



**INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**

**SPECIAL MEETING**

**THURSDAY, JANUARY 18, 2018; 6:00 P.M.; COUNTY ADMINISTRATION  
BUILDING; CONFERENCE ROOM #1; 1 CENTER STREET, CHATHAM, VIRGINIA  
24531**

**AGENDA**

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF AGENDA
- IV. NEW BUSINESS
  - A. Resolution of the Industrial Development Authority of Pittsylvania County, Virginia, approving a plan to finance certain County Projects through the Issuance of Lease Revenue Bonds in an aggregate principal amount not to exceed \$2,950,000
- V. ADJOURN

PITTSYLVANIA COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY  
RESOLUTION  
2018-01-01

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
PITTSYLVANIA COUNTY, VIRGINIA, APPROVING A PLAN TO  
FINANCE CERTAIN COUNTY PROJECTS THROUGH THE ISSUANCE  
OF LEASE REVENUE BONDS IN AN AGGREGATE PRINCIPAL  
AMOUNT NOT TO EXCEED \$2,950,000**

**WHEREAS**, the Industrial Development Authority of Pittsylvania County, Virginia (the "Authority"), was created under and is authorized to exercise all the powers set forth in the Industrial Development and Revenue Bond Act, Title 15.2, Chapter 49, Code of Virginia of 1950, as amended (the "Act"), which include, among other things, the powers (a) to make loans to, among others, a county in furtherance of the Act, (b) to finance facilities and lease facilities for use by, among others, a county, (c) to issue its revenue bonds, notes and other obligations from time to time for such purposes and (d) to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans or from the leasing by the Authority of such facilities or from any source as security for the payment of principal of and interest on any such obligations;

**WHEREAS**, the Authority previously issued and sold its \$2,900,000 Lease Revenue and Refunding Bond (County Government Project), Series 2006 (the "2006 Bond"), to Branch Banking and Trust Company (the "Bank") and loaned the proceeds thereof to Pittsylvania County, Virginia (the "County"), to (a) refinance the construction of a health department and social services building (the "Original Project"), and (b) finance the expansion of and improvements to the Original Project (as expanded and improved, the "Project");

**WHEREAS**, as security for the repayment of the 2006 Bond, the Authority entered into (a) a Ground Lease dated as of April 1, 2006 (the "Original Ground Lease"), with the County, pursuant to which the County leased to the Authority the Project and the related real estate (collectively, the "Leased Property"), and (b) a Lease Agreement dated as of April 1, 2006 (the "Original Lease Agreement"), with the County, pursuant to which the Authority leased back to the County the Leased Property in exchange for which the County undertook to make rental payments sufficient to cover the annual debt service on the 2006 Bond and other related financing costs;

**WHEREAS**, on January 16, 2018, the County Board of Supervisors (the "County Board") adopted a resolution requesting the Authority to issue two series of lease revenue bonds (as hereinafter described, the "2018A Bond" and the "2018B Bond") and use the proceeds thereof to (a) finance (i)(A) the acquisition and installation of landfill equipment, (B) the acquisition and installation of a centrifugal water-cooled chiller for the courthouse building and (C) the acquisition, renovation and equipping of an existing building to convert it for public library purposes (collectively, the "2018A Project") and (ii) the acquisition and upfit of an industrial facility in the Ringgold area (the "2018B Project" and, together with the 2018A Project, the "2018 Projects") and (b) pay the related costs of issuance;

**WHEREAS**, the County has proposed that the Authority issue and sell the 2018A Bond and the 2018B Bond (together, the "2018 Bonds") to the Bank pursuant to a Bond Purchase Agreement between the Authority, the County and the Bank (the "2018 Purchase Agreement")

and secure the 2018 Bonds on a parity basis with the 2006 Bond by amending the various lease financing documents described below;

**WHEREAS**, the County administration has recommended that Hunton & Williams LLP, Richmond, Virginia, be approved as bond counsel;

**WHEREAS**, there have been made available prior to this meeting drafts of the following documents (collectively, the "Documents") providing for the issuance and sale of the 2018 Bonds, copies of which shall be filed with the records of the Authority:

- (a) 2018 Purchase Agreement providing for the sale of the 2018 Bonds and including the forms of the 2018 Bonds;
- (b) First Amendment to Ground Lease (the "First Amendment to Ground Lease"), amending the Original Ground Lease (as amended, the "Amended Ground Lease"), between the Authority and the County, conveying to the Authority a leasehold interest in the Leased Property;
- (c) First Amendment to Lease Agreement (the "First Amendment to Lease Agreement"), amending the Original Lease Agreement (as amended, the "Amended Lease Agreement"), between the Authority and the County, leasing the Leased Property back to the County in exchange for certain rental payments;
- (d) First Amendment to Assignment of Rents and Leases (the "First Amendment to Assignment"), amending the Assignment of Rents and Leases dated as of April 1, 2006, each made by the Authority for the benefit of the Bank and consented to by the County, assigning to the Bank certain rights of the Authority under the Amended Ground Lease and the Amended Lease Agreement; and
- (e) First Amendment to Deed of Trust and Security Agreement (the "First Amendment to Deed of Trust"), amending the Deed of Trust and Security Agreement dated as of April 1, 2006, each made by the Authority for the benefit of BB&T-VA Collateral Service (the "Deed of Trust Trustee"), granting the Deed of Trust Trustee a lien on the Authority's leasehold rights in the Leased Property;

**NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA:**

1. At the request of the County, the following plan of finance for the 2018 Projects is hereby approved: (a) the Authority shall (i) issue the 2018A Bond in a principal amount not to exceed \$1,850,000 and loan the proceeds thereof to the County to finance the 2018A Project and (ii) issue the 2018B Bond in a principal amount not to exceed \$1,100,000 and use the proceeds thereof to finance the 2018B Project, (b) the County will lease the Leased Property to the Authority pursuant to the terms of the Amended Ground Lease, with an expiration not later than December 31, 2029, and (c) the Authority will lease the Leased Property back to the County pursuant to the terms of the Amended Lease Agreement, with an expiration not later than December 31, 2029. Pursuant to the Amended Lease Agreement, the County will undertake to make certain payments of Basic Rent and Additional Rent (each term as defined in the Amended Lease Agreement) to the

Authority in amounts sufficient to amortize the 2018 Bonds and the outstanding portion of the 2006 Bond, to pay the fees and expenses of the Authority and to pay certain other related costs. The obligation of the Authority to pay principal of and premium, if any, and interest on the 2018 Bonds will be limited to payments of Basic Rent and certain Additional Rent received from the County. The 2018 Bonds will be secured on a parity with the outstanding portion of the 2006 Bond by an assignment of the payments of Basic Rent and certain Additional Rent due under the Amended Lease Agreement, all for the benefit of the holders of the 2018 Bonds and the 2006 Bond. The undertaking by the County to make payments of Basic Rent and Additional Rent will be subject to the appropriation by the County Board from time to time of sufficient amounts for such purposes. Upon an event of default or an event of non-appropriation by the County Board under the Amended Lease Agreement, the Authority shall have the right to exercise any remedies provided in the Amended Lease Agreement, including the right to terminate the Amended Lease Agreement and exclude the County from possession of the Leased Property for the remainder of the term of the Amended Ground Lease. This plan of finance shall contain such additional requirements and provisions as the County Administrator and the Chairman or Vice Chairman of the Authority may approve and determine to be in the best interests of the County and the Authority.

2. Subject to the pricing parameters described below, the Authority hereby awards the sale of the 2018 Bonds to the Bank. The Authority hereby authorizes the issuance and sale of the 2018 Bonds pursuant to the terms and conditions of the 2018 Purchase Agreement; provided that (a) the 2018A Bond (i) shall be designated "Lease Revenue Bond (County Projects), Series 2018A (Federally Tax-Exempt)" and dated the date of its delivery, (ii) shall be issued as a single, registered federally tax-exempt bond in a principal amount not to exceed \$1,850,000, (iii) shall bear interest at an annual rate not to exceed 3.59% (subject to adjustment as provided in the 2018 Purchase Agreement), (iv) shall mature in installments ending not later than December 31, 2028, (v) shall be sold to the Bank at a price not less than 100% of the aggregate principal amount thereof (without taking into account any original issue discount or premium), and (vi) shall be subject to optional prepayment at a prepayment premium not to exceed 1.00% of the principal amount to be prepaid, and (b) the 2018B Bond (i) shall be designated "Lease Revenue Bond (County Projects), Series 2018B (Federally Taxable)" and dated the date of its delivery, (ii) shall be issued as a single, registered federally taxable bond in a principal amount not to exceed \$1,100,000, (iii) shall bear interest at an annual rate not to exceed 4.39%, (iv) shall mature in installments ending not later than December 31, 2029, (v) shall be sold to the Bank at a price not less than 100% of the aggregate principal amount thereof (without taking into account any original issue discount or premium), and (vi) shall be subject to optional prepayment at a prepayment premium not to exceed 1.00% of the principal amount to be prepaid. The Chairman and Vice Chairman of the Authority, either of whom may act, are also hereby authorized to approve, in collaboration with the County Administrator, maturity schedules for the 2018 Bonds.

3. The Chairman and Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Documents, which shall be in substantially the forms made available prior to this meeting, which are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing them, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes.

4. The Chairman and Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the 2018 Bonds by manual or facsimile signature, the Secretary and the Assistant Secretary of the Authority, either of whom may act, are hereby authorized and directed to affix the seal of the Authority or print a facsimile thereof on the 2018 Bonds and to attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the 2018 Bonds to the Bank upon payment of the purchase price thereof.

5. All costs and expenses in connection with the financing of the 2018 Projects and the issuance of the 2018 Bonds, including the Authority's fees and expenses and the fees and expenses of the financial advisor and bond counsel in connection with the sale of the 2018 Bonds, shall be paid from the proceeds of the 2018 Bonds or other legally available funds of the County. If for any reason the 2018 Bonds are not issued, it is understood that all such expenses shall be paid by the County from its legally available funds and that the Authority shall have no responsibility therefor.

6. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the 2018 Bonds and the financing of the 2018 Projects, including without limitation (a) executing and delivering a certificate setting forth the expected use and investment of the proceeds of the 2018A Bond to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder, applicable to "arbitrage bonds," (b) making any elections, at the request of the County, that such officers deem desirable regarding any provision requiring rebate to the United States of "arbitrage profits" earned on investment of proceeds of the 2018A Bond, (c) providing for the County to pay any such rebate amount and (d) filing Internal Revenue Service Form 8038-G. The foregoing shall be subject to the advice, approval and direction of bond counsel.

7. The Authority agrees, at the request of the County, to designate the 2018A Bond as a "qualified tax-exempt obligation" (within the meaning of Section 265(b)(3) of the Code), provided that no more than \$10 million in aggregate principal amount of federally tax-exempt obligations shall be issued by the County and the Authority in calendar year 2018.

8. The Authority consents to the recommendation by the County that Hunton & Williams LLP serve as bond counsel for the issuance and sale of the 2018 Bonds.

9. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.

10. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the 2018 Bonds and the financing of the 2018 Projects are hereby approved and ratified.

