

**BOND ORDER AUTHORIZING THE ISSUANCE OF
WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2025
OF THE CITY OF WINSTON-SALEM, NORTH CAROLINA**

WHEREAS, the City of Winston-Salem, North Carolina (the “City”) is authorized by The State and Local Government Revenue Bond Act, General Statutes of North Carolina, Section 159-80 et seq. (the “Act”), to issue, subject to the approval of the Local Government Commission of North Carolina (the “Commission”), at one time or from time to time, revenue bonds of the City for the purposes as specified in the Act; and

WHEREAS, the City Council of the City (the “City Council”) previously adopted a resolution at a meeting held on September 15, 2025, making certain findings of fact, which findings are incorporated herein by reference, and directing the application to the Commission for approval of City of Winston-Salem, North Carolina Water and Sewer System Revenue Bonds, Series 2025 (the “2025 Bonds”) and hereby further determines to issue 2025 Bonds in an aggregate principal amount not to exceed \$70,000,000 to (a) finance the costs of extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment for, the City’s water and sewer systems (collectively, the “2025 Projects”), including, but not limited to, (1) upgrades and enhancements to its Advanced Metering Infrastructure (AMI) system, (2) modernization of the R.W. Nielson Water Treatment Plant, (3) repairs to a lagoon and a biosolids dryer facility at the Archie Elledge Wastewater Treatment Plant, (4) replacement and capacity upgrades of sewer lines along Peters Creek Outfall within the Elledge Basin, (5) various water distribution system improvements, (6) repairs and rehabilitation of sewer lines and manholes under the Collection System Improvement Program (CSIP), (7) replacement of a force main near Tanglewood Park, and (8) upgrades to the 15th Street Pump Station, and (b) pay the costs of issuing the 2025 Bonds; and

WHEREAS, the City has previously issued revenue bonds under an Amended and Restated General Trust Indenture dated as of March 1, 2020 (the “General Indenture”), between the City and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”), which amended and restated a General Trust Indenture dated as of October 1, 1988, between the City and NCNB National Bank of North Carolina, the successor to which is the Trustee; and

WHEREAS, the City will issue the 2025 Bonds under (a) the General Indenture, and (b) Series Indenture, Number 20 dated as of December 1, 2025 (the “Series Indenture” and together with the General Indenture, the “Indenture”) between the City and the Trustee; and

WHEREAS, an application will be filed with the Secretary of the Commission requesting Commission approval of the 2025 Bonds as required by the Act and, included in such application, the Chief Financial Officer of the City has requested that the Commission approve the sale of the 2025 Bonds by the Commission through a competitive sale to the bidder whose bid results in the lowest cost to the City, determined on the basis of the true interest cost method; and

WHEREAS, copies of the forms of the following documents relating to the transaction described above have been filed with the City (collectively, the “Transaction Documents”):

1. the Series Indenture;
2. the Notice of Sale, to be dated the date of delivery thereof (the “Notice of Sale”); and

3. a Preliminary Official Statement to be dated the date of delivery thereof (the “*Preliminary Official Statement*”) with respect to the 2025 Bonds.

NOW THEREFORE, BE IT ORDERED by the Mayor and the City Council of the City of Winston-Salem, North Carolina:

Section 1. The 2025 Bonds are authorized and will be issued pursuant to the Act to raise the money required to finance the 2025 Projects, and pay the costs of issuing the 2025 Bonds.

Section 2. The aggregate principal amount of the 2025 Bonds authorized by this Bond Order will not exceed \$70,000,000. The 2025 Bonds authorized will be special obligations of the City, secured by and paid solely from the proceeds thereof or from Net Revenues (as defined in the General Indenture).

Section 3. The City’s issuance of the 2025 Bonds, in substantially the forms to be set forth in the Series Indenture, is approved and confirmed, and the provisions of the Series Indenture with respect to the 2025 Bonds are approved and confirmed and are incorporated herein by reference. The proceeds from the sale of the 2025 Bonds will be deposited in accordance with the Series Indenture.

