



# CITY OF DAHLONEGA

## City Council Special Called Meeting Agenda

October 21, 2024, 4:00 PM

Gary McCullough Chambers, Dahlonega City Hall

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In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 706-864-6133.

Vision – Dahlonega will be the most welcoming, thriving, and inspiring community in North Georgia

Mission Statement - Dahlonega, a City of Excellence, will provide quality services through ethical leadership and fiscal stability, in full partnership with the people who choose to live, work, and visit. Through this commitment, we respect and uphold our rural Appalachian setting to honor our thriving community of historical significance, academic excellence, and military renown.

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CALL TO ORDER AND WELCOME

APPROVAL OF AGENDA

NEW BUSINESS

1. Resolution Regarding Cash Defeasance  
Allison Martin and Doug Parks

ADJOURNMENT

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Guideline Principles - The City of Dahlonega will be an open, honest, and responsive city that balances preservation and growth and delivers quality services fairly and equitably by being good stewards of its resources. To ensure the vibrancy of our community, Dahlonega commits to Transparency and Honesty, Dedication and Responsibility, Preservation and Sustainability, Safety and Welfare ...for ALL!

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# Cash Defeasance Resolution

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**DATE:** 10/21/2024  
**TITLE:** Resolution Regarding Cash Defeasance  
**PRESENTED BY:** Allison Martin and Doug Parks  
**PRIORITY:** Strategic Priority - Communication

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## AGENDA ITEM DESCRIPTION

This Resolution enables a procedure by which the City can achieve substantial financial benefit by escrowing funds necessary to satisfy \$950,000.00 of principal and the interest thereon regarding existing city bonded indebtedness.

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## HISTORY/PAST ACTION

The City's bonds for which this Resolution and accompanying Escrow Agreement are being offered to the Council are the Water and Sewerage Revenue Refunding Bonds, Series 2015.

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## FINANCIAL IMPACT

The financial impact is significantly beneficial. Details shall be provided at the meeting by Allison Martin.

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## RECOMMENDATION

Recommendation to approve the Resolution, Escrow Agreement and all ancillary documents necessary to implement the transaction.

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## SUGGESTED MOTIONS

Motion to approve the Resolution and Escrow Agreement, and for the mayor to execute those documents as they may be deemed appropriate after finalization together with all other documents necessary and incidental to effectuate the purpose of the resolution.

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## ATTACHMENTS

Cash Defeasance Resolution and Escrow Agreement. Note: The nature of this transaction requires that some entries in the document set remain open even to the time of closing. Supplemental documents will be supplied by email as necessary adjustments are made.

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## RESOLUTION

*WHEREAS*, the City of Dahlonega, Georgia (the “City”) is a municipal corporation created and existing under the laws of the State of Georgia (the “State”); and

*WHEREAS*, pursuant to Article IX, Section II, Paragraph III of the Constitution of the State, the City is authorized to acquire, construct, equip and operate a water and sewerage system; and

*WHEREAS*, the City holds title to and operates a water and sewerage system (such water and sewerage system as it now exists and as it may hereafter be added to, extended and improved, will be referred to herein as the “System”); and

*WHEREAS*, in order to provide funds to finance and refinance the acquisition and construction of certain improvements, betterments, and extensions of the System, the City previously issued its Water and Sewerage Revenue Refunding Bonds, Series 2015 (the “Series 2015 Bonds”) in the original aggregate principal amount of \$26,865,000 pursuant to the terms of a Master Bond Ordinance adopted by the City Council of the City on September 1, 2015 (the “Master Bond Ordinance”); and

*WHEREAS*, the City has determined that by escrowing funds to pay the principal of and interest on a portion of the Series 2015 Bonds maturing on September 1, 2036 in the aggregate principal amount of \$950,000 (the “Defeased Bonds”), the City can achieve debt service savings; and

*WHEREAS*, in connection with the proposed defeasance by the City of the Defeased Bonds, the City desires to enter into an escrow agreement with Computershare Trust Company, N.A., as escrow agent and as paying agent under the Master Bond Ordinance, in substantially the form presented at this meeting of the City Council of the City, for the purpose of paying the principal of and interest on the Defeased Bonds when due through and including the redemption date of September 1, 2025 (the “Escrow Agreement”);

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DAHLONEGA, GEORGIA HEREBY RESOLVES, as follows:

Section 1. **Authority for resolution.** This Resolution is adopted pursuant to and by virtue of the Constitution, statutes and laws of the State and the Charter of the City of Dahlonega, as amended.