11. All resolutions or parts of resolutions in conflict herewith are repealed.

12. This Resolution shall take effect immediately.

*INTEREST ON THIS BOND IS INTENDED BY THE ISSUER HEREOF TO BE INCLUDED IN GROSS INCOME OF THE HOLDER FOR FEDERAL INCOME TAX PURPOSES.*

**RB-1**

**UNITED STATES OF AMERICA  
COMMONWEALTH OF VIRGINIA**

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA  
LEASE REVENUE BOND  
(COUNTY PROJECTS)  
SERIES 2018B (FEDERALLY TAXABLE)**

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>
4.39%	February 1, 2029	January 30, 2018

**REGISTERED OWNER: BRANCH BANKING AND TRUST COMPANY**

**PRINCIPAL AMOUNT: ONE MILLION SEVENTY-NINE THOUSAND ONE HUNDRED NINETY-EIGHT DOLLARS (\$1,079,198)**

The INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia (the "Authority"), for value received, promises to pay, solely from the revenues and other property pledged to the payment of this Bond, to the Registered Owner of this Bond or its legal representative, the Principal Amount stated above, and to pay solely from such source, interest on the unpaid principal amount of this Bond from the Dated Date stated above at the annual Interest Rate stated above. Payments of interest on this Bond will be due and payable semiannually on February 1 and August 1, commencing August 1, 2018, and continuing through and including the Maturity Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Principal on this Bond is payable semiannually on each February 1 and August 1, commencing on August 1, 2019, and ending on the Maturity Date, all as shown on Schedule A hereto. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America. If not sooner paid, all interest on and principal of this Bond is payable in full on the Maturity Date.

Principal of and premium, if any, and interest on this Bond will be payable (i) by check or draft mailed to the Registered Owner at its address as it appears on the registration books kept for that purpose by the Secretary of the Authority, who has been appointed the initial registrar for this Bond (the "Registrar"), on the 15<sup>th</sup> day of the month preceding each payment date or (ii) by wire transfer pursuant to the most recent wire instructions received by the Registrar from the Registered Owner. In case the date of payment or prepayment of this Bond is not a Business Day (as defined in the hereinafter defined the Lease Agreement), then payment of the principal, premium, if any, and interest need not be made on such date, but may be made on the next succeeding Business Day, and, if made on such next succeeding Business Day, no additional interest shall accrue for the period after such date of payment or prepayment.

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Capitalized terms used herein shall have the meanings given to them herein or in the Lease Agreement.

The principal of, and premium, if any, and interest on this Bond are limited obligations of the Authority and are payable solely from the revenues and other property pledged and assigned to the Registered Owner under the terms of the Lease Agreement and the Bond Purchase Agreement dated the date hereof (the "2018 Purchase Agreement"), between the Authority, the County of Pittsylvania, Virginia (the "County"), and Branch Banking and Trust Company, as the initial Registered Owner, to secure payment of this Bond. The principal of and premium, if any, and interest on this Bond will not be deemed to constitute a debt of the Commonwealth of Virginia or any of its political subdivisions other than the Authority. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE AUTHORITY AND THE COUNTY, IS OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES, MONEY OR PROPERTY PLEDGED FOR SUCH PURPOSE, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE AUTHORITY AND THE COUNTY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

This Bond is authorized and issued by the Authority pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended, for the purpose of providing funds to (a) finance the acquisition and upfit of an industrial facility in the Ringgold area and (b) pay the related costs of issuance. The Project and the Real Estate will be leased to the County pursuant to the Lease Agreement dated as of April 1, 2006, as amended by the First Amendment to Lease Agreement dated as of January 1, 2018 (collectively, the "Lease Agreement"), each between the Authority and the County. Under the terms of the Lease Agreement, the County has agreed to make rental payments to the Authority for the lease of the Project and the Real Estate. The obligation of the County to make payments under the Lease Agreement constitutes a current expense of the County, subject to annual appropriation by the County. The limited remedies available to the Registered Owner if funds are not appropriated by the County to make payments under the Lease Agreement are described in the Lease Agreement. The obligation of the County to make payments under the Lease Agreement constitutes neither a debt of the County within the meaning of any constitutional or statutory limitation nor a liability of or lien or charge upon funds or property of the County beyond any fiscal year for which the County Board of Supervisors has appropriated moneys to make such payments. The Authority shall not have any obligation or liability to the Registered Owner hereof with respect to payments to be made by the County under the Lease Agreement or with respect to the performance by the County of any other covenant contained therein.

The Registered Owner, by acceptance of this Bond, agrees, before any sale, assignment or transfer of this Bond, to note in the certificate at the foot of this Bond the aggregate amount of all principal prepayments that have been made.

This Bond is secured by the Assignment of Rents and Leases dated as of April 1, 2006, as amended by the First Assignment of Rents and Leases dated as of January 1, 2018 (collectively, the "Assignment"), each by the Authority, pursuant to which the Authority's rights under the Lease Agreement (except the rights to (i) receive payment of its fees and expenses, (ii) receive notices, (iii) give consents and (iv) obtain indemnification) have been assigned to the Registered Owner. This Bond is further secured by the Deed of Trust and Security Agreement dated as of April 1, 2006, as amended by the First Amendment to Deed of Trust and Security Agreement dated as of January 1, 2018 (collectively, the "Deed of Trust"), each from the Authority, pursuant to which the Authority has granted a lien on its leasehold rights in the Project and the Real Estate. Reference is made to (A) the Ground Lease dated as of April 1, 2006, as amended by the First Amendment to Ground Lease dated as of January 1, 2018 (collectively, the "Ground Lease"), each between the County and the Authority, (B) the 2018 Purchase Agreement, (C) the Lease Agreement, (D) the Assignment and (E) the Deed of Trust for a description of the revenues and property pledged and assigned and the provisions, among other things, with respect to the nature and extent of the security, the rights and obligations of the Authority, the County and the Registered Owner, and the terms on which this Bond is issued and secured.

This Bond shall be subject to prepayment, in whole or in part, at the option of the Authority (at the direction of the County) on ten (10) days' prior written notice to the Authority and the Registered Owner, at any time, upon payment of the principal amount of this Bond to be prepaid, plus accrued interest to the prepayment date and a prepayment premium equal to one percent (1%) of the principal amount to be prepaid.

Upon the occurrence of certain events or upon certain conditions, in the manner and with the effect set forth in the Lease Agreement, the principal of this Bond then outstanding, together with any accrued interest on this Bond, may become or may be declared due and payable before its stated maturity.

The transfer of this Bond may be registered by the Registered Owner in person or by its duly authorized attorney or legal representative at the office of the Secretary of the Authority, as Registrar, but only upon surrender and cancellation of this Bond. Upon any such registration of transfer, the Authority will execute and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee. The Authority will treat the new Registered Owner as the person exclusively entitled to payment of principal of and premium, if any, and interest on this Bond and the exercise of all other rights and powers of the owner.

All acts and conditions required to happen, exist or be performed precedent to and in connection with the issuance of this Bond have happened, exist and have been performed.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



IN WITNESS WHEREOF, the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**, has caused this Bond to be executed by the manual signature of its Chairman or Vice Chairman and its seal to be affixed to this Bond and attested by the manual signature of its Secretary or Assistant Secretary, all as of the Dated Date set forth above.

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA**

By \_\_\_\_\_  
Chairman

[SEAL]

ATTEST:

By \_\_\_\_\_  
Secretary

Certificate Of Prepayments

The principal amount of this Bond shall be reduced by an amount equal to the aggregate of prepayments noted on this Certificate of Prepayments. All prepayments shall be certified under this Certificate of Prepayments by an authorized representative of the Registered Owner, and such certification shall constitute a cancellation of the principal amount due on this Bond in the aggregate of the amounts certified below.

<u>Amount</u>	<u>Date</u>	<u>Authorized Signature</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Form of Assignment)

FOR VALUE RECEIVED the undersigned sell(s), assign(s) and transfer(s) unto

\_\_\_\_\_  
\_\_\_\_\_  
PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF ASSIGNEE

\_\_\_\_\_  
\_\_\_\_\_  
(Please print or type Name and Address, including postal zip code of Transferee)

the within Bond and all rights under it, irrevocably constituting and appointing

\_\_\_\_\_, Attorney to transfer the  
Bond on the books kept for its registration, with full power of substitution.

Dated: \_\_\_\_\_

Signature Guaranteed

\_\_\_\_\_  
NOTICE: Signature (s) must be  
guaranteed by an institution  
participating in the Securities Transfer  
Agent Medallion Program ("STAMP")  
Or similar program

\_\_\_\_\_  
Registered Owner  
NOTICE: The signature above must  
correspond with the name of the  
Registered Owner exactly as it appears  
on the front of this Bond.

Please affix signature guarantee ink  
Stamp below with appropriate Signature,  
title of officer and date:

**SCHEDULE A**

**PRINCIPAL AMORTIZATION SCHEDULE**

<b>Date</b>	<b>Amount</b>
08/01/2019	\$44,038.00
02/01/2020	44,037.00
08/01/2020	45,991.00
02/01/2021	45,993.00
08/01/2021	48,034.00
02/01/2022	48,033.00
08/01/2022	50,165.00
02/01/2023	50,166.00
08/01/2023	52,392.00
02/01/2024	52,392.00
08/01/2024	54,718.00
02/01/2025	54,718.00
08/01/2025	57,146.00
02/01/2026	57,147.00
08/01/2026	59,683.00
02/01/2027	59,683.00
08/01/2027	62,332.00
02/01/2028	62,332.00
08/01/2028	65,099.00
02/01/2029	65,099.00

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**UNITED STATES OF AMERICA  
COMMONWEALTH OF VIRGINIA**

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA  
LEASE REVENUE BOND  
(COUNTY PROJECTS)  
SERIES 2018A (FEDERALLY TAX-EXEMPT)**

**INTEREST RATE**

**3.59%**

**MATURITY DATE**

**February 1, 2028**

**DATED DATE**

**January 30, 2018**

**REGISTERED OWNER: BRANCH BANKING AND TRUST COMPANY**

**PRINCIPAL AMOUNT: ONE MILLION EIGHT HUNDRED THREE THOUSAND  
EIGHT HUNDRED TWO DOLLARS (\$1,803,802)**

The INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia (the "Authority"), for value received, promises to pay, solely from the revenues and other property pledged to the payment of this Bond, to the Registered Owner of this Bond or its legal representative, the Principal Amount stated above, and to pay solely from such source, interest on the unpaid principal amount of this Bond from the Dated Date stated above at the annual Interest Rate stated above (subject to adjustment as hereinafter provided). Payments of interest on this Bond will be due and payable semiannually on February 1 and August 1, commencing August 1, 2018, and continuing through and including the Maturity Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Principal on this Bond is payable semiannually on each February 1 and August 1, commencing on August 1, 2018, and ending on the Maturity Date, all as shown on Schedule A hereto. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America. If not sooner paid, all interest on and principal of this Bond is payable in full on the Maturity Date.

Principal of and premium, if any, and interest on this Bond will be payable (i) by check or draft mailed to the Registered Owner at its address as it appears on the registration books kept for that purpose by the Secretary of the Authority, who has been appointed the initial registrar for this Bond (the "Registrar"), on the 15<sup>th</sup> day of the month preceding each payment date or (ii) by wire transfer pursuant to the most recent wire instructions received by the Registrar from the Registered Owner. In case the date of payment or prepayment of this Bond is not a Business Day (as defined in the hereinafter defined the Lease Agreement), then payment of the principal, premium, if any, and interest need not be made on such date, but may be made on the next succeeding Business Day, and, if made on such next succeeding Business Day, no additional interest shall accrue for the period after such date of payment or prepayment.

