

**SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY
RESOLUTION REGARDING INTERIM FUNDING OBLIGATIONS AND PROJECT
LOAN OBLIGATIONS FOR LAKE WHITNEY WATER TREATMENT PLANT
CHEMICAL FEED PROJECT**

WHEREAS, on November 20, 2025, the Authority adopted (the “Authority Resolution”) and on December 18, 2025, the Representative Policy Board (the “RPB”) approved the resolutions which established the general terms and provisions of the Authority’s bonds, which may be issued as project loan obligations in one or more series delivered to the State of Connecticut, in the aggregate principal amount not to exceed \$3,325,000 (I) to finance or refinance the cost of replacement of the potassium permanganate and sodium hydroxide systems at the Lake Whitney Water Treatment Plant; (II) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) to pay costs of issuance (the “Project”); and

WHEREAS, the Authority Resolution also provided that temporary notes of the Authority, which may be issued as Interim Funding Obligations delivered to the State of Connecticut, may be issued by the Authority in the amount of \$3,325,000 in anticipation of the receipt of the proceeds from the sale of such bonds or project loan obligations; and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of the Authority’s one or more interim funding obligations (the “IFO”) and project loan obligations for the Project (the “PLO”) in one or more series and approve the Project Loan and Subsidy Agreement by and between the State of Connecticut and the Authority related to the Project (the “Loan Agreement”).

NOW THEREFORE,

BE IT RESOLVED, that the Chief Executive Officer, President or Chief Financial Officer or any one of them may apply to the State Department of Public Health for eligibility and funding of the Project and sign such applications and any other documents which may be necessary or desirable to apply for eligibility of and to apply for and obtain financial assistance for the Project from the State’s Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed.

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer be authorized (i) to issue, sell and deliver the IFO and the PLO in a total amount not to exceed \$3,325,000, and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of the IFO and PLO, pursuant to the Act and the Water System Revenue Bond Resolution, General Bond Resolution as amended and supplemented (the “General Bond Resolution”) or any other provisions of law thereto enabling.

BE IT FURTHER RESOLVED, that the Authority hereby approves the supplemental resolution authorizing the issuance of the IFO (the “IFO Supplemental Resolution”) in one or more series substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer shall deem advisable and which shall be as set forth in one or more Certificates of Determination attached thereto.

BE IT FURTHER RESOLVED, that the Authority hereby approves the Supplemental Resolution authorizing the issuance of the PLO (the “PLO Supplemental Resolution”) in one or more series substantially in the form attached hereto as Exhibit B, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer shall deem advisable and which shall be as set forth in one or more Certificates of Determination attached thereto.

BE IT FURTHER RESOLVED, that for the purposes of providing to the Authority the loan and grant from the State, the Authority hereby approves the Loan Agreement substantially in the form as the Chief Executive Officer, President or Chief Financial Officer shall deem advisable and the approval of the Authority shall conclusively be determined from any of their signatures thereon.

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, Chief Executive Officer, President and Chief Financial Officer, or any one of them, are hereby authorized to execute and deliver such documents as may be necessary or desirable to issue and deliver the IFO or the PLO, as the case may be, including but not limited to, the Loan Agreement, and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale and delivery of the IFO or the PLO, as the case may be, as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination.

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, Chief Executive Officer, President or Chief Financial Officer or any one of them are hereby authorized to accept such grants from the State for the Project as set forth in the Loan Agreement and to apply the proceeds of the grant to the Project, as applicable.

EXHIBIT A

IFO SUPPLEMENTAL RESOLUTION

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

WATER SYSTEM REVENUE BOND RESOLUTION
GENERAL BOND RESOLUTION

INTERIM FUNDING OBLIGATION
SUPPLEMENTAL RESOLUTION

Authorizing the Issuance of

\$3,325,000 WATER SYSTEM REVENUE INTERIM FUNDING OBLIGATIONS

FOR THE LAKE WHITNEY WATER TREATMENT PLANT CHEMICAL FEED PROJECT

Approved _____

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RECITALS:

WHEREAS, the South Central Connecticut Regional Water Authority (the “Authority”) is authorized pursuant to Connecticut Special Act No. 77-98, as amended (the “Act”), and the Water System Revenue Bond Resolution, General Bond Resolution, adopted July 31, 1980 as amended and supplemented (the “Resolution”), to borrow money and to issue bonds of the Authority from time to time; and