Section 2. **Authorization and Execution of Escrow Agreement.** The execution, delivery and performance of the Escrow Agreement is hereby authorized. The Escrow Agreement will be substantially in the form presented at this meeting of the City Council of the City. The Mayor of the City hereby is authorized to execute the Escrow Agreement and the Assistant City Clerk of the City hereby is authorized to attest the Escrow Agreement, and such action will be conclusive evidence of the approval of the Escrow Agreement.

Section 3. **No Personal Liability.** No stipulation, obligation or agreement herein contained or contained in the Escrow Agreement will be deemed to be a stipulation, obligation or agreement of any officer, agent or employee of the City, and no such officer, agent or employee will be personally liable on the Defeased Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 4. **General Authority.** The proper officers, agents and employees of the City hereby are authorized to take any and all further actions and execute and deliver any and all other certificates and documents as may be necessary or desirable in connection with the defeasance of the Defeased Bonds and the execution and delivery of the Escrow Agreement and the carrying out of the

purposes and intent of this Resolution. From and after the execution and delivery of the documents hereinabove authorized, the proper officers, agents and employees of the City hereby are authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed.

Section 5. **Action Approved and Confirmed.** All acts and doings of the officers, agents and employees of the City which are in conformity with the purposes and intent of this Resolution and in the furtherance of the defeasance of the Defeased Bonds and the execution, delivery and performance of the Escrow Agreement hereby are in all respects approved and confirmed.

Section 6. **Severability of Invalid Provisions.** If any one or more of the agreements or provisions herein contained are held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever are held invalid, then such agreements or provisions will be null and void and will be deemed separate from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof.

Adopted this October 21, 2024.

CITY OF DAHLONEGA, GEORGIA

[SEAL]

By: \_\_\_\_\_  
JoAnne Taylor  
Mayor

ATTEST:

By: \_\_\_\_\_  
Sarah Waters  
Assistant City Clerk

10/15/24 Draft

**ESCROW AGREEMENT**

By and Between

**CITY OF DAHLONEGA, GEORGIA**

**and**

**COMPUTERSHARE TRUST COMPANY, N.A.**

as Escrow Agent

Dated as of October 30, 2024

Relating to

**CITY OF DAHLONEGA, GEORGIA  
WATER AND SEWERAGE REVENUE REFUNDING BONDS,  
SERIES 2015**

*THIS ESCROW AGREEMENT* (this “Agreement”), dated as of October 30, 2024, by and among the CITY OF DAHLONEGA, GEORGIA, a municipal corporation created and existing under the laws of the State of Georgia (the “City”) and COMPUTERSHARE TRUST COMPANY, N.A., a national banking association duly organized and existing under and pursuant to the laws of the United States, as escrow agent (the “Escrow Agent”).

WITNESSETH THAT:

*WHEREAS*, the City has heretofore issued its Water and Sewerage Revenue Refunding Bonds, Series 2015 in the original aggregate principal amount of \$26,865,000 (the “Series 2015 Bonds”) pursuant to the terms of the Master Bond Ordinance adopted by the City Council of the City on September 1, 2015 (the “Master Bond Ordinance”) for the purposes described therein; and

*WHEREAS*, the City desires to provide funds necessary to pay when due and refund in advance of their maturity a portion of the outstanding Series 2015 Bonds maturing on September 1, 2036 described in Schedule I attached hereto in the aggregate principal amount of \$950,000 (the “Defeased Bonds”); and

*WHEREAS*, this Agreement sets forth the understandings and agreements of the City and the Escrow Agent with respect to the Defeased Bonds and the Escrow Fund;

*NOW, THEREFORE*, in consideration of the foregoing and of the mutual covenants set forth in this Agreement, and intending to be legally bound, the City and the Escrow Agent covenant and agree as follows:

ARTICLE I

DEFINITIONS; INCORPORATION OF RECITALS

Section 1.01 *Definitions*. In addition to words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement will have the following meanings, unless the context clearly indicates otherwise.