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Capitalized terms used herein shall have the meanings given to them herein or in the Lease Agreement.

The principal of, and premium, if any, and interest on this Bond are limited obligations of the Authority and are payable solely from the revenues and other property pledged and assigned to the Registered Owner under the terms of the Lease Agreement and the Bond Purchase Agreement dated the date hereof (the "2018 Purchase Agreement"), between the Authority, the County of Pittsylvania, Virginia (the "County"), and Branch Banking and Trust Company, as the initial Registered Owner, to secure payment of this Bond. The principal of and premium, if any, and interest on this Bond will not be deemed to constitute a debt of the Commonwealth of Virginia or any of its political subdivisions other than the Authority. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE AUTHORITY AND THE COUNTY, IS OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES, MONEY OR PROPERTY PLEDGED FOR SUCH PURPOSE, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE AUTHORITY AND THE COUNTY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

This Bond is authorized and issued by the Authority pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended, for the purpose of providing funds to (a) finance (i) the acquisition and installation of landfill equipment, (ii) the acquisition and installation of a centrifugal water-cooled chiller for the courthouse building and (iii) the acquisition, renovation and equipping of an existing building to convert it for public library purposes and (b) pay the related costs of issuance. The Project and the Real Estate will be leased to the County pursuant to the Lease Agreement dated as of April 1, 2006, as amended by the First Amendment to Lease Agreement dated as of January 1, 2018 (collectively, the "Lease Agreement"), each between the Authority and the County. Under the terms of the Lease Agreement, the County has agreed to make rental payments to the Authority for the lease of the Project and the Real Estate. The obligation of the County to make payments under the Lease Agreement constitutes a current expense of the County, subject to annual appropriation by the County. The limited remedies available to the Registered Owner if funds are not appropriated by the County to make payments under the Lease Agreement are described in the Lease Agreement. The obligation of the County to make payments under the Lease Agreement constitutes neither a debt of the County within the meaning of any constitutional or statutory limitation nor a liability of or lien or charge upon funds or property of the County beyond any fiscal year for which the County Board of Supervisors has appropriated moneys to make such payments. The Authority shall not have any obligation or liability to the Registered Owner hereof with respect to payments to be made by the County under the Lease Agreement or with respect to the performance by the County of any other covenant contained therein.

The Registered Owner, by acceptance of this Bond, agrees, before any sale, assignment or transfer of this Bond, to note in the certificate at the foot of this Bond the aggregate amount of all principal prepayments that have been made.

This Bond is secured by the Assignment of Rents and Leases dated as of April 1, 2006, as amended by the First Assignment of Rents and Leases dated as of January 1, 2018 (collectively, the "Assignment"), each by the Authority, pursuant to which the Authority's rights under the Lease Agreement (except the rights to (i) receive payment of its fees and expenses, (ii) receive notices, (iii) give consents and (iv) obtain indemnification) have been assigned to the Registered Owner. This Bond is further secured by the Deed of Trust and Security Agreement dated as of April 1, 2006, as amended by the First Amendment to Deed of Trust and Security Agreement dated as of January 1, 2018 (collectively, the "Deed of Trust"), each from the Authority, pursuant to which the Authority has granted a lien on its leasehold rights in the Project and the Real Estate. Reference is made to (A) the Ground Lease dated as of April 1, 2006, as amended by the First Amendment to Ground Lease dated as of January 1, 2018 (collectively, the "Ground Lease"), each between the County and the Authority, (B) the 2018 Purchase Agreement, (C) the Lease Agreement, (D) the Assignment and (E) the Deed of Trust for a description of the revenues and property pledged and assigned and the provisions, among other things, with respect to the nature and extent of the security, the rights and obligations of the Authority, the County and the Registered Owner, and the terms on which this Bond is issued and secured.

### ***Optional Prepayment***

This Bond shall be subject to prepayment, in whole or in part, at the option of the Authority (at the direction of the County) on ten (10) days' prior written notice to the Authority and the Registered Owner, at any time, upon payment of the principal amount of this Bond to be prepaid, plus accrued interest to the prepayment date and a prepayment premium equal to one percent (1%) of the principal amount to be prepaid.

### ***Interest Rate Adjustments***

**Definitions.** As used herein, the following terms shall have the following meanings and the following provisions shall apply:

"Date of Non-Bank-Qualified Status" shall mean the earliest date as of which this Bond shall have been determined not to be a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (or any successor provision), pursuant to a Determination of Non-Bank-Qualified Status.

"Date of Taxability" shall mean the earliest date as of which interest on this Bond shall have been determined to be includable in the gross income of the Registered Owner or prior Registered Owner as a result of a Determination of Taxability.

"Determination of Non-Bank-Qualified Status" shall mean any final determination by the Internal Revenue Service, any federal administrative agency, any court or by the Registered Owner based upon a written opinion of nationally recognized bond counsel that this Bond is not a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (or any

successor provision); provided, that no such determination will be considered final for this purpose, however, unless the County and the Authority have been given written notice and, if it is so desired and is legally allowed, have been afforded the opportunity (at the expense of the County) to contest the same, either directly or in the name of the Registered Owner or any prior Registered Owner, and until the conclusion of any appellate review, if sought.

“Determination of Taxability” shall mean the occurrence, after the date hereof, of either (1) a final ruling or judgment is entered by a state or federal court of competent jurisdiction or (2) an official and final action is taken or announced by the Internal Revenue Service or state official, determining that an Event of Taxability shall have occurred; provided, that no such ruling or judgment, or final action of the Internal Revenue Service, will be considered final for this purpose, however, unless the County and the Authority have been given written notice and, if it is so desired and is legally allowed, have been afforded the opportunity (at the expense of the County) to contest the same, either directly or in the name of the registered owner or any prior registered owner, and until the conclusion of any appellate review, if sought.

“Event of Taxability” shall mean the taking of any action by the County or the Authority, or the failure to take any action by the County or the Authority, or the making by the County or the Authority of any misrepresentation in any tax certificate required to be given in connection with the issuance, sale or delivery of this Bond, any of which has the effect of causing interest paid or payable hereon to become includable, in whole or in part, in the gross income of the Registered Owner or any prior Registered Owner for federal income tax purposes.

“Non-Bank-Qualified Rate” shall mean an annual rate of [ ]%.

“Taxable Rate” shall mean an annual rate of [ ]%.

Interest Rate Provisions. The Interest Rate on this Bond is subject to adjustment as provided herein and in the 2018 Purchase Agreement.

Upon the occurrence of a Determination of Taxability, then, from and after the Date of Taxability, the Interest Rate shall be adjusted to the Taxable Rate. After a Determination of Taxability and upon demand of the Registered Owner or any prior Registered Owner hereof, the Authority shall pay to the Registered Owner or prior Registered Owner, but only from amounts provided by the County pursuant to the Lease Agreement, such additional amount as shall be necessary to provide that interest hereon shall have been payable at the Taxable Rate from the Date of Taxability.

Upon the occurrence of a Determination of Non-Bank-Qualified Status, then, from and after the Date of Non-Bank-Qualified Status, the Interest Rate shall be adjusted to the Non-Bank-Qualified Rate. After a Determination of Non-Bank-Qualified Status and upon demand of the Registered Owner or any prior Registered Owner hereof, the Authority shall pay to the Registered Owner or prior Registered Owner, but only from amounts provided by the County pursuant to the Lease Agreement, such additional amount as shall be necessary to provide that



interest hereon shall have been payable at the Non-Bank-Qualified Rate from the Date of Non-Bank-Qualified Status.

Upon the occurrence of a Determination of Taxability or a Determination of Non-Bank-Qualified Status, the Authority shall also pay, but only from amounts provided by the County pursuant to the Lease Agreement, to the Registered Owner or to any prior Registered Owner hereof upon demand of the Registered Owner or prior Registered Owner any taxes, interest, penalties or other charges assessed against or payable by the Registered Owner or prior Registered Owner and attributable to such Determination of Taxability or Determination of Non-Bank-Qualified Status and all reasonable administrative, out of pocket and other expenses incurred by the Registered Owner or prior Registered Owner that are attributable to such event, including, without limitation, the costs incurred by the Registered Owner or prior Registered Owner to amend any of its tax returns, notwithstanding the repayment of the entire principal amount hereof or any transfer or assignment hereof.

### ***General Provisions***

Upon the occurrence of certain events or upon certain conditions, in the manner and with the effect set forth in the Lease Agreement, the principal of this Bond then outstanding, together with any accrued interest on this Bond, may become or may be declared due and payable before its stated maturity.

The Authority has designated this Bond as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The transfer of this Bond may be registered by the Registered Owner in person or by its duly authorized attorney or legal representative at the office of the Secretary of the Authority, as Registrar, but only upon surrender and cancellation of this Bond. Upon any such registration of transfer, the Authority will execute and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee. The Authority will treat the new Registered Owner as the person exclusively entitled to payment of principal of and premium, if any, and interest on this Bond and the exercise of all other rights and powers of the owner.

All acts and conditions required to happen, exist or be performed precedent to and in connection with the issuance of this Bond have happened, exist and have been performed.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**, has caused this Bond to be executed by the manual signature of its Chairman or Vice Chairman and its seal to be affixed to this Bond and attested by the manual signature of its Secretary or Assistant Secretary, all as of the Dated Date set forth above.

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA**

By \_\_\_\_\_  
Chairman

[SEAL]

ATTEST:

By \_\_\_\_\_  
Secretary

Certificate Of Prepayments

The principal amount of this Bond shall be reduced by an amount equal to the aggregate of prepayments noted on this Certificate of Prepayments. All prepayments shall be certified under this Certificate of Prepayments by an authorized representative of the Registered Owner, and such certification shall constitute a cancellation of the principal amount due on this Bond in the aggregate of the amounts certified below.

<u>Amount</u>	<u>Date</u>	<u>Authorized Signature</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Form of Assignment)

FOR VALUE RECEIVED the undersigned sell(s), assign(s) and transfer(s) unto

\_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF ASSIGNEE

\_\_\_\_\_

\_\_\_\_\_  
(Please print or type Name and Address, including postal zip code of Transferee)

the within Bond and all rights under it, irrevocably constituting and appointing

\_\_\_\_\_, Attorney to transfer the  
Bond on the books kept for its registration, with full power of substitution.

Dated: \_\_\_\_\_

Signature Guaranteed

\_\_\_\_\_  
NOTICE: Signature (s) must be  
guaranteed by an institution  
participating in the Securities Transfer  
Agent Medallion Program ("STAMP")  
Or similar program

\_\_\_\_\_  
Registered Owner

NOTICE: The signature above must  
correspond with the name of the  
Registered Owner exactly as it appears  
on the front of this Bond.

