.

14. This Supplemental Resolution shall be effective upon the filing with the Trustee (a) a copy of this Supplemental Resolution certified by an Authorized Officer, (b) Consent of Bank of America, sole bondholder of Outstanding Bonds and (c) a Counsel's Opinion, all in accordance with the General Bond Resolution.