WHEREAS, under the Resolution bonds are defined to mean, inter alia, any bond or bonds, notes or other obligations, including but not limited to, project loan obligations delivered to evidence the Authority’s obligation to repay the financing of a loan from the State of Connecticut under its Drinking Water State Revolving Fund Program, authenticated and delivered under and pursuant to the Resolution; and

WHEREAS, the Authority and the Representative Policy Board have approved the issuance of an amount not to exceed \$3,325,000 of its general obligation bonds (the “Bonds”) which may be issued as project loan obligations delivered to the State of Connecticut (the “State”) (I) to finance or refinance the cost of replacement of the potassium permanganate and sodium hydroxide systems at the Lake Whitney Water Treatment Plant; (II) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) to pay costs of issuance (the “Project”); and

WHEREAS, the Authority also approved the issuance of temporary notes of the Authority, which may be issued as interim funding obligations (the “IFO”) delivered to the State of Connecticut by the Authority in the amount of \$3,325,000 in anticipation of the receipt of the proceeds from the sale of such bonds or project loan obligations; and

WHEREAS, the Authority has determined that it is in its best interest to temporarily finance a portion of the Project through the issuance of one or more IFOs;

NOW, THEREFORE, BE IT RESOLVED by the South Central Connecticut Regional Water Authority as follows:

ARTICLE I AUTHORITY AND DEFINITIONS

Section 1.01. Short Title.

This resolution may be hereafter cited and is sometimes herein referred to as the “IFO Resolution.”

Section 1.02. Definitions.

Unless a different meaning applies from the context or as set forth in this Section 1.02, capitalized terms used in this IFO Resolution shall have the same meaning as used in the General Bond Resolution.

“Certificate of Determination” means a certificate or certificates of determination signed by the Chairperson or the Vice Chairperson and the Chief Executive Officer, President or Chief Financial Officer of the Authority required by Section 5.01 hereof, setting forth the terms of the IFO, and attached hereto as **Exhibit A** and made a part hereof.

“IFO” mean the Interim Funding Obligation of the Authority authorized to be issued herein in anticipation of the project loan obligations.

ARTICLE II AUTHORIZATION AND ISSUANCE OF THE IFO

Section 2.01. Authority for this IFO Resolution.

This IFO Resolution in substantially the form presented at this meeting with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer shall deem advisable and as set forth in the Certificate or Certificates of Determination is adopted in accordance with the provisions of the Resolution and pursuant to the authority contained in the Act.

Section 2.02. Principal Amount, Designation and Series.

One or more series of IFOs entitled to the benefit, protection and security of the Resolution are hereby authorized in the maximum amount not to exceed \$3,325,000. Each such series of IFOs shall be designated as, and shall be distinguished from, the obligations of all other series by the title of Interim Funding Obligation with the number assigned to it by the State. The principal amount of the IFO shall be as set forth in the Certificate of Determination.

Section 2.03. Purpose.

The purposes for which the IFOs are being issued are to temporarily finance or refinance (I) the cost of replacement of the potassium permanganate and sodium hydroxide systems at the Lake Whitney Water Treatment Plant; (II) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) to pay costs of issuance related to the IFO.

Section 2.04. Date, Maturity and Interest Rates.

The IFO shall be dated the Date of Delivery as set forth in the Certificate of Determination.

The IFO shall be issued as a draw down bond and term bond which shall automatically be refunded by a PLO and mature in the maximum aggregate principal amount of such PLO as established by the Certificate of Determination. The IFO shall bear interest at a rate of 2% per year on the unpaid principal balance calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.05. Interest Payment Dates.

The IFO shall bear interest on the draw down amount from the date of such draw down.

Section 2.06 Reserved.

Section 2.07 Method of Payments.

The principal of, premium, if any, and interest on the IFO shall be payable by check, draft or wire transfer payable to the Treasurer, State of Connecticut at: State of Connecticut, Office of the Treasurer, 165 Capitol Avenue, Hartford, CT 06106, Attn: DWSRF Financial Administrator, or to such other place as the State shall designate in writing to the Authority. Such payments to the Treasurer are in lieu of payments to the Trustee required by Section 404 C1 and Section 404 C2 of the Resolution for the principal and interest payments due on the IFO.

Section 2.08 Redemption.