Please affix signature guarantee ink  
Stamp below with appropriate Signature,  
title of officer and date:

**SCHEDULE A**

**PRINCIPAL AMORTIZATION SCHEDULE**

<b>Date</b>	<b>Amount</b>
08/01/2018	\$ 76,364.00
02/01/2019	76,366.00
08/01/2019	79,222.00
02/01/2020	79,222.00
08/01/2020	82,092.00
02/01/2021	82,092.00
08/01/2021	85,065.00
02/01/2022	85,066.00
08/01/2022	88,147.00
02/01/2023	88,147.00
08/01/2023	91,341.00
02/01/2024	91,340.00
08/01/2024	94,649.00
02/01/2025	94,649.00
08/01/2025	98,077.00
02/01/2026	98,078.00
08/01/2026	101,630.00
02/01/2027	101,631.00
08/01/2027	105,312.00
02/01/2028	105,312.00

**INDUSTRIAL DEVELOPMENT AUTHORITY OF  
PITTSYLVANIA COUNTY, VIRGINIA**

**\$1,803,802 LEASE REVENUE BOND  
(COUNTY PROJECTS), SERIES 2018A  
(FEDERALLY TAX-EXEMPT)**

**\$1,079,198 LEASE REVENUE BOND  
(COUNTY PROJECTS), SERIES 2018B  
(FEDERALLY TAXABLE)**

**BOND PURCHASE AGREEMENT**

January 30, 2018

Industrial Development Authority  
of Pittsylvania County, Virginia  
Chatham, Virginia

Board of Supervisors  
County of Pittsylvania, Virginia  
Chatham, Virginia

Ladies and Gentlemen:

This is to confirm the agreement among the INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA (the "Authority"), the Board of Supervisors acting as the governing body of the COUNTY OF PITTSYLVANIA, VIRGINIA (the "County"), and BRANCH BANKING AND TRUST COMPANY (the "Bank"), concerning the purchase by the Bank of the Authority's (a) \$1,803,802 Lease Revenue Bond (County Projects), Series 2018A (Federally Tax-Exempt) (the "2018A Bond"), and (b) \$1,079,198 Lease Revenue Bond (County Projects), Series 2018B (Federally Taxable) (the "2018B Bond" and, together with the 2018A Bond, the "2018 Bonds").

1. **Purpose of Financing.** The County proposes to finance (a)(i) the acquisition and installation of landfill equipment, (ii) the acquisition and installation of a centrifugal water-cooled chiller for the courthouse building and (iii) the acquisition, renovation and equipping of an existing building to convert it for public library purposes and (b) the acquisition and upfit of an industrial facility in the Ringgold area, through the issuance by the Authority of its 2018A Bond and 2018B Bond, respectively. The County and the Authority have previously entered into a Ground Lease dated as of April 1, 2006 (the "Original Ground Lease"), and, contemporaneously with the execution hereof, have entered into a First Amendment to Ground Lease dated as of January 1, 2018 (together with the Original Ground Lease, the "Amended Ground Lease"), pursuant to which the County will continue to lease the Project and the Real Estate to the Authority. The County and the Authority have also previously entered into a Lease Agreement dated as of April 1, 2006 (the "Original Lease Agreement"), and, simultaneously with the execution hereof, have entered into a First Amendment to Lease Agreement dated as of January 1, 2018 (the "First Amendment to Lease Agreement"), pursuant to which the Authority will continue to lease the Project and the Real Estate back to the County. The 2018 Bonds, together with the Authority's Lease Revenue and Refunding Bond (County Government Project), Series 2006 (the "2006 Bond"), will be secured on a parity basis by (x) a Deed of Trust and

"C"

Security Agreement dated as of April 1, 2006 (the “Original Deed of Trust”) from the Authority, as amended by a First Amendment to Deed of Trust and Security Agreement dated as of January 1, 2018 (together with the Original Deed of Trust, the “Amended Deed of Trust”), pursuant to which the Authority will continue the grant of a lien on its rights under the Amended Lease Agreement and (y) an Assignment of Rents and Leases dated as of April 1, 2006 (the “Original Assignment”), as amended by a First Amendment to Assignment of Rents and Leases dated as of January 1, 2018, pursuant to which the Authority will continue the assignment to the Bank of, among other things, its rights to certain rental and other payments to be made by the County under the Amended Lease Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings given them in the Amended Lease Agreement.

**2. Terms of the 2018 Bonds.**

(a) **2018A Bond.** The 2018A Bond shall be (i) substantially in the form of Exhibit A attached hereto, (ii) issuable as a single, registered bond in the denomination of \$1,803,802, (iii) numbered RA-1 and (iv) dated January 30, 2018. The 2018A Bond shall bear interest at a rate of 3.59% (subject to adjustment as provided in subsections (c) and (d) below), calculated on the basis of a 360-day year of twelve 30-day months. Payments of interest on the 2018A Bond shall be due and payable semiannually on each February 1 and August 1, commencing August 1, 2018. The 2018A Bond shall mature in principal installments due semiannually on each February 1 and August 1, commencing on August 1, 2018, and ending on February 1, 2028, as follows:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
08/01/2018	\$76,364.00	08/01/2023	\$ 91,341.00
02/01/2019	76,366.00	02/01/2024	91,340.00
08/01/2019	79,222.00	08/01/2024	94,649.00
02/01/2020	79,222.00	02/01/2025	94,649.00
08/01/2020	82,092.00	08/01/2025	98,077.00
02/01/2021	82,092.00	02/01/2026	98,078.00
08/01/2021	85,065.00	08/01/2026	101,630.00
02/01/2022	85,066.00	02/01/2027	101,631.00
08/01/2022	88,147.00	08/01/2027	105,312.00
02/01/2023	88,147.00	02/01/2028	105,312.00

(b) **2018B Bond.** The 2018B Bond shall be (i) substantially in the form of Exhibit B attached hereto, (ii) issuable as a single, registered bond in the denomination of \$1,079,198, (iii) numbered RB-1 and (iv) dated January 30, 2018. The 2018B Bond shall bear interest at a rate of 4.39%, calculated on the basis of a 360-day year of twelve 30-day months. Payments of interest on the 2018B Bond shall be due and payable semiannually on each February 1 and August 1, commencing August 1, 2018. The 2018B Bond shall mature in principal installments due semiannually on each February 1 and August 1, commencing on August 1, 2019, and ending on February 1, 2029, as follows:

<b>Year</b>	<b>Amount</b>	<b>Year</b>	<b>Amount</b>
08/01/2019	\$44,038.00	08/01/2024	\$54,718.00
02/01/2020	44,037.00	02/01/2025	54,718.00
08/01/2020	45,991.00	08/01/2025	57,146.00
02/01/2021	45,993.00	02/01/2026	57,147.00
08/01/2021	48,034.00	08/01/2026	59,683.00
02/01/2022	48,033.00	02/01/2027	59,683.00
08/01/2022	50,165.00	08/01/2027	62,332.00
02/01/2023	50,166.00	02/01/2028	62,332.00
08/01/2023	52,392.00	08/01/2028	65,099.00
02/01/2024	52,392.00	02/01/2029	65,099.00

(c) Determination of Taxability; Interest Rate Adjustment on 2018A Bond.

(i) The following capitalized terms shall have the meanings set forth below:

(A) “Date of Taxability” shall mean the earliest date as of which interest on the 2018A Bond shall have been determined to be includable in the gross income of any registered owner or prior registered owner as a result of a Determination of Taxability.

(B) “Determination of Taxability” shall mean the occurrence, after the date hereof, of either (1) a final ruling or judgment is entered by a state or federal court of competent jurisdiction or (2) an official and final action is taken or announced by the Internal Revenue Service or state official, determining that an Event of Taxability shall have occurred; provided, that no such ruling or judgment, or final action of the Internal Revenue Service, will be considered final for this purpose, however, unless the County and the Authority have been given written notice and, if it is so desired and is legally allowed, have been afforded the opportunity (at the expense of the County) to contest the same, either directly or in the name of the registered owner or any prior registered owner, and until the conclusion of any appellate review, if sought.

(C) “Event of Taxability” shall mean the taking of any action by the County or the Authority, or the failure to take any action by the County or the Authority, or the making by the County or the Authority of any misrepresentation in any tax certificate required to be given in connection with the issuance, sale or delivery of the 2018A Bond, any of which has the effect of causing interest paid or payable on the 2018A Bond to become includable, in whole or in part, in the gross income of the registered owner or any prior registered owner for federal income tax purposes.

(D) “Taxable Rate” shall mean annual rate of [ ]%.



(ii) Upon the occurrence of a Determination of Taxability, then, from and after the Date of Taxability, the interest rate used to calculate interest on the 2018A Bond shall be adjusted to the Taxable Rate. After a Determination of Taxability and upon demand of the registered owner or any prior registered owner of the 2018A Bond, the Authority shall pay to such registered owner or prior registered owner, but only from amounts provided by the County pursuant to the Amended Lease Agreement, such additional amount as shall be necessary to provide that interest on the 2018A Bond shall have been payable at the Taxable Rate from the Date of Taxability.

(iii) Upon the occurrence of a Determination of Taxability, the Authority shall also pay, but only from amounts provided by the County pursuant to the Amended Lease Agreement, to the registered owner or to any prior registered owner of the 2018A Bond upon demand of such registered owner or prior registered owner any taxes, interest, penalties or other charges assessed against or payable by such registered owner or prior registered owner and attributable to such Determination of Taxability and all reasonable administrative, out of pocket and other expenses incurred by such registered owner or prior registered owner that are attributable to such event, including, without limitation, the costs incurred by such registered owner or prior registered owner to amend any of its tax returns, notwithstanding the repayment of the entire principal amount of the 2018A Bond or any transfer or assignment thereof.

(d) Determination of Non-Bank-Qualified Status; Interest Rate Adjustment on 2018A Bond.

(i) The following capitalized terms shall have the meanings set forth below:

(A) “Date of Non-Bank-Qualified Status” shall mean the earliest date as of which the 2018A Bond shall have been determined not to be a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (or any successor provision), pursuant to a Determination of Non-Bank-Qualified Status.

(B) “Determination of Non-Bank-Qualified Status” shall mean any final determination by the Internal Revenue Service, any federal administrative agency, any court or by the registered owner of the 2018A Bond based upon a written opinion of nationally recognized bond counsel that the 2018A Bond is not a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (or any successor provision); provided, that no such determination will be considered final for this purpose, however, unless the County and the Authority have been given written notice and, if it is so desired and is legally allowed, have been afforded the opportunity (at the expense of the County) to contest the same, either directly or in the name

of the registered owner or any prior registered owner, and until the conclusion of any appellate review, if sought.

(C) “Non-Bank-Qualified Rate” shall mean an annual rate of [ ]%.

(ii) Upon the occurrence of a Determination of Non-Bank-Qualified Status, then, from and after the Date of Non-Bank-Qualified Status, the interest rate used to calculate the interest on the 2018A Bond shall be adjusted to the Non-Bank-Qualified Rate. After a Determination of Non-Bank-Qualified Status and upon demand of the registered owner or any prior registered owner of the 2018A Bond, the Authority shall pay to such registered owner or prior registered owner, but only from amounts provided by the County pursuant to the Amended Lease Agreement, such additional amount as shall be necessary to provide that interest on the 2018A Bond shall have been payable at the Non-Bank-Qualified Rate from the Date of Non-Bank-Qualified Status.

(iii) Upon the occurrence of a Determination of Non-Bank-Qualified Status, the Authority shall also pay, but only from amounts provided by the County pursuant to the Amended Lease Agreement, to the registered owner or to any prior registered owner of the 2018A Bond upon demand of such registered owner or prior registered owner any taxes, interest, penalties or other charges assessed against or payable by such registered owner or prior registered owner and attributable to such Determination of Non-Bank-Qualified Status and all reasonable administrative, out of pocket and other expenses incurred by such registered owner or prior registered owner that are attributable to such event, including, without limitation, the costs incurred by such registered owner or prior registered owner to amend any of its tax returns, notwithstanding the repayment of the entire principal amount of the 2018A Bond or any transfer or assignment thereof.