“*Agreement*” means this Escrow Agreement, dated as of October 30, 2024, by and between the City and the Escrow Agent.

“*City*” means the City of Dahlonega, Georgia, a municipal corporation created and existing under the laws of the State of Georgia

“*Defeased Bonds*” means a portion of the outstanding Series 2015 Bonds maturing on September 1, 2036 in the aggregate principal amount of \$950,000.

“*Electronic Means*” means the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

“*Escrow Agent*” means Computershare Trust Company, N.A., a national banking association organized and existing under the laws of the United States and having a corporate trust office in St. Paul, Minnesota, which is authorized under such laws to exercise corporate trust powers.

“*Escrow Fund*” means the Escrow Fund created in Section 2.01 hereof which will be applied to the payment of the Defeased Bonds as provided herein.

“*Government Obligations*” means direct general obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed as to full and timely payment by, the United States of America, which obligations are noncallable.

“*Master Bond Ordinance*” means the Master Bond Ordinance adopted by the City Council of the City on September 1, 2015 pursuant to which the Series 2015 Bonds were issued.

“*Redemption Date*” means September 1, 2025.

“*Series 2015 Bonds*” means the Water and Sewerage Revenue Refunding Bonds, Series 2015 in the original aggregate principal amount of \$26,865,000 issued by the City pursuant to the Master Bond Ordinance.

“*State*” means the State of Georgia.

Words of the masculine gender are to be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number include the plural number and vice versa unless the context otherwise indicates. The word “person” includes corporations, associations, natural persons and public bodies unless the context otherwise indicates. Reference to a person other than a natural person includes its successors.

Section 1.02 *Incorporation of Recitals*. The recital clauses and the definitions set forth hereinabove are specifically incorporated into the text of this Agreement and are to be interpreted as a material part hereof.

## ARTICLE II

### CREATION OF TRUST FUND

Section 2.01 *Escrow Fund*. There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated the Escrow Fund to be held in the custody of the Escrow Agent separate and apart from other funds and accounts of the City or the Escrow Agent.

Section 2.02 *Initial Deposit; Securities Purchase*. Concurrently with the execution of this Agreement, the City will deposit or cause to be deposited with the Escrow Agent for deposit in the Escrow Fund, and the Escrow Agent hereby acknowledges receipt of, \$[REDACTED] transferred from the City’s available funds. Concurrently with the receipt of such proceeds, the Escrow Agent will apply \$[REDACTED] of the proceeds from the Escrow Fund to the purchase of those Government Obligations specifically described in Schedule II attached hereto (“Schedule II”), and the remaining amount of \$[REDACTED] will be held uninvested in the Escrow Fund as cash. The Government Obligations shall mature in principal amounts and pay interest in such amounts and at such times so that sufficient moneys will be available to pay the principal of and interest on the Defeased Bonds when due and payable whether at maturity or on the Redemption Date. On the basis of the verification report of [Name of Verification Agent] delivered to the City on the date hereof, the City hereby finds and determines that the investments described in Schedule II are advantageous in yield and maturity date to provide sufficient moneys to refund and pay the Defeased Bonds and to comply with United States Department of the Treasury regulations adopted or applicable pursuant to the Internal Revenue Code of 1986, as amended.

Section 2.03 *Irrevocable Deposit; Control; Reservation of Optional Redemption Rights.* The deposit of the cash in the Escrow Fund shall constitute an irrevocable deposit of such cash exclusively for the benefit of the Defeased Bonds, and such proceeds and Government Obligations, together with any income or interest earned thereon, shall be held in trust and shall be applied solely to the payment of the principal of and interest on the Defeased Bonds as the same become due through and including the Redemption Date as set forth in Schedule I attached hereto (“Schedule I”). Subject to the requirements set forth herein for the use of the Escrow Fund and the moneys and investments therein, including, without limitation, Sections 2.04, 2.05 and 3.02 hereof, the City covenants and agrees that the Escrow Agent shall have full and complete control and authority over and with respect to the Escrow Fund and moneys and investments therein and that the City shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

This Agreement constitutes an irrevocable instruction by the City to the Escrow Agent, in its capacity as Paying Agent under the Master Bond Ordinance, to pay the principal of and interest due on the Defeased Bonds in the amounts and on the dates set forth on Schedule I and to call the Defeased Bonds for optional redemption on the Redemption Date.