A. The IFO shall be subject to optional redemption as set forth in the Certificate of Determination.

B. The IFO shall be subject to mandatory sinking fund redemption at 100% of the principal amount thereof plus accrued interest to the date of redemption, from sinking fund payments in the amounts as established by the Certificate of Determination.

C. The IFO is subject to mandatory redemption in whole at 100% of the principal amount thereof plus accrued interest to the date of 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 as more particularly described in Section 507 of the Resolution.

Section 2.09. Delivery of IFO.

The IFO shall be delivered to the State to evidence the Authority's obligation to repay the financing of a loan from the State's DWSRF.

Section 2.10 IFO Resolution to Constitute a Contract.

In consideration of the purchase and acceptance of the IFO by those who shall hold (the "Holders") the same from time to time, the IFO Resolution shall constitute a contract between the Authority and the Holders from time to time of the IFO, and the pledge made in this IFO Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the Holders of any and all of the IFO, all of which, 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 IFO over any other IFO, PLO or bonds issued pursuant to the General Bond Resolution.

ARTICLE III
DISPOSITION OF PROCEEDS OF IFO

Section 3.01. Construction Fund

The IFO proceeds shall be deposited in the Construction Fund as set forth in the Certificate of Determination.

Section 3.02. Other Funds

The IFO proceeds shall be deposited in such other funds held by the Trustee as set forth in the Certificate of Determination.

Section 3.03. Other Corporate Purposes.

No proceeds of the IFO shall be used for Other Corporate Purposes.

ARTICLE IV
FORM AND EXECUTION OF IFO

Section 4.01. Form of IFO and Trustee's Certificate of Authentication.

Subject to the provisions of the Resolution, the IFO and the Trustee's certificate of authentication shall be in substantially the form as set forth in **Exhibit B** to this supplemental resolution, with such insertions or omissions, endorsements and variations as may be required or permitted by the Resolution.

Section 4.02. Execution of IFO.

The Chairperson, Vice Chairperson, Chief Executive Officer, President or Chief Financial Officer, or any one of them, is hereby authorized and directed to execute the IFO and the Secretary, Chairman, Vice Chairperson, Chief Executive Officer, President or Chief Financial Officer, or any one of them, is hereby authorized to sign and attest the Authority's seal on the IFO, each by their manual or facsimile signatures.

Section 4.03. Continued Exemption from Federal Income Taxation.

The Authority hereby agrees and covenants that it shall at all times perform all acts and things necessary or appropriate under any valid provision of law or in order to ensure that interest or amounts treated as interest, as applicable, paid on the IFO shall not be includable in the gross income of the owners thereof for Federal income tax purposes under the Code. Further, the Chairman, Vice Chairperson, Chief Executive Officer, President or Chief Financial Officer, or any one of them are hereby authorized to execute all instruments and documents necessary to take such action.

Section 4.04. No Recourse on IFO.

No recourse shall be had for the payment of the principal or Redemption Price, if any, of or interest or amounts treated as interest, as applicable, on the IFO or for any claim based thereon or on the Resolution against any member or officer of the Authority or any person executing the IFO and neither any member or officer of the Authority nor any person executing the IFO shall be liable personally on the IFO by reason of the issuance thereof.

ARTICLE V
MISCELLANEOUS

Section 5.01. Delegation of Authority to Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer.

The Chairperson or the Vice Chairperson and the Chief Executive Officer, President or Chief Financial Officer of the Authority are hereby delegated the authority to (i) determine with respect to the IFO the amount, series, issue date, date of maturity, denominations, redemption provisions, interest rate and mode, and other details of the IFO, (ii) determine whether the IFO shall be sold by competitive or negotiated sale or by direct placement and if such sale is negotiated

or sold by direct placement, the purchaser of the IFO, and (iii) accept and incorporate into this IFO Resolution any terms or provisions required by the State or the purchaser of the IFO which they deem necessary or appropriate, all in accordance with the Act, the Resolution and any other provision of law applicable thereto. The Chairperson or the Vice Chairperson and the Chief Executive Officer, President or Chief Financial Officer shall prepare a Certificate of Determination prior to the date of delivery of each series of the IFO to be attached hereto and incorporated in this IFO Resolution setting forth such details and particulars of the IFO and provisions, if any, as determined in accordance with this delegation.

Section 5.02. Effective Date.