(e) Prepayment of the 2018 Bonds. The 2018 Bonds shall be subject to prepayment, in whole or in part, at the option of the Authority (at the direction of the County) on ten (10) days’ prior written notice to the Authority and the registered owner thereof, at any time, upon payment of the principal amount of the 2018 Bond(s) to be prepaid, plus accrued interest to the prepayment date and a prepayment premium equal to one percent (1%) of the principal to be prepaid.

**3. 2018 Bonds as Limited Obligations of Authority.** The Bank understands that the 2018 Bonds are payable solely from revenues derived by the Authority from the Amended Lease Agreement and that the obligation of the County to make payments under the Amended Lease Agreement constitutes a current expense of the County, payable from funds of the County legally available therefor and subject to annual appropriation. Such obligation does not constitute a debt of the County within the meaning of any constitutional or statutory limitation and does not constitute a liability of or a lien or charge upon the funds or property of the County beyond the fiscal year for which the County has appropriated funds to make such payments.

4. **Purchase Price.** The purchase price of the 2018A Bond shall be \$1,803,802.00, and the purchase price of the 2018B Bond shall be \$1,079,198.00.

5. **Delivery of and Payment for 2018 Bonds.** The delivery of the 2018 Bonds shall take place in Richmond, Virginia on or about January 30, 2018 (the "Closing"), or at such other time and place as may be mutually agreeable to the parties to this Agreement. At the Closing, the Authority shall deliver to the Bank the 2018 Bonds, together with the other documents herein mentioned, upon payment of the aggregate purchase price of the 2018 Bonds (\$2,883,000.00). The Secretary of the Authority shall serve as registrar for the 2018 Bonds and shall keep books for the registration and the registration of transfer of the 2018 Bonds.

6. **Representations and Warranties of Authority.** The representations and warranties of the Authority contained in the First Amendment to Lease Agreement are incorporated in this Agreement by this reference and made a part hereof for the benefit of the Bank. In addition, the Authority hereby covenants and agrees to comply in all material respects with all applicable laws, rules, regulations and orders of any governmental authority, the noncompliance with which would materially and adversely affect the operation of the Project.

7. **Representations and Warranties of County.** The representations and warranties of the County contained in the First Amendment to Lease Agreement are incorporated in this Agreement by this reference and made a part hereof for the benefit of the Bank.

8. **Reporting Requirements.** Within 270 days after the end of each fiscal year, (a) the County will make available its annual audited financial statements on the Electronic Municipal Market Access System or on the County's website and (b) the Authority will provide the Bank with its annual audited financial statements for such fiscal year.

9. **Representations of Bank.** The Bank makes the following representations as the basis for its undertakings hereunder:

(a) The Bank has experience and expertise in the making of loans similar to the loans evidenced by the 2018 Bonds and is capable of evaluating the merits and risks of making such loans.

(b) The Bank acknowledges that no offering statement, prospectus or other comprehensive disclosure documents containing material information with respect to the Authority, the County or the 2018 Bonds have been provided to the Bank; however, the Bank has been provided with such information concerning the operations and financial condition of the Authority and the County as it has requested and that the Bank deems necessary in making its decision to make the loans evidenced by the 2018 Bonds. The Bank has had an opportunity to make inquiries of such officers, employees, agents and attorneys of the Authority and the County as it considers appropriate in connection therewith.

(c) The Bank expects to hold the 2018 Bonds for its own account and has no present intention of selling or otherwise distributing them to the public. The Bank acknowledges that in no circumstance will the Authority or the County be required to

prepare or approve of any offering materials with respect to a subsequent sale or distribution of the 2018 Bonds to the public.

(d) The Bank understands that the scope of engagement of Hunton & Williams LLP as bond counsel with respect to the 2018 Bonds has been limited to matters set forth in their opinion based on their review of such proceedings and documents as they deem necessary to approve the validity of the 2018 Bonds, the federally tax-exempt status of the interest on the 2018A Bond and the status of the 2018A Bond as a “qualified tax-exempt obligation.” Further, the Bank understands that Hunton & Williams LLP has not been engaged, and has not undertaken, to prepare or express an opinion as to the accuracy or completeness of any information that may have been furnished to the Bank or relied upon by the Bank in making the loan.

(e) The Bank acknowledges it has agreed to purchase a third bond to be issued by the Authority and secured on a parity with the 2006 Bond and the 2018 Bonds pursuant to its Commitment Letter dated December 14, 2017, and on such terms as shall be agreed to by the Bank, the Authority and the County.

**10. Survival of Representations.** The representations and warranties set forth in this Agreement shall survive the Closing and remain operative and in full force and effect regardless of (a) any investigation made by or on behalf of the Bank and (b) Payment of the Bonds.

**11. Conditions to Closing.** The Bank’s obligations under this Agreement are subject to the satisfaction on the date of the Closing of the following conditions precedent:

(a) The accuracy on the date of the Closing, as if made on such date, of all representations and warranties of the County and the Authority incorporated herein pursuant to Sections 6 and 7 above;

(b) Performance by the County and the Authority of their obligations under this Agreement; and

(c) Receipt by the Bank of executed copies of the following documents, instruments, certificates and opinions in form and substance reasonably satisfactory to the Bank:

(i) The 2018 Bonds, the Amended Lease Agreement, the Amended Ground Lease, the Amended Deed of Trust, the Amended Assignment and this Agreement, and evidence of the recordation of the appropriate documents.

(ii) A non-arbitrage and tax compliance certificate of the Authority dated the date of Closing.

(iii) A certificate of the County dated the date of Closing stating (A) that there has been no material adverse change in the condition (financial or otherwise) of the County between the most recent date as to which information has been given to the Bank and the date of Closing and (B) that all information

furnished to the Bank (financial or otherwise) in connection with the purchase by the Bank of the 2018 Bonds is true and correct.

(iv) The opinion of Hunton & Williams LLP, Bond Counsel, dated the date of Closing, in form and substance satisfactory to the Bank and stating, among other things, that (A) interest on the 2018A Bond is excludable from the gross income of the holders thereof for federal income tax purposes, (B) interest on the 2018 Bonds is exempt from all taxation by the Commonwealth of Virginia and (C) the 2018A Bond is a "qualified tax-exempt obligation" within the meaning of Section 265 of the Internal Revenue Code of 1986, as amended.

(v) The opinion of counsel to the Authority dated the date hereof, in form and substance satisfactory to the Bank and stating, among other things, that the Basic Documents to which the Authority is a party have been validly authorized, executed and delivered by the Authority and constitute valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms.

(vi) The opinion of the County Attorney dated the date of Closing, in form and substance satisfactory to the Bank and stating, among other things, that the Basic Documents to which the County is a party have been validly authorized, executed and delivered by the County and constitute valid and binding obligations of the County, enforceable against the County in accordance with their respective terms.

(vii) Resolutions of the Authority and the County Board of Supervisors relating to the issuance of the 2018 Bonds.

(viii) Such other certificates, instruments and opinions as the Bank may reasonably deem necessary or desirable.

**12. Notices.** All communications under this Agreement shall be in writing and shall be deemed delivered, if delivered in person, telecopied or sent by (x) certified mail, return receipt requested, or (y) email followed by first class mail, to the respective parties as follows:

Bank: Branch Banking and Trust Company  
2120 Langhorne Road  
Lynchburg, VA 24501  
Attention: Matt Adkins  
Facsimile: [ ]  
Email: madkins@bbandt.com

County: County of Pittsylvania, Virginia  
P.O. Box 426  
Chatham, Virginia 24531  
Attention: County Administrator  
Facsimile: [ ]

Email: [ \_\_\_\_\_ ]

Authority: Industrial Development Authority of Pittsylvania County, Virginia  
[P.O. Box 1122]  
Chatham, Virginia 24531  
Attention: Chairman  
Facsimile: [ \_\_\_\_\_ ]  
Email: [ \_\_\_\_\_ ]

The parties hereto may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or persons to whose attention the same shall be directed. The parties may change their authorized representatives at any time and from time to time by notice given hereunder.

**13. Assignment.** This Agreement may not be assigned, in whole or in part, by any party without the prior written consent of the other parties.

**14. Counterparts.** This Agreement may be executed in several counterparts, each of which will be regarded as an original and all of which will constitute one and the same document.

**15. Amendments.** This Agreement cannot be amended except in writing signed by the Authority, the County and the Bank.

**16. Authority's Request for Information.** The Bank agrees to furnish to the Authority on request such information with respect to the debt service paid or to be paid on the 2018 Bonds as the Authority or its auditors may reasonably request.

**17. Miscellaneous.** This Agreement is made solely for the benefit of each of the parties and their respective successors and assigns. If this Agreement or any documents set forth in Section 11(c)(i) hereof are the subject of any litigation, any attorney's fees incurred by the Authority or the County shall be recoverable from the County. This Agreement contains the entire agreement among the parties with respect to the purchase of the 2018 Bonds by the Bank, supersedes all prior arrangements or understandings with respect thereto and may not be modified except in writing signed by all the parties.

**18. Attorney Fees.** If the Authority shall default in any of its obligations under this Agreement and the Bank employs an attorney or attorneys to assist in the enforcement of the terms and provisions of this Agreement or to modify this Agreement, or if the Bank voluntarily or otherwise should become a party to any suit or legal proceeding (including a proceeding conducted under the Bankruptcy Code) in connection with this Agreement, the Authority and the County shall pay, but only to the extent permitted by law and solely from the legally available funds, all reasonable attorneys' fees incurred by the Bank and all related costs of collection or enforcement that may be incurred by the Bank.

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Very truly yours,

**BRANCH BANKING AND TRUST COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Confirmed and Accepted:

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**COUNTY OF PITTSYLVANIA, VIRGINIA**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
J. Vaden Hunt, County Attorney

**EXHIBIT A**

**FORM OF 2018A BOND**



**EXHIBIT B**

**FORM OF 2018B BOND**

This document has been prepared by  
and, after recording, please return to:

Christopher G. Kulp  
Hunton & Williams LLP  
951 East Byrd Street  
Richmond, Virginia 23219

Tax Parcel Number: [98-A-87-H] [County to confirm no changes]

**RECORDER'S NOTE: THE INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA, AND THE COUNTY OF PITTSYLVANIA, VIRGINIA, ARE EXEMPT FROM RECORDATION TAXES PURSUANT TO SECTION 58.1-811(E) OF THE CODE OF VIRGINIA OF 1950, AS AMENDED, AND CLERK'S FEES PURSUANT TO SECTION 17.1-266 OF THE CODE OF VIRGINIA OF 1950, AS AMENDED.**

**FIRST AMENDMENT TO LEASE AGREEMENT**

**THIS FIRST AMENDMENT TO LEASE AGREEMENT** dated as of January 1, 2018 (this "First Amendment"), by and between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "Authority"), as lessor and grantor for indexing purposes, and the **COUNTY OF PITTSYLVANIA, VIRGINIA** (the "County"), as lessee and grantee for indexing purposes;

**WITNESSETH:**

**WHEREAS**, the Authority and the County have previously entered into a Lease Agreement dated as of April 1, 2006, and filed of record on April 27, 2006, in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia, as Instrument #060003247 (the "Original Lease Agreement" and, together with this First Amendment, the "Amended Lease Agreement");