Section 2.04 *Reinvestment; SLGS.* (a) The Escrow Agent is hereby authorized and directed to reinvest proceeds of the Government Obligations which are attributable to amounts received as principal of or interest on the Government Obligations and not immediately needed to pay principal of and interest on the Defeased Bonds (including certain fees and expenses related thereto). Such amounts shall be continuously invested in Government Obligations maturing on a date not later than the date on which the amounts invested are needed to pay the Defeased Bonds as shown in the verification report of an independent certified public accounting firm in accordance with written instructions to the Escrow Agent from the City. Such instructions shall be accompanied by an opinion of nationally recognized bond counsel to the effect that investments made in accordance with such instructions will not cause interest on the Defeased Bonds to become includable in gross income for federal income tax purposes.

(b) If the Escrow Agent is instructed to purchase United States Treasury Obligations - State and Local Government Series (“SLGS”), such instructions will be given in accordance with regulations of the United States Bureau of Public Debt then in effect.

Section 2.05 *Substitute Securities.* The City may at any time substitute cash or other Government Obligations for the Government Obligations listed in Schedule II provided that such cash or Government Obligations:

(i) are, in the opinion of, and as certified by, independent certified public accountants, in an amount or mature in an amount (including any interest received thereon), which together with any cash or Government Obligations substituted for the Government Obligations listed in Schedule II is equal to or greater than the amount payable on the maturity date of the Government Obligations listed in Schedule II for which the substitution occurred, and

(ii) mature on or before the next date on which the Government Obligations listed in Schedule II for which substitution is to occur will be required for payment of principal of or interest on the Defeased Bonds (including certain fees and expenses related thereto),

and provided that, in the opinion of nationally recognized bond counsel, acceptable to the City and the Escrow Agent, on such substitution, the Defeased Bonds are deemed defeased and that such substitution



will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Defeased Bonds.

### ARTICLE III

#### DUTIES OF THE ESCROW AGENT; FEES AND COSTS

Section 3.01 *Payments on Defeased Bonds.* The Escrow Agent, without further authorization and direction from the City, will pay from moneys available in the Escrow Fund to the persons entitled thereto on the dates and in the amounts set forth in Schedule I hereto, moneys sufficient to pay the principal of and interest (including certain fees and expenses) falling due on the Defeased Bonds as set forth in Schedule I hereto. Such payments shall be made from the principal of and interest on the Government Obligations or other moneys in the Escrow Fund and shall be made to the persons entitled thereto.

Section 3.02 *Fund Established.* The Escrow Agent hereby accepts the money caused to be deposited in the Escrow Fund by the City.

The Escrow Agent shall purchase or cause to be purchased those Government Obligations listed in Schedule II solely from the moneys deposited by the City in the Escrow Fund. The Escrow Agent shall apply the moneys deposited in such account and the Government Obligations, together with any income or interest earned thereon, in accordance with this Agreement. The Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Government Obligations held hereunder or to sell, transfer or otherwise dispose of the Government Obligations acquired hereunder except as provided in Sections 2.04 and 2.05 hereof or as otherwise provided herein. The Escrow Agent may, on the written request of the City, sell or redeem all or a portion of the Government Obligations held for the credit of the Escrow Fund and reinvest the required proceeds of such sale or redemption, in Government Obligations designated in such request of the City, but only on receipt by the Escrow Agent of:

(a) a certificate of an independent certified public accountant stating that after giving effect to such request the Government Obligations held for the credit of such account are of such maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, be sufficient together with all cash and other immediately available invested funds held for the credit of such account to pay the principal of and interest on (including certain fees and expenses) the Defeased Bonds when due and as set forth in Schedule I hereto; and

(b) an opinion of counsel acceptable to the City and the Escrow Agent, which shall be nationally recognized bond or tax counsel, stating that the Defeased Bonds are deemed defeased and that the compliance with such request of the City will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Defeased Bonds.