This IFO Resolution shall take effect immediately upon its adoption.

Exhibit A
Certificate of Determination

EXHIBIT B

Form of Interim Funding Obligation

UNITED STATES OF AMERICA
STATE OF CONNECTICUT

Interim Funding Obligation

The *****, Connecticut, (the "Municipality"), for value received, hereby unconditionally promises to pay to the State of Connecticut (the "State"), pursuant to the terms and conditions of a Project Loan and Subsidy Agreement dated _____ between the Municipality and the State (the "Agreement") up to the principal sum of \$_____, or the aggregate unpaid principal amount of all Project Loan Advances made by the State to the Municipality pursuant to the Agreement, whichever is less, together with interest on the aggregate unpaid principal balance thereof. Unless otherwise required by law, the aggregate unpaid principal amount of all Project Loan Advances and the interest thereon shall be payable on or before _____ at which time the obligation to pay such principal and interest shall be transferred to the Project Loan Obligation attached hereto. At the option of the Municipality, the Municipality may pay the principal and interest on the Interim Funding Obligation on _____. Interest on the aggregate unpaid principal amount of all Project Loan Advances shall be payable at the rate of two percent (2.0%) per annum from the date of each Project Loan Advance. Interest on this Interim Funding Obligation shall be computed on the basis of a year of three hundred sixty (360) days and the actual number of days elapsed.

The State will endorse on Schedule 1 to this Interim Funding Obligation an appropriate notation evidencing each Project Loan Advance, the date of such Project Loan Advance, the amount of principal prepaid as of the date of such Project Loan Advance, if any, and the principal balance remaining unpaid as of the date of such Project Loan Advance on account of the principal thereof and the Municipality agrees that the amount of the principal balance remaining unpaid as shown on said Schedule 1 from time to time shall constitute the principal amount owing to the State pursuant to this Interim Funding Obligation, absent manifest error.

The Municipality agrees to make all payments in lawful money of the United States, to pay interest at the rate specified above and to pay all costs including reasonable attorneys' fees, incurred by the State in the collection of this Interim Funding Obligation. Both the principal of and interest on this Interim Funding Obligation shall be payable in lawful money of the United States of America to the Treasurer, State of Connecticut, at: State of Connecticut, Office of the Treasurer, 165 Capitol Avenue, 2nd Floor, Hartford, Connecticut 06106, Attn: CWF/DWF Financial Administrator or to such other place as the State shall designate in writing to the Municipality.

This Interim Funding Obligation has been executed and delivered subject to the terms and conditions of the Agreement to which reference is hereby made for the terms and conditions upon which it shall be and may be prepaid in whole or in part without premium or penalty and generally as to the rights and duties of the State and as to the rights and duties of the Municipality.

Any capitalized terms used herein shall have the meanings ascribed to them in the Agreement.

It is hereby certified that every requirement of law relating to the issue hereof has been duly complied with and that this Interim Funding Obligation is within every debt and other limit prescribed by law or by the Municipality. This Interim Funding Obligation is a special, limited obligation of the Municipality and the Revenues, as defined in the Agreement, are pledged to the payment of the principal of and interest on this Interim Funding Obligation as the same may become due.

IN WITNESS WHEREOF, the _____ of _____, Connecticut, has caused its seal to be affixed hereto and this Interim Funding Obligation to be signed in its name by the manual signatures of its _____ and _____, all as of the ____ day of _____, _____.

(SEAL)

By: _____
Its: _____

CERTIFICATION OF BANK

This is to certify that the within Interim Funding Obligation is one of the particular issue described therein; that the signatures and seal thereto affixed are genuine; and that an opinion approving the legality of this issue has been rendered by _____, Attorney-at-Law, of _____, Connecticut.

By _____
(Bank Officer)

SCHEDULE 1

<u>Date</u>	Amount of Project Loan Advance Made <u>This Date</u>	Amount of Principal Repaid <u>This Date</u>	Principal Balance Remaining <u>Unpaid</u>	Notation <u>Made by</u>
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Advances and payments of Principal pursuant to an Interim Funding Obligation dated as of _____, between the State of Connecticut and the _____.