**WHEREAS**, the Authority has previously issued its Lease Revenue and Refunding Bond (County Government Project), Series 2006 (the "2006 Bond"), and loaned the proceeds thereof to the County pursuant to the terms of the Original Lease Agreement to finance and refinance portions of the Project (as defined in the Original Lease Agreement);

**WHEREAS**, pursuant to a Ground Lease dated as of April 1, 2006 (the "Original Ground Lease"), the Authority acquired a leasehold interest in the Real Estate (as defined in the Original Lease Agreement) and the Project;

**WHEREAS**, in consideration of such loan and as security for the 2006 Bond, the County leased the Real Estate and the Project back from the Authority pursuant to the terms of the Original Lease Agreement and agreed to make rental payments therefor, subject to appropriation by the County Board of Supervisors (the "Board of Supervisors") from time to time of sufficient moneys to pay the principal of and premium, if any, and interest on the 2006 Bond;

"D"

**WHEREAS**, at the request of the County, the Lessee has agreed to issue its (a) \$1,803,802 Lease Revenue Bond (County Projects), Series 2018A (Federally Tax-Exempt) (the "2018A Bond"), to (i) finance (A) the acquisition and installation of landfill equipment, (B) the acquisition and installation of a centrifugal water-cooled chiller for the courthouse building and (C) the acquisition, renovation and equipping of an existing building to convert it for public library purposes (collectively, the "2018A Project") and (ii) pay related costs of issuance, and (b) \$1,079,198 Lease Revenue Bond (County Projects), Series 2018B (Federally Taxable) (the "2018B Bond" and, together with the 2018A Bond, the "2018 Bonds"), to (i) finance the acquisition and upfit of an industrial facility in the Ringgold area (the "2018B Project" and, together with the 2018A Project, the "2018 Projects") and (ii) pay related costs of issuance;

**WHEREAS**, the County and the Authority now desire to amend the schedule of Basic Rent (as defined in the Original Lease Agreement) payments to equal the amount of debt service payments on the outstanding portion of the 2006 Bond and the 2018 Bonds;

**WHEREAS**, the Authority and the County have entered into a First Amendment to Ground Lease dated as of January 1, 2018 (the "First Amendment to Ground Lease" and, together with the Original Ground Lease, the "Amended Ground Lease"), pursuant to which the Authority has agreed to modify the terms of the Original Ground Lease to reflect the issuance of the 2018 Bonds;

**WHEREAS**, the 2018 Bonds are being issued and sold pursuant to a Bond Purchase Agreement dated January 30, 2018 (the "2018 Purchase Agreement"), between the Authority, the County and Branch Banking and Trust Company (the "Bank"), and will be secured on a parity with the outstanding portion of the 2006 Bond by an assignment to the Bank (including its successors and assigns), as the holder of the 2006 Bond and the 2018 Bonds, of certain of the Authority's rights under the Amended Ground Lease and the Amended Lease Agreement;

**WHEREAS**, pursuant to the terms of the Amended Lease Agreement, the County has agreed to lease the Real Estate and the Project back from the Authority and has undertaken, subject to the appropriation by the Board of Supervisors from time to time of sufficient amounts for such purposes, to make payments of Basic Rent and certain Additional Rent (as defined in the Original Lease Agreement) that will be sufficient to pay the principal of and premium, if any, and interest on the outstanding portion of the 2006 Bond and the 2018 Bonds as the same shall become due and payable; and

**NOW, THEREFORE**, for and in consideration of the mutual covenants hereinafter contained and other valuable consideration, the parties hereto covenant and agree as follows:

**Section 1. Defined Terms.** Unless otherwise indicated, all capitalized terms used herein shall the meanings given in the Original Lease Agreement.

**Section 2. References to Certain Defined Terms.** The Original Lease Agreement is hereby amended as follows:

(a) **Basic Documents.** The capitalized term "Basic Documents" is amended to include the 2018 Purchase Agreement.

(b) Bond. Except as otherwise indicated herein or as the context otherwise demands, all references to the capitalized term “Bond” are amended to refer to “Bonds,” and all such provisions shall apply to the 2018 Bonds in the same manner as they apply to the 2006 Bond. “Bonds” means any bonds secured by and payable from the installments of Basic Rent (including but not limited to the 2006 Bond and the 2018 Bonds).

(c) Cost or Cost of the Project. All references to the capitalized term “Cost of the Project” are amended to refer to “Cost of the Projects.” “Cost of the Projects” means the cost of construction, the cost of acquisition of all lands, structures, rights-of-way, franchises, easements and other property rights and interests, the cost of demolishing, removing or relocating any buildings or structures on land acquired, the cost of all labor, materials, machinery and equipment, financing charges, interest on all bonds and notes prior to and during construction and development and, it hereby being deemed advisable by the Authority, for a period not exceeding one year after completion of such construction and development, cost of engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of constructing any portion of the Project or the 2018 Projects, administrative expenses, provisions for working capital, reserves for interest and for extensions, enlargements, additions and improvements, the cost of acquisition and installation of furnishings and equipment, such other expenses as may be necessary or incident to the construction or renovation of any portion of the Project or the 2018 Projects, the financing of such construction and development and the placing of any portion of the completed Project or 2018 Projects in operation and such other costs as may be permitted by the Act.

(d) Payment of Bond. All references to the capitalized term “Payment of the Bond” are amended to refer to “Payment of the Bonds.” “Payment of the Bonds” means payment, or provision for payment, in full of the principal of and premium, if any, and interest on any outstanding Bonds.

**Section 3. Representations by Authority.** The Authority makes the following representations as the basis for its undertakings under the Amended Lease Agreement:

(a) The Authority is a political subdivision of the Commonwealth, duly created by the Act.

(b) The undertaking by the Authority to finance the 2018 Projects and to lease the Real Estate and the Project to the County has been authorized, as required by the Act, by the affirmative vote of a majority of the members of the Authority present at a meeting at which a quorum was present and acting throughout. The Authority confirms that the issuance of the 2018 Bonds and the use of the proceeds thereof as contemplated herein will be in furtherance of the public purposes for which the Authority was created.

(c) The Authority has the power to finance the 2018 Projects and to lease the Real Estate and the Project to the County.

(d) The Authority (i) has the power to enter into and to carry out its obligations under the Basic Documents to which it is a party and to issue the 2018 Bonds to

finance the 2018 Projects and pay the related Costs of Issuance, (ii) by proper action has duly authorized the execution and delivery of, and performance of its obligations under, the Basic Documents to which it is a party and the issuance of the 2018 Bonds and (iii) has duly executed and delivered the other Basic Documents to which it is a party and issued and delivered the 2018 Bonds.

(e) (i) The Authority is not in default under or in violation of (A) the Basic Documents to which it is a party or (B) the 2018 Bonds, and (ii) the execution and delivery and compliance by the Authority with the terms and conditions thereof will not conflict with or constitute or result in a default under or violation of the Act or any other existing law, rule or regulation applicable to the Authority.

(f) The execution and delivery and compliance by the Authority with the terms and conditions of (i) the Basic Documents to which it is a party and (ii) the 2018 Bonds will not conflict with, constitute or result in a default under or violation of any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the Authority or any of its assets is subject.

(g) No further approval, consent or withholding of objection on the part of any regulatory body or any federal, state or local official is required in connection with (i) the issuance and delivery of the 2018 Bonds by the Authority or (ii) the execution or delivery of or compliance by the Authority with the terms and conditions of the Basic Documents to which it is a party or the 2018 Bonds.

(h) No litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, to the Authority's knowledge, threatened against it with respect to (i) the creation and existence of the Authority, (ii) its authority to execute and deliver the Basic Documents to which it is party or the 2018 Bonds, (iii) the validity or enforceability of any of such instruments, (iv) the title of any officer of the Authority who executed such instruments or (v) any authority or proceedings related to the execution and delivery of such instruments on behalf of the Authority (and no such authority or proceeding has been repealed, revoked, rescinded or amended).

(i) To its knowledge, the Authority is not in violation of (i) the Trading with the Enemy Act (50 U.S.C. App. Sec. 1 et seq), as amended, (ii) any of the foreign assets control regulations issued by the Office of Foreign Assets Control of the United States Treasury Department ("OFAC") and any executive order related thereto, or (iii) the U.S. Patriot Act, and further that it (x) is not subject to sanctions administered by OFAC or the U.S. Department of State or (y) has not engaged in any dealing or transactions with, or is otherwise associated with, any person subject to such sanctions.

**Section 4. Representations by County.** The County makes the following representations as the basis for its undertakings under the Amended Lease Agreement:

(a) The County is a political subdivision of the Commonwealth.

(b) The County has the power to enter into and to perform its obligations under the Basic Documents to which it is a party and by proper action has duly authorized the execution and delivery of the Basic Documents to which it is a party.

(c) The County is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money and is not in default under any instrument under and subject to which any indebtedness has been incurred, and no event has occurred and is continuing under the provisions of any such agreement that, with the lapse of time or the giving of notice, or both, would constitute such an event of default.

(d) (i) The County is not in default under or in violation of any of the Basic Documents to which it is a party, (ii) the execution, delivery and compliance by the County with the terms and conditions thereof will not conflict with or constitute or result in a default under or violation of (A) the Act or any other existing law, rule or regulation applicable to the County or (B) any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the County or any of its assets is subject, and (iii) no event has occurred and is continuing that, with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

(e) No further approval, consent or withholding of objection on the part of any regulatory body or any federal or local official is required in connection with (i) the execution and delivery by the County of the Basic Documents to which it is a party or (ii) the performance by the County of its obligations thereunder.

(f) No litigation, inquiry or investigation of any kind or by any judicial or administrative court or agency is pending or, to the County's knowledge, threatened against it (i) in which any liability of the County is not adequately covered by insurance or (ii) in which any judgment or order (A) would have a material adverse effect upon the activities or assets of the County or (B) would have a material adverse effect on the operation of the Project or the validity or performance of the County's obligations under the Basic Documents to which it is a party.

(g) The Project remains necessary and essential to the proper, efficient and economic operation of the County.

(h) To its knowledge, the County is not in violation of (i) the Trading with the Enemy Act (50 U.S.C. App. Sec. 1 et seq), as amended, (ii) any of the foreign assets control regulations issued by OFAC and any executive order related thereto, or (iii) the U.S. Patriot Act, and further that it (x) is not subject to sanctions administered by OFAC or the U.S. Department of State or (y) has not engaged in any dealing or transactions with, or is otherwise associated with, any person subject to such sanctions.

**Section 5. Financing of 2018 Projects.** Subject to the provisions of Section 12.6 of the Amended Lease Agreement, the Authority agrees to cause the 2018 Projects to be acquired, constructed and/or developed substantially in accordance with the wishes of the County.

**Section 6. Additional Costs; Delay in Completion of 2018 Projects.** If the proceeds of the 2018 Bonds are not sufficient to pay in full the Cost of the 2018 Projects, the County will, subject to Section 5.6(b) of the Amended Lease Agreement, provide for the

payment of the excess costs to complete the 2018 Projects. The County will not by reason of the payment of such excess costs be entitled to any reimbursement from the Authority or to any abatement, diminution or postponement of any amounts payable under the Amended Lease Agreement, nor will there be any diminution in or postponement of the payments required to be paid by the County pursuant to Section 5.2 of the Amended Lease Agreement if for any reason the 2018 Projects or any portion thereof are not completed or is not completed on schedule.