If the Escrow Agent is instructed by the City to purchase United States Treasury Obligations - State and Local Government Series, such instructions will be given in accordance with regulations of the United States Bureau of Public Debt then in effect.

The liability of the Escrow Agent for the payment of the principal of and interest on the Defeased Bonds (including certain fees and expenses related thereto) pursuant to this Section shall be limited to the cash available for such purposes in the Escrow Fund, and the Escrow Agent will not be required to

expend its own funds for the purpose of performing its duties hereunder. The City and the Escrow Agent hereby covenant that no part of the moneys or funds at any time in the Escrow Fund shall be used directly or indirectly to acquire any obligations which would cause any Defeased Bond to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

Section 3.03 *Escrow Agent's Fees, Costs and Expenses; Indemnification.* The Escrow Agent's fees, costs and expenses for and in carrying out the provisions of this Agreement have been fixed, which fees, costs and expenses are to be paid by the City as they are due from funds of the City and not from any funds in the Escrow Fund. To the extent permitted by applicable law, the City hereby agrees to indemnify and hold harmless the Escrow Agent and its officers, directors, and employees from and against any and all costs, claims, liabilities, losses or damages whatsoever (including reasonable fees, costs and expenses of counsel, auditors or other experts), asserted or arising out of or in connection with the acceptance or administration this Agreement, except costs, claims, liabilities, losses or damages resulting from the negligence or willful misconduct of the Escrow Agent including the reasonable fees, costs and expenses (including the reasonable fees, costs and expenses of its counsel) of defending itself against any such claim or liability in connection with its exercise or performance of any of its duties hereunder and of enforcing this indemnification provision. The indemnifications set forth herein shall survive the termination of this Agreement and/or the resignation or removal of the Escrow Agent and shall inure to the benefit of the Escrow Agent's successors and assigns.

Section 3.04 *Notice of Optional Redemption.* Not less than 30 days nor more than 60 days prior to the Redemption Date, the Escrow Agent hereby agrees to deliver a notice of redemption in substantially the form set forth in Exhibit A attached hereto and in the manner as described in Section 3.3 of the Master Bond Ordinance to (a) the owners of the Defeased Bonds that such Defeased Bonds will be optionally redeemed on the Redemption Date and (b) the Municipal Securities Rulemaking Board via its Electronic Municipal Marketplace Access system at <http://emma.msrb.org>; provided however, that the Escrow Agent shall not have any liability to any party in connection with any failure to timely file such notice of optional redemption with the Municipal Securities Rulemaking Board via its Electronic Municipal Marketplace Access system and the sole remedy available shall be an action by the holders of the Defeased Bonds in mandamus for specific performance or similar remedy to compel performance.

Section 3.05 *Concerning the Escrow Agent.* It is expressly understood and agreed that the Escrow Agent's duties and obligations in connection with this Agreement are confined to those expressly defined herein and no additional covenants or obligations will be read into this Agreement against the Escrow Agent. The Escrow Agent may consult with counsel with respect to any question relating to its duties or responsibilities hereunder or otherwise in connection herewith and will not be liable for any action taken, suffered or omitted by the Escrow Agent in good faith upon the advice of such counsel. The Escrow Agent may act through its agents and attorneys appointed with due care. The Escrow Agent may conclusively rely upon and shall be fully protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons. The Escrow Agent will not be liable for any action taken or neglected to be taken in performing or attempting to perform its obligations hereunder other than for its negligence or willful misconduct. Notwithstanding any provision herein to the contrary, in no event will the Escrow Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. The Escrow Agent will not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; quarantine; national emergency; riots;

interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; malware or ransomware attack; accidents; labor disputes; unavailability of the Federal Reserve Bank wire or telex system or other applicable wire or funds transfer program; unavailability of any securities clearing system; acts of civil or military authority or governmental action; it being understood that the Escrow Agent will use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

## ARTICLE IV

### GENERAL PROVISIONS

Section 4.01 *Escrow Fund Irrevocable*. The Escrow Fund hereby created shall be irrevocable, and the registered owners of the Defeased Bonds are hereby granted an express lien on the Escrow Fund until applied in accordance with this Agreement.