EXHIBIT B

PLO SUPPLEMENTAL RESOLUTION

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

WATER SYSTEM REVENUE BOND RESOLUTION
GENERAL BOND RESOLUTION

PROJECT LOAN OBLIGATION
SUPPLEMENTAL RESOLUTION

Authorizing the Issuance of

\$3,325,000 PROJECT LOAN OBLIGATIONS
FOR THE LAKE WHITNEY WATER TREATMENT PLANT CHEMICAL FEED PROJECT

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY
PROJECT LOAN OBLIGATIONS FOR THE LAKE WHITNEY WATER TREATMENT
PLANT CHEMICAL FEED PROJECT

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SUPPLEMENTAL RESOLUTION

Authorizing the Issuance of the
Project Loan Obligations for the Lake Whitney Water Treatment Plant Chemical Feed Project

RECITALS

WHEREAS, the South Central Connecticut Regional Water Authority (the “Authority”) is authorized pursuant to Connecticut Special Act No. 77-98, as amended (the “Act”), and the Water System Revenue Bond Resolution, General Bond Resolution, adopted July 31, 1980 as amended and supplemented (the “Resolution”), to borrow money and to issue bonds of the Authority from time to time; and

WHEREAS, the Resolution provides that bonds shall be issued subject to the terms, conditions and limitations established by the Resolution and one or more supplemental resolutions authorizing each series of bonds; and

WHEREAS, under the Resolution bonds are defined to mean, inter alia, project loan obligations delivered to evidence the Authority’s obligation to repay the financing of a loan from the State of Connecticut (the “State”) under its Drinking Water State Revolving Fund Program (“DWSRF”); and

WHEREAS, the Representative Policy Board of the South Central Connecticut Regional Water District (the “RPB”) approved the issuance of bonds or project loan obligations on December 18, 2025 in the maximum principal amount of \$3,325,000 (I) to finance or refinance the cost of replacement of the potassium permanganate and sodium hydroxide systems at the Lake Whitney Water Treatment Plant; (II) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) to pay costs of issuance (the “Project”); and

WHEREAS, the Authority hereby determines that it is necessary and desirable that the Authority issue one or more Project Loan Obligations (the “PLO”) to permanently finance the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY AS FOLLOWS:

ARTICLE I

AUTHORITY AND DEFINITIONS

Section 101. Authority for Supplemental Resolution.

This supplemental resolution (the “Supplemental Resolution”) to the Resolution in substantially the form presented at this meeting with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief

Financial Officer shall deem advisable and as set forth in the Certificate or Certificates of Determination (as hereinafter defined) is adopted in accordance with the provisions of Article II and Article IX of the Resolution and pursuant to the authority contained in the Act.

Section 102. Definitions.

A. All terms defined in Section 102 of the Resolution shall have the same meanings, respectively, in this Supplemental Resolution.

B. In addition, as used in this Supplemental Resolution, unless the context otherwise requires, the following term shall have the following meaning:

“Certificate of Determination” means one or more certificates of determination required by Section 501 hereof, signed by the Chairperson or Vice Chairperson and the Chief Executive Officer, President or Chief Financial Officer setting forth the terms of the PLO and attached hereto as **Exhibit A** and made a part hereof.

C. Unless the context otherwise requires, in this Supplemental Resolution words of the masculine gender shall mean and include correlative words of the feminine and neuter genders; words importing the singular number shall mean and include the plural number and vice versa; words importing persons shall include firms, associations and corporations; and the terms, “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms refer to this Supplemental Resolution.

ARTICLE II

AUTHORIZATION OF PLO

Section 201. Principal Amount, Designation and Series.

One or more series of bonds entitled to the benefit, protection and security of the Resolution is hereby authorized in the maximum amount not to exceed \$3,325,000. Each such series of bonds shall be designated as, and shall be distinguished from, the bonds of all other series by the title of Project Loan Obligation with the number assigned to it by the State. The principal amount of the PLO shall be as set forth in the Certificate of Determination or as attached to the PLO.

Section 202. Purpose.

The purposes for which the PLO are being issued are to permanently finance or refinance (I) the cost of replacement of the potassium permanganate and sodium hydroxide systems at the Lake Whitney Water Treatment Plant; (II) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) to pay costs of issuance related to the PLO.

Section 203. Date, Maturity and Interest Rates.

The PLO shall be dated the Date of Delivery as set forth in the Certificate of Determination.

The PLO shall be issued as a term bond which shall mature in the aggregate principal amount as established by the Certificate of Determination or as attached to the PLO. The PLO shall bear interest at a rate of 2% per year on the unpaid principal balance calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 204. Interest Payment Dates.