**Section 7. Disclaimer of Warranty.** The 2018 Projects are being acquired, constructed and/or developed at the request of the County or the Authority, as applicable, and by contractors, architects, engineers and suppliers approved by them. THE BANK MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION OR FITNESS OF ANY PORTION OF THE 2018 PROJECTS FOR THE COUNTY OR THE AUTHORITY'S PURPOSES OR TO THE EXTENT THE PROCEEDS OF THE 2018 BONDS WILL BE SUFFICIENT TO PAY THE COSTS INCURRED IN CONNECTION WITH THE 2018 PROJECTS.

**Section 8. Term.** Section 5.1 of the Original Lease Agreement is hereby amended to extend the Lease Term, which shall now terminate at the earlier of (a) [February 1, 2029], and Payment of the Bonds.

**Section 9. Rental Payments.** The Schedule of Rental Payments attached as Exhibit C to the Original Lease Agreement is hereby replaced in its entirety by the Schedule of Rental Payments attached hereto as Exhibit A.

**Section 10. Interest Rate Adjustment Provisions.**

(a) The provisions of Section 5.3 of the Original Lease Agreement shall not apply to the 2018 Bonds.

(b) The interest rate on the principal installments of Basic Rent allocable to the 2018A Bond shall be subject to adjustment upon (i) a Determination of Taxability (as defined in the 2018 Purchase Agreement) or (ii) a Determination of Non-Bank-Qualified Status in accordance with the provisions of the 2018A Bond and Section 2(d) of the 2018 Purchase Agreement. Upon the occurrence of either (i) or (ii) above, the Schedule of Rental Payments shall be revised to reflect the new interest installments of Basic Rent resulting from the adjusted interest rate on the 2018 Bond.

**Section 11. Prepayment of Rental Payments.** Section 5.4 of the Original Lease Agreement is hereby amended and restated to read as follows:

**Section 5.4 Optional Prepayment of Rental Payments.** So long as all payments then due pursuant to Section 5.2(a) have been paid:

(a) the County may elect by ten (10) days' prior written notice to the Authority and the Bank to make prepayments of Basic Rent to be applied to the prepayment of the 2006 Bond in whole, on any January 15 or July 15, upon payment of the principal amount of the 2006 Bond to be prepaid, plus accrued interest to the prepayment date and a

prepayment premium equal to one percent (1%) of the principal amount to be prepaid;  
and

(b) the County may elect by ten (10) days' prior written notice to the Authority and the Bank to make prepayments of Basic Rent to be applied to the prepayment of one or both of the 2018 Bonds, in whole or in part, at any time, upon payment of the principal amount of the bond(s) to be prepaid, plus accrued interest to the prepayment date and a prepayment premium equal to one percent (1%) of the principal amount to be prepaid."

**Section 12. Covenant Not to Affect Tax-Exempt Status of 2018A Bond; Other Provisions Related to Maintenance of Tax-Exempt Status of 2018A Bond.** Notwithstanding any other provisions of the Amended Lease Agreement, the provisions of Section 8.4 of the Original Lease Agreement shall apply to the 2018A Bond in the same manner as they apply to the 2006 Bond. Furthermore, any other provisions of the Original Lease Agreement that provide for the maintenance of the tax-exempt status of the 2006 Bond (including but not limited to Section 9.2(b) thereof) shall apply to the 2018A Bond in the same manner as they apply to the 2006 Bond. None of such provisions shall apply to the 2018B Bond.

**Section 13. Events of Default; Opportunity to Cure.** Section 10.1(a)(1) of the Original Lease Agreement is hereby amended and restated to read as follows: "Failure by the County to pay when due any payment to be made under Section 5.2(a), which failure continues for a period of ten (10) days."

**Section 14. Effect on Original Lease Agreement.** Except as herein supplemented, modified or amended, the Original Lease Agreement is hereby ratified and confirmed and shall remain in full force and effect.

**Section 15. Counterparts.** This First Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same First Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURES APPEAR ON THE FOLLOWING PAGES]



IN WITNESS WHEREOF, the parties have caused this First Amendment to Lease Agreement to be duly executed by their duly authorized representatives.

COUNTY OF PITTSYLVANIA, VIRGINIA

By \_\_\_\_\_  
County Administrator

Approved as to form:

\_\_\_\_\_  
County Attorney

COMMONWEALTH OF VIRGINIA )  
 )  
 )  
\_\_\_\_\_ )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the County Administrator of the County of Pittsylvania, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_ day of January, 2018.

My commission expires: \_\_\_\_\_  
Notary Public # \_\_\_\_\_

COMMONWEALTH OF VIRGINIA )  
 )  
 )  
\_\_\_\_\_ )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the County Attorney of the County of Pittsylvania, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_ day of January, 2018.

My commission expires: \_\_\_\_\_  
Notary Public # \_\_\_\_\_

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA**

By \_\_\_\_\_  
Chairman

COMMONWEALTH OF VIRGINIA     )  
   )  
\_\_\_\_\_                                   )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the Chairman of the Industrial Development Authority of Pittsylvania County, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_

Seen and consented to:

**BRANCH BANKING AND TRUST COMPANY**

By \_\_\_\_\_  
[Title]

COMMONWEALTH OF VIRGINIA )  
 )  
 )  
\_\_\_\_\_ )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the [ ] of Branch Banking and Trust Company, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_

**EXHIBIT A**

**SCHEDULE OF RENTAL PAYMENTS**

**[INSERT UPDATED SCHEDULE TO SHOW DS ON 2006/2018A/2018B]**

This document has been prepared by  
and, after recording, please return to:

Christopher G. Kulp  
Hunton & Williams LLP  
951 East Byrd Street  
Richmond, Virginia 23219

Tax Parcel Number: [98-A-87-H] [County to confirm no changes]

**THIS FIRST AMENDMENT TO DEED OF TRUST AND SECURITY AGREEMENT IS EXEMPT FROM RECORDATION TAXES PURSUANT TO VIRGINIA CODE § 58.1-811(B)(4).**

**FIRST AMENDMENT TO DEED OF TRUST AND SECURITY AGREEMENT**

**THIS FIRST AMENDMENT TO DEED OF TRUST AND SECURITY AGREEMENT** (this "First Amendment"), made as of January 1, 2018, between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia, as grantor for recording purposes (the "Authority"), and **BB&T-VA COLLATERAL SERVICE CORPORATION**, a Virginia corporation whose business address is 901 East Byrd Street, Suite 600, Richmond, VA 23219-4052, as trustee and as grantee for recording purposes (together with any successors in such capacity, the "Deed of Trust Trustee"), amends a Deed of Trust and Security Agreement made as of April 1, 2006, and recorded in the Clerk's Office of the Circuit Court of Pittsylvania County as Instrument #06-03246 and re-recorded as Instrument #06-03304 (the "Original Deed of Trust" and, as amended by this First Amendment, the "Amended Deed of Trust"), from the Authority to the Deed of Trust Trustee for the benefit of Branch Banking and Trust Company (the "Bank") as holder of the Authority's Lease Revenue and Refunding Bond (County Government Project), Series 2006 (the "2006 Bond"), and provides:

**WITNESSETH:**

**WHEREAS**, the Authority and the Bank have entered into a Bond Purchase Agreement dated January 30, 2018 (the "2018 Purchase Agreement"), providing for the issuance and sale of the Authority's \$1,803,802 Lease Revenue Bond (County Projects), Series 2018A (Federally Tax-Exempt) (the "2018A Bond"), and \$1,079,198 Lease Revenue Bond (County Projects), Series 2018B (Federally Taxable) (the "2018B Bond" and, together with the 2018A Bond, the "2018 Bonds");

**WHEREAS**, the 2018 Bonds will be secured by an assignment to the Bank of the Authority's rights under (a) a Ground Lease dated as of April 1, 2006, as amended by a First Amendment to Ground Lease dated as of January 1, 2018, each between the County of

" E "

Pittsylvania, Virginia (the "County"), and the Authority, and (b) a Lease Agreement dated as of April 1, 2006, as amended by a First Amendment to Lease Agreement dated as of January 1, 2018 (collectively, the "Amended Lease Agreement"), each between the Authority and the County (except the Authority's rights to (i) receive payment of its fees and expenses, (ii) receive notices, (iii) obtain indemnification and (iv) give consents); and

**WHEREAS**, the Authority also desires to secure the 2018 Bonds and any additional bonds authorized and issued by the Authority (at the request and with the approval of the County) by granting a lien on its leasehold rights in the Project (as defined in the Amended Lease Agreement) pursuant to the Amended Deed of Trust;

**NOW, THEREFORE, THIS FIRST AMENDMENT TO DEED OF TRUST AND SECURITY AGREEMENT FURTHER WITNESSETH:**

The Authority hereby covenants and agrees with the Deed of Trust Trustee, for the benefit of the Bank, as follows:

**Section 1.** The provisions of the Original Deed of Trust are hereby amended to apply for the pro rata benefit of the holder(s) of the 2006 Bond (which matures on July 15, 2019), the 2018A Bond (which matures on February 1, 2028), the 2018B Bond (which matures on February 1, 2029) and any additional bonds issued by the Authority (at the request and with the approval of the County) and, by their terms, secured on a parity basis with the 2006 Bond and the 2018 Bonds (collectively, the "Bonds"). All references in the Original Deed of Trust to the 2006 Bond (defined as the "Bond" in the Original Deed of Trust) are hereby amended to refer to the Bonds.

**Section 2.** All references in the Original Deed of Trust to the "Ground Lease" and the "Lease" shall refer to the Amended Ground Lease and the Amended Lease Agreement, respectively, as such documents may be further supplemented and amended in the future.

**Section 3.** Section 4(b) of the Original Deed of Trust is hereby amended and restated to read as follows: "Payment of principal of or interest on any of the Bonds is not made when due (other than as a result of failure of the County to appropriate moneys for such payment) and which failure to pay continues for a period of ten (10) days; and".

**Section 4.** The second sentence of Section 6(c) of the Original Deed of Trust is hereby amended and restated to read as follows: "The Authority agrees (but only to the extent permitted by law and solely from the revenues derived from the Amended Lease Agreement) to indemnify and save the Deed of Trust Trustee harmless, or cause to be indemnified and held harmless, the Deed of Trust Trustee against any loss, liability or expense that it may incur in the exercise and performance of its powers and duties hereunder or the administration of this trust or as a result of serving as a Deed of Trust Trustee hereunder, and not due to its gross negligence or bad faith."

**Section 5.** Except as supplemented, modified or amended hereby and by the incorporation of any amended definitions of terms defined in the Amended Lease Agreement, the Original Deed of Trust is hereby ratified and confirmed and shall remain in full force and effect.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;

SIGNATURES APPEAR ON THE FOLLOWING PAGES]

**IN WITNESS WHEREOF**, the Authority has caused this First Amendment to Deed of Trust and Security Agreement to be executed by its duly authorized representative.