The Escrow Agent shall hold the Escrow Fund as a separate trust account wholly segregated from all other funds and accounts held in any capacity and shall make disbursements from such accounts only in accordance with the provisions of this Agreement. The principal of and interest on the Government Obligations shall not be reinvested except as provided in Sections 2.04 and 3.02 hereof, and the Escrow Agent shall not sell or dispose of such securities except as provided in Sections 2.05 and 3.02 hereof.

Under no circumstances shall the Escrow Agent have a lien on the Escrow Fund for its charges, fees and expenses and under no circumstances shall the Escrow Agent make any claim against the Escrow Fund for such charges, fees and expenses.

Section 4.02 *Reports*. The Escrow Agent shall deliver to the City a report of each transaction relating to the Escrow Fund on a monthly basis until October 1, 2025.

Section 4.03 *Verification*. The accuracy of the mathematical computations of the adequacy of the Government Obligations in the Escrow Fund to pay the principal of and interest due and to become due on the Defeased Bonds (including certain fees and expenses related thereto) through the Redemption Date will be verified by **[Verification Agent]**. A copy of such verification has been delivered to the parties hereto. The Escrow Agent may conclusively rely upon such verification and shall not be held liable with respect to any error in such mathematical computations.

Section 4.04 *Deficiency*. If there is any deficiency in the Escrow Fund, the City will promptly remedy such deficiency by paying to the Escrow Agent the amount of such deficiency. The Escrow Agent is not liable for any such deficiency, except as may be caused by its negligence or willful misconduct.

Section 4.05 *Termination*. This Agreement will terminate when all payments of the principal of and interest on the Defeased Bonds required to be made to the owners of the Defeased Bonds under the provisions of the Master Bond Ordinance have been made. If after the termination of this Agreement, there are any funds remaining in the Escrow Fund, the Escrow Agent shall promptly transmit the amount of such funds to the City.

Section 4.06 *Resignation of Escrow Agent*. The Escrow Agent may resign at any time by giving written notice thereof to the City; provided that such resignation will not take effect until the appointment of a successor Escrow Agent and the acceptance thereof by such successor Escrow Agent. If an instrument of acceptance by a successor Escrow Agent has not been delivered to the Escrow Agent within

sixty (60) days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent.

Section 4.07 *Severability*. If any one or more of the covenants or agreements provided in this Agreement on the part of the parties hereto to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 4.08 *Law*. This Agreement shall be governed exclusively by the laws of the State of Georgia without regard to conflict of law principles.

Section 4.09 *Counterparts*. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be one and the same instrument.

Section 4.10 *Notices*. Any notice or other communication to be given under this Agreement shall be in writing and may be given by certified mail (postage prepaid, return receipt requested), personal delivery or Electronic Means:

If to the City:

City of Dahlonega, Georgia  
465 Riley Road  
Dahlonega, Georgia 30533  
Attention: Allison Martin, City Manager  
Telephone: (706) 482-2706  
E-Mail: [amartin@dahlonega.gov](mailto:amartin@dahlonega.gov)

If to the Escrow Agent:

Computershare Trust Company, N.A.  
1505 Energy Park Drive  
St. Paul, Minnesota 55108  
Attention: Corporate Trust, US  
Telephone: (612) 393-7239  
E-Mail: [scott.brown1@computershare.com](mailto:scott.brown1@computershare.com)

Section 4.11 *Electronic Communications*. The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Agreement and delivered using Electronic Means; provided, however, that the City shall provide to the Escrow Agent an incumbency certificate listing officer with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signature of such Authorized Officer, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent’s understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such instructions and that the Escrow Agent shall conclusively presume that direction that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officer transmit such instructions to the Escrow Agent and that the City and all Authorized Officers are solely responsible to safeguard that use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written Instruction. The

City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions that the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

*IN WITNESS WHEREOF*, the Escrow Agent and the City have caused this Agreement to be executed and attested by their duly authorized officers, as of the date first above written.