The PLO shall bear interest from its dated date, payable monthly as set forth in the Certificate of Determination.

Section 205. Reserved.

Section 206. Method of Payments.

The principal of, premium, if any, and interest on the PLO shall be payable by check, draft or wire transfer payable to the Treasurer, State of Connecticut at: State of Connecticut, Office of the Treasurer, 165 Capitol Avenue, Hartford, CT 06106, Attn: DWSRF Financial Administrator, or to such other place as the State shall designate in writing to the Authority. Such payments to the Treasurer are in lieu of payments to the Trustee required by Section 404 C1 and Section 404 C2 of the Resolution for the principal and interest payments due on the PLO.

Section 207. Redemption.

A. The PLO shall be subject to optional redemption as set forth in the Certificate of Determination.

B. The PLO shall be subject to mandatory sinking fund redemption at 100% of the principal amount thereof plus accrued interest to the date of redemption, from sinking fund payments in the amounts as established by the Certificate of Determination or as attached to the PLO.

C. The PLO is subject to mandatory redemption in whole at 100% of the principal amount thereof plus accrued interest to the date of 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 as more particularly described in Section 507 of the Resolution.

Section 208. Delivery of PLO.

The PLO shall be delivered to the State to evidence the Authority's obligation to repay the financing of a loan from the State's DWSRF.

ARTICLE III

DISPOSITION OF PROCEEDS OF PLO

Section 301. Refunding.

Upon delivery of the PLO and receipt of payment therefor, the Authority shall pay from the net proceeds thereof, after the payment of certain Costs of Issuance, the amounts necessary to reimburse the Construction Fund for moneys used to pay the costs of the Project or any Interim Funding Obligations issued in anticipation of the PLO as established by the Certificate of Determination.

Section 302. Other Funds.

The Trustee or the Authority shall deposit such other proceeds in such other funds as set forth in the Certificate of Determination.

ARTICLE IV

FORM AND EXECUTION OF PLO

Section 401. Form of PLO and Trustee's Certificate of Authentication.

Subject to the provisions of the Resolution, the PLO and the Trustee's certificate of authentication shall be, respectively, in substantially the form as set forth in **Exhibit B** to this supplemental resolution, with such insertions or omissions, endorsements and variations as may be required or permitted by the Resolution.

Section 402. Execution of PLO.

The Chairperson, Vice Chairperson, Chief Executive Officer, President and Chief Financial Officer, or any one of them, is hereby authorized and directed to execute the PLO and the Secretary, Chairman, Vice Chairperson, Chief Executive Officer, President or Chief Financial Officer, or any one of them, is hereby authorized to sign and attest the Authority's seal on the PLO, each by their manual or facsimile signatures.

Section 403. Continued Exemption from Federal Income Taxation.

The Authority hereby agrees and covenants that it shall at all times perform all acts and things necessary or appropriate under any valid provision of law or in order to ensure that interest or amounts treated as interest, as applicable, paid on the PLO shall not be includable in the gross income of the owners thereof for Federal income tax purposes under the Code. Further, the Chairman, Vice Chairperson, Chief Executive Officer, President or Chief Financial Officer, or any one of them, are hereby authorized to execute all instruments and documents necessary to take such action.

Section 404. No Recourse on PLO.

No recourse shall be had for the payment of the principal or Redemption Price, if any, of or interest or amounts treated as interest, as applicable, on the PLO or for any claim based thereon or on the Resolution against any member or officer of the Authority or any person executing the PLO and neither any member or officer of the Authority nor any person executing the PLO shall be liable personally on the PLO by reason of the issuance thereof.

ARTICLE V

MISCELLANEOUS

Section 501. Delegation of Authority to Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer

The Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer are hereby delegated the authority to (i) determine with respect to the PLO the amount, issue date, date of maturity, denominations, redemption provisions, interest rate and mode, and other details of the PLO, (ii) determine whether the PLO shall be sold by competitive or negotiated sale and if such sale is negotiated, the purchaser of the PLO, and (iii) accept and incorporate into the Supplemental Resolution any terms or provisions which they deem necessary or appropriate, all in accordance with the Act, the Resolution and any other provision of law applicable thereto. The Chairperson or Vice Chairperson and Chief Executive Officer, President or Chief Financial Officer shall prepare a Certificate of Determination for each such PLO prior to the date of delivery of the PLO to be attached hereto as **Exhibit A** and incorporated in this Supplemental Resolution setting forth such details and particulars of each PLO as determined in accordance with this delegation. Should the details and particulars of a PLO conflict with such details and particulars set forth in this Supplemental Resolution, the Certificate of Determination shall control.