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA**

By \_\_\_\_\_  
Chairman

COMMONWEALTH OF VIRGINIA        )  
  )  
\_\_\_\_\_  
  )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the Chairman of the Industrial Development Authority of Pittsylvania County, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_



Seen and consented to:

**BB&T-VA COLLATERAL SERVICE CORPORATION**

By \_\_\_\_\_  
[Title]

COMMONWEALTH OF VIRGINIA     )  
   )  
\_\_\_\_\_   )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the [\_\_\_\_\_] of BB&T-VA Collateral Service Corporation, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_

Seen and consented to:

**BRANCH BANKING AND TRUST COMPANY**

By \_\_\_\_\_  
[Title]

COMMONWEALTH OF VIRGINIA     )  
   )  
\_\_\_\_\_   )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the [\_\_\_\_\_] of Branch Banking and Trust Company, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_

This document has been prepared by  
and, after recording, please return to:

Christopher G. Kulp  
Hunton & Williams LLP  
951 East Byrd Street  
Richmond, Virginia 23219

Tax Parcel Number: [98-A-87-H] [County to confirm no changes]

(This conveyance is exempt from recordation taxes pursuant to Section 58.1-810 of the Code of Virginia of 1950, as amended.)

**FIRST AMENDMENT TO ASSIGNMENT OF RENTS AND LEASES**

**THIS FIRST AMENDMENT TO ASSIGNMENT OF RENTS AND LEASES** dated as of January 1, 2018 (this "First Amendment"), by and between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "Assignor"), as grantor for indexing purposes, and **BRANCH BANKING AND TRUST COMPANY**, a North Carolina banking corporation with a business office in Richmond, Virginia (the "Assignee"), as grantee for indexing purposes;

**WITNESSETH:**

**WHEREAS**, the Assignor and the Assignee have previously entered into an Assignment of Rents and Leases dated as of April 1, 2006, and filed of record on April 27, 2006, as Instrument #06-03245 and refiled on April 28, 2006, as Instrument #06-03305 (the "Original Assignment" and, together with this First Amendment, the "Amended Assignment");

**WHEREAS**, the Assignor and the Assignee have entered into a Bond Purchase Agreement dated January 30, 2018, which provides for the issuance and sale of the Assignor's \$1,803,802 Lease Revenue Bond (County Projects), Series 2018A (Federally Tax-Exempt), and \$1,079,198 Lease Revenue Bond (County Projects), Series 2018B (Federally Taxable) (collectively, the "2018 Bonds");

**WHEREAS**, the Assignor desires to secure the 2018 Bonds and any additional bonds authorized and issued by the Assignor (at the request and with the approval of the County) by an assignment to the Assignee of the Assignor's rights under (a) a Ground Lease dated as of April 1, 2006, as amended by a First Amendment to Ground Lease dated as of January 1, 2018, each between the County of Pittsylvania, Virginia (the "County"), and the Assignor and (b) a Lease Agreement dated as of April 1, 2006, as amended by a First Amendment to Lease Agreement dated as of January 1, 2018 (collectively, the "Amended Lease Agreement"), each between the Assignor and the County (except the Assignor's rights to (i) receive payment of its fees and expenses, (ii) receive notices, (iii) obtain indemnification and (iv) give consents);

" E "

**WHEREAS**, pursuant to the Amended Lease Agreement, the County has undertaken, subject to the appropriation by the County Board of Supervisors from time to time of sufficient amounts for such purposes, to make payments of Basic Rent that will be sufficient to pay the principal of and premium, if any, and interest on the Assignor's \$2,900,000 Lease Revenue and Refunding Bond (County Government Project), Series 2006 ("2006 Bond"), and the 2018 Bonds (together with the 2006 Bond, the "Outstanding Bonds") as the same shall become due; and

**WHEREAS**, the Outstanding Bonds shall be further secured by a Deed of Trust and Security Agreement dated as of April 1, 2006, as amended by a First Amendment to Deed of Trust and Security Agreement dated as of January 1, 2018, from the Assignor to BB&T-VA Collateral Service Corporation (the "Deed of Trust Trustee"), pursuant to which the Assignor has granted the Deed of Trust Trustee a lien on its leasehold rights in the Project and the Real Estate;

**NOW, THEREFORE**, for and in consideration of the mutual covenants hereinafter contained and other valuable consideration, the receipt of which is acknowledged, the Assignor and the Assignee amend the Original Assignment as follows:

1. The provisions of the Original Assignment are hereby amended to apply for the pro rata benefit of the holder(s) of the Outstanding Bonds and any additional bonds issued by the Assignor (at the request and with the approval of the County) and, by their terms, secured on a parity basis with the Outstanding Bonds (collectively, the "Bonds"). All references in the Original Assignment to the 2006 Bond (defined as the "Bond" in the Original Assignment) are hereby amended to refer to the Bonds.

2. All references in the Original Assignment to the "Lease" are hereby amended to refer to the Amended Lease Agreement as it may be further supplemented and amended in the future.

3. Except as supplemented, modified or amended hereby and by the incorporation of any amended definitions of terms defined in the Amended Lease Agreement, the Original Assignment is hereby ratified and confirmed and shall remain in full force and effect.

4. This First Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same First Amendment.

5. This First Amendment shall have an effective date of January 1, 2018.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the Assignor and the Assignee have caused this First Amendment to Assignment of Rents and Leases to be executed by their duly authorized representatives.

INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA

By \_\_\_\_\_ Chairman

COMMONWEALTH OF VIRGINIA )
\_\_\_\_\_ )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the Chairman of the Industrial Development Authority of Pittsylvania County, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_ day of January, 2018.

Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_

**BRANCH BANKING AND TRUST COMPANY**

By \_\_\_\_\_  
[Title]

COMMONWEALTH OF VIRGINIA     )  
  )  
\_\_\_\_\_  
  )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the [\_\_\_\_\_] of Branch Banking and Trust Company, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_

Seen and consented to:

**COUNTY OF PITTSYLVANIA, VIRGINIA**

By \_\_\_\_\_  
County Administrator

Approved as to form:

\_\_\_\_\_  
County Attorney

COMMONWEALTH OF VIRGINIA      )  
  )  
\_\_\_\_\_  
  )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the County Administrator of the County of Pittsylvania, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

My commission expires: \_\_\_\_\_  
Notary Public # \_\_\_\_\_

COMMONWEALTH OF VIRGINIA      )  
  )  
\_\_\_\_\_  
  )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the County Attorney of the County of Pittsylvania, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

My commission expires: \_\_\_\_\_  
Notary Public # \_\_\_\_\_

This document has been prepared by  
and, after recording, please return to:

Christopher G. Kulp  
Hunton & Williams LLP  
951 East Byrd Street  
Richmond, Virginia 23219

Tax Parcel Number: [98-A-87-H] [County to confirm no changes]

**RECORDER'S NOTE: THE INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA, AND THE COUNTY OF PITTSYLVANIA, VIRGINIA, ARE EXEMPT FROM RECORDATION TAXES PURSUANT TO SECTION 58.1-811(E) OF THE CODE OF VIRGINIA OF 1950, AS AMENDED, AND CLERK'S FEES PURSUANT TO SECTION 17.1-266 OF THE CODE OF VIRGINIA OF 1950, AS AMENDED.**

**FIRST AMENDMENT TO GROUND LEASE**

**THIS FIRST AMENDMENT TO GROUND LEASE** dated as of January 1, 2018 (this "First Amendment"), by and between the **COUNTY OF PITTSYLVANIA, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "County"), as lessor and grantor for indexing purposes, and the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "Lessee"), as lessee and grantee for indexing purposes, provides:

**WITNESSETH:**

**WHEREAS**, the Lessee has previously issued its Lease Revenue and Refunding Bond (County Government Project), Series 2006 (the "2006 Bond"), for the benefit of the County and its residents;

**WHEREAS**, to provide security for the 2006 Bond, the Lessee and the County entered into a Ground Lease dated as of April 1, 2006, and filed of record on April 27, 2006, in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia, as Instrument #060003244 (the "Original Ground Lease");

**WHEREAS**, at the request of the County, the Lessee has determined to issue its (a) \$1,803,802 Lease Revenue Bond (County Projects), Series 2018A (Federally Tax-Exempt) (the "2018A Bond"), to (i) finance (A) the acquisition and installation of landfill equipment, (B) the acquisition and installation of a centrifugal water-cooled chiller for the courthouse building and (C) the acquisition, renovation and equipping of an existing building to convert it for public library purposes (collectively, the "2018A Project") and (ii) pay related costs of issuance, and (b) \$1,079,198 Lease Revenue Bond (County Projects), Series 2018B (Federally Taxable) (the "2018B Bond" and, together with the 2018A Bond, the "2018 Bonds"), to (i) finance the acquisition and upfit of an industrial facility in the Ringgold area (the "2018B Project" and, together with the 2018A Project, the "2018 Projects") and (ii) pay related costs of issuance;

" 9 "



**WHEREAS**, the County and the Lessee now desire to amend and modify the terms of the Original Ground Lease for the purpose of securing, on a parity basis with the 2006 Bond, the 2018 Bonds and any additional bonds authorized and issued by the Authority (at the request and with the approval of the County);

**NOW, THEREFORE**, for and in consideration of the mutual covenants hereinafter contained and other valuable consideration, the parties hereto covenant and agree as follows:

**Section 1. Term.** Section 3 of the Original Ground Lease is hereby amended to extend the term thereof, which shall now end at 11:59 p.m. on [February 1, 2029], unless such term is sooner terminated or relinquished as provided in the Original Ground Lease.

**Section 2. Purpose.** Section 5 of the Original Ground Lease is hereby amended to allow the use of the Real Estate and the Project as collateral in financing the 2018 Projects and any future projects approved by both the County and the Authority.

**Section 3. Effect on Original Ground Lease; Ratification.** Except as amended hereby, the Original Ground Lease is hereby ratified and confirmed and shall remain in full force and effect with respect to, and as security for, the 2006 Bond and the 2018 Bonds and any additional bonds issued by the Authority (at the request of the County) and, by their terms, secured on a parity basis with the 2006 Bond and the 2018 Bonds.

**Section 4. Counterparts.** This First Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same First Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties have caused this First Amendment to Ground Lease to be duly executed by their duly authorized representatives.

COUNTY OF PITTSYLVANIA, VIRGINIA

By \_\_\_\_\_  
County Administrator

Approved as to form:

\_\_\_\_\_  
County Attorney

COMMONWEALTH OF VIRGINIA )  
 )  
\_\_\_\_\_)

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the County Administrator of the County of Pittsylvania, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

My commission expires: \_\_\_\_\_  
Notary Public # \_\_\_\_\_

COMMONWEALTH OF VIRGINIA )  
 )  
\_\_\_\_\_)

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the County Attorney of the County of Pittsylvania, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

My commission expires: \_\_\_\_\_  
Notary Public # \_\_\_\_\_

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF PITTSYLVANIA COUNTY, VIRGINIA**

By \_\_\_\_\_  
Chairman

COMMONWEALTH OF VIRGINIA )  
 )  
 )  
\_\_\_\_\_ )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the Chairman of the Industrial Development Authority of Pittsylvania County, Virginia, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_

Seen and consented to:

**BRANCH BANKING AND TRUST COMPANY**

By \_\_\_\_\_  
[Title]

COMMONWEALTH OF VIRGINIA )  
 )  
\_\_\_\_\_ )

The undersigned Notary Public, in and for the jurisdiction aforesaid, hereby certifies that the individual, whose name is signed to the foregoing as the [\_\_\_\_\_] of Branch Banking and Trust Company, appeared before me and personally acknowledged the same in my jurisdiction aforesaid. Such person is personally known to me or has presented satisfactory evidence of identification.

GIVEN under my hand and seal this \_\_\_\_\_ day of January, 2018.

\_\_\_\_\_  
Notary Public # \_\_\_\_\_

My commission expires: \_\_\_\_\_