The principal of, premium, if any, and interest on the 2025 Bonds will not be payable from the general funds of the City, nor will the 2025 Bonds constitute a legal or equitable pledge, charge, lien or encumbrance on any of the City’s property or on any of its income, receipts or revenues except the funds which are pledged under the Indenture. Neither the credit nor the taxing power of the State of North Carolina or the City is pledged for the payment of the principal of, premium, if any, or interest on the 2025 Bonds, and no holder of the 2025 Bonds has the right to compel the exercise of the taxing power by the State of North Carolina or the City or the forfeiture of any of its property in connection with any default thereon.

Section 4. The City Council requests that the Commission sell the 2025 Bonds through a competitive sale to the bidder whose bid results in the lowest interest cost to the City, determined on the basis of the true interest cost method.

Section 5. The form and content of the Transaction Documents, including the exhibits thereto, are approved and confirmed, and the City Manager, the Chief Financial Officer, the City Clerk, and the City Attorney (the “*Authorized Officers*”), or their respective designees, as applicable, are authorized, empowered and directed, individually and collectively, to execute and deliver the Transaction Documents for and on behalf of the City, including necessary counterparts, in substantially the forms and content presented to the City Council, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions therein. The City Council authorizes the preparation of the final Official Statement, in substantially the form of the Preliminary Official Statement, together with such changes as are necessary to reflect the final terms of the 2025 Bonds. The Authorized Officers are authorized to deliver the final Official Statement. From and after the execution and delivery of the Transaction Documents, as applicable, the Authorized Officers are authorized, empowered and directed, individually and

collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Transaction Documents, as executed. The Trustee is appointed as Registrar and Paying Agent under the Series Indenture.

Section 6. The Authorized Officers of the City are authorized to execute a tax certificate to comply with Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder.

Section 7. If any one or more of the covenants, agreements or provisions contained in this Bond Order is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or is for any reason whatsoever held invalid, then such covenants, agreements or provisions will be null and void and will be deemed separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions of this Bond Order or of the 2025 Bonds authorized hereunder.

Section 8. No stipulation, obligation or agreement contained in this Bond Order or contained in the 2025 Bonds, the General Indenture, the Transaction Documents, or any other instrument related to the issuance of the 2025 Bonds is a stipulation, obligation or agreement of any officer, agent or employee of the City in his or her individual capacity, and no such officer, agent or employee is personally liable on the 2025 Bonds or subject to personal liability or accountability by reason of the issuance thereof.

Section 9. The Authorized Officers are authorized, empowered and directed, individually and collectively, to do any and all other acts and to execute any and all other documents which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by this Bond Order and the Transaction Documents; except that none of the above is authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Bond Order, (b) the specific provisions of the General Indenture or the Series Indenture, (c) any agreement to which the City is bound, (d) any rule or regulation of the City, or (e) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State of North Carolina.

Section 10. The Authorized Officers are authorized and directed, individually and collectively, to prepare and furnish, when the 2025 Bonds are issued, certified copies of all the proceedings and records of the City Council relating to the 2025 Bonds, and such other affidavits, certificates and documents as may be required to show the facts relating to the legality and marketability of the 2025 Bonds as such facts appear on the books and records in such party's custody and control or as otherwise known to them; and all such certified copies, certificates, affidavits and documents, including any heretofore furnished, constitute representations of the City as to the truth of all statements contained therein.

Section 11. All acts and doings of the Authorized Officers that are in conformity with the purposes and intents of this Bond Order and in the furtherance of the issuance of the 2025 Bonds and the execution, where appropriate, delivery and performance

of the General Indenture and the Transaction Documents are approved, ratified, and confirmed.

Section 12. All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 13. This Bond Order will take effect immediately on its adoption and, pursuant to Section 159-88 of the General Statutes of North Carolina, as amended, need not be published or subjected to any procedural requirements governing the adoption of ordinances or resolutions by the City Council other than the procedures set out in the Act.