Section 502. Effective Date.

This Supplemental Resolution shall take effect immediately.

EXHIBIT A

CERTIFICATE OF DETERMINATION

EXHIBIT B

FORM OF PROJECT LOAN OBLIGATION

U.S. \$ _____

_____, 20 _____

**UNITED STATES OF AMERICA
STATE OF CONNECTICUT
SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY**

Project Loan Obligation

The South Central Connecticut Regional Water Authority, New Haven, Connecticut (the "Municipality"), for value received, hereby unconditionally promises to pay to the STATE OF CONNECTICUT (the "State") pursuant to the terms and conditions of a _____ and Project Loan and Subsidy Agreement dated __, 20____ between the Municipality and the State, (the "Agreement"), the principal sum of:

(\$ _____)

together with interest on the aggregate unpaid principal balance thereof. Unless otherwise required by law, the aggregate unpaid principal amount of this Project Loan Obligation and the interest thereon shall be payable in the amount of _____

_____, with final payment due and owing on _____. Such installments shall be comprised of principal and interest as shown on the Schedule of Payments attached hereto, subject to the Municipality's rights to prepay this Project Loan Obligation in whole or in part without premium or penalty as set forth in the Agreement. If the Municipality should exercise such right of prepayment, the schedule of remaining principal and interest payments, if any, shall be adjusted accordingly by the State.

Interest on the aggregate unpaid principal amount of this Project Loan Obligation shall be payable at the rate of two percent (2%) per annum. Interest on this Project Loan Obligation shall be computed on the basis of a year of three hundred sixty (360) days and twelve 30-day months.

The Municipality agrees to make all payments in lawful money of the United States, to pay interest at the rate specified above and to pay all costs including reasonable attorneys' fees incurred by the State in the collection of this Project Loan Obligation. Both the principal of and interest on this Project Loan Obligation shall be payable in lawful money of the United States of

America to the Treasurer, State of Connecticut, at: State of Connecticut, Office of the Treasurer
165 Capitol Avenue, Hartford, Connecticut 06106, Attn: Clean Water Fund Financial
Administrator or to such other place as the State shall designate in writing to the Municipality.

This Project Loan Obligation has been executed and delivered subject to the terms and conditions of the Agreement to which reference is hereby made for the terms and conditions upon which it shall be and may be prepaid in whole or in part without premium or penalty and generally as to the rights and duties of the State and as to the rights and duties of the Municipality.

Any capitalized terms used herein shall have the meanings ascribed to them in the Agreement.

It is hereby certified that every requirement of law relating to the issue hereof has been duly complied with and that this Project Loan Obligation is within every debt and other limit prescribed by law or by the Municipality. **This Project Loan Obligation is a special obligation of the Municipality issued pursuant to and secured by its Water System Revenue Bond Resolution, General Bond Resolution adopted on July 31, 1980 as amended and supplemented to date including as supplemented by its _____ Supplemental Resolution (collectively, the “General Bond Resolution”) and payable solely from the revenues derived from the Water System as that term is defined in the General Bond Resolution, and the full faith and credit of the Municipality is pledged to the payment of the principal of and interest on this Project Loan Obligation as the same may become due.**

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the _____, Connecticut, has caused the seal of the _____ to be affixed hereto and this Project Loan Obligation to be signed in its name by the manual or facsimile signature of the _____ of _____ and the seal of the Authority to be attested by the manual or facsimile signature of the _____ of the Authority as of the _____ day of _____, 20__.

**SOUTH CENTRAL CONNECTICUT
REGIONAL WATER AUTHORITY**

By: _____

Its

(SEAL)

Attested

By: _____

CERTIFICATION OF BANK

This is to certify that the within Project Loan Obligation is one of the particular issues described therein; that the signatures and seal thereto affixed are genuine; and that an opinion approving the legality of this issue has been rendered by _____ Attorney-at-Law, of _____, Connecticut.

By: _____
(Bank Officer)

SCHEDULE OF PAYMENTS