COMPUTERSHARE TRUST COMPANY, N.A.,  
as Escrow Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[COUNTERPART SIGNATURE PAGE TO THE ESCROW AGREEMENT]

CITY OF DAHLONEGA, GEORGIA

[SEAL]

By: \_\_\_\_\_  
JoAnne Taylor  
Mayor

ATTEST:

By: \_\_\_\_\_  
Sarah Waters  
Assistant City Clerk

**EXHIBIT A**

**NOTICE OF REDEMPTION**

**City of Dahlonega, Georgia  
Water and Sewerage Revenue Refunding Bonds,  
Series 2015**

**CUSIP NUMBER: 233790BA1 – 2036 Maturity**

Notice is hereby given by the City of Dahlonega, Georgia (the “City”) of its intention to redeem a portion of its outstanding Water and Sewerage Revenue Refunding Bonds, Series 2015 maturing on September 1, 2036 in the aggregate principal amount of \$950,000 (the “Refunded Bonds”) on September 1, 2025 (the “Redemption Date”) at the redemption price (the “Redemption Price”) of the par amount thereof plus accrued interest to the Redemption Date.

Payment of the Redemption Price for the Refunded Bonds will be made on presentation and surrender of the Refunded Bonds at Computershare Trust Company, N.A. (the “Paying Agent”) as follows:

Registered/Certified Mail:

Computershare Trust Company, National  
Association  
P.O. Box 1517  
Minneapolis, MN 55480-1517

Air Courier:

Computershare Trust Company, National  
Association  
1505 Energy Park Drive  
Minneapolis, MN 55108

Government Obligations and cash sufficient to pay the Redemption Price have been deposited with Computershare Trust Company, National Association, as escrow agent and trustee for the Refunded Bonds. Consequently, on the Redemption Date, the Refunded Bonds will cease to bear interest.

Refunded Bonds held through The Depository Trust Company (“DTC”) should be surrendered for redemption in accordance with DTC’s procedures therefor. Computershare Corporate Trust Policy does not allow the safekeeping of securities for a period of longer than 30 days. Please DO NOT submit your securities for payment more than 30 days in advance of the tender date. A wire transfer fee of not more than \$50 may be deducted from each payment requested to be made by wire. When inquiring about this redemption, please have the Bond number available. Please inform the customer service representative of the CUSIP number(s) of the affected Bond. Customer Service can be reached at Toll Free at 1 800 344 5128.

**IMPORTANT INFORMATION REGARDING TAX CERTIFICATION AND POTENTIAL WITHHOLDING:** Pursuant to U.S. federal tax laws, you have a duty to provide the applicable type of tax certification form issued by the U.S. Internal Revenue Service (“IRS”) to Computershare Trust Company, National Association Corporate Trust to ensure payments are reported accurately to you and to the IRS. In order to permit accurate withholding (or to prevent withholding), a complete and valid tax certification form must be received by Computershare Trust Company, National Association Corporate Trust before payment of the redemption proceeds is made to you. Failure to timely provide a valid tax certification form as required will result in the maximum amount of U.S. withholding tax being deducted from any redemption payment that is made to you.

The Paying Agent shall not be responsible for the selection or use of the CUSIP Number(s), nor is any representation made as to its correctness indicated in this Notice or on any Refunded Bond. It is included solely for convenience of the owners of the Refunded Bonds.

Dated this \_\_\_ day of \_\_\_\_\_, 2025

CITY OF DAHLONEGA, GEORGIA

By: Computershare Trust Company, N.A.  
as Paying Agent



**SCHEDULE I**

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>
03/01/25		\$23,750
09/01/25	\$950,000	23,750

**SCHEDULE II**

<u>Maturity Date</u>	<u>Par</u>	<u>Type</u>	<u>Rate</u>
03/01/2025	\$ [REDACTED]	SLGS Certificate	[REDACTED]%
09/01/2025	\$ [REDACTED]	SLGS Certificate	[REDACTED]%

The Escrow Fund will include uninvested cash in the amount of \$[REDACTED].