MINUTES OF ORGANIZATIONAL MEETING
CLEVELAND UTILITIES AUTHORITY BOARD
August 25, 2023

The first organizational meeting of the Cleveland Utilities Authority Board was called to order at 1:00 p.m. in Cleveland Utilities' Tom Wheeler Training Center (TWTC) immediately following the municipal meeting.
The following board members were present: Aubrey Ector, Chairman; Joe Cate, Vice Chairman; Mayor Kevin Brooks, Eddie Cartwright; Councilman Dale Hughes; and Councilman David May, Jr.
Absent: Debbie Melton

Others in attendance were Tim O. Henderson, President/CEO; Amy Ensley, Utility Board Secretary; John Corum, Administrative Services VP; Jimmy Isom, Electric VP; Craig Mullinax, Water & Wastewater VP; Marshall Stinnett, VP/CFO; Walt Vineyard, Executive VP; Tennille Jobe, Customer Service & Billing Manager; Tom Wheeler, former CU General Manager; Councilman Ken Webb, former CU President/CEO; and Tim Siniard, *Cleveland Daily Banner*.

MANAGER'S OPENING REMARKS

Henderson opened the meeting and advised today's business will establish the corporate guidance the authority will operate under moving forward.

ELECTION OF OFFICERS

On motion by Eddie Cartwright and seconded by Councilman David May, Jr., the board voted unanimously to approve Aubrey Ector as Chairman and Joe Cate as Vice Chairman of the Authority Board. Chairman Aubrey Ector expressed appreciation for the confidence and advised continuity is a good option.

RESOLUTION 2023-01 – Approving Certain Matters Relating to the Organization and Operation of the Cleveland Utilities Authority

Upon a motion by Vice Chairman Joe Cate and a second by Eddie Cartwright, the board voted unanimously to approve Resolution 2023-01. This resolution approves certain matters relating to the organization and operation of Cleveland Utilities Authority. It includes policies required by the state (Debt Management, Federal Tax Compliance, Purchasing, Ethics, Public Records, Public Comment, and Cybersecurity). Additionally, it establishes a new TCRS hybrid retirement plan for new authority employees effective November 1, 2023. Chairman Ector thanked staff for the clarity that comes across with the policies, particularly Debt Management and Public Records.

RESOLUTION 2023-01
A RESOLUTION APPROVING CERTAIN MATTERS RELATING TO THE ORGANIZATION AND OPERATION OF THE CLEVELAND UTILITIES AUTHORITY (THE "AUTHORITY")

WHEREAS, the City of Cleveland, Tennessee (the "City") created the Authority pursuant to the provisions the Tennessee Municipal Energy Authority Act, Tennessee Code Annotated Section 7-36-101, et seq. (the "Authority Act"); and

WHEREAS, under the Authority Act, certain matters are reserved to the Board of Directors ("Board") of the Authority; and

WHEREAS, the Board deems it appropriate to take certain initial actions pursuant to the Authority Act relative to the organization and operation of the Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CLEVELAND UTILITIES AUTHORITY THAT:

1. **Selection and Appointment of President and Chief Executive Officer.** The Board selects and appoints Mr. Tim Henderson to serve as the President and Chief Executive Officer ("President & CEO") of the Authority. The terms of the employment arrangement between Mr. Henderson and Cleveland Utilities ("CU") will become effective upon the assignment of this arrangement to the Authority in accordance with an Assignment and Assumption Agreement between the City, CU and the Authority. Until such time as the employment arrangement is assigned to and assumed by the Authority, Mr. Henderson shall continue to be compensated by CU, shall continue to be subject to the terms of his arrangement with CU and shall serve the Authority without additional compensation.

2. **Powers and Authority of President and Chief Executive Officer.** The President & CEO shall have the privileges, powers and authority granted and provided for a president of an authority by the Authority Act.

3. **Approval of Recording Secretary.** The Board approves the President & CEO's appointment of Amy Ensley as the Recording Secretary of the Board.

4. **Appointment of General Counsel.** The Board appoints John Kimball as the General Counsel of the Authority.

5. **Selection and Appointment of Other Officers.** To the extent that the President & CEO appoints other officers of the Authority who also serve as officers of CU, such officers shall continue to be compensated by CU without further compensation from the Authority and shall continue to be subject to the terms of their respective appointments by CU until such time as their respective arrangements with CU are assigned to and assumed by the Authority. Such arrangements will become effective as of the transfer of the assets of CU to the Authority and the assumption of liabilities of CU by the Authority (the "CU Transfer").

6. **Approval of Rates.** The Board adopts the rate schedule, rules and regulations and other terms and conditions of electric, water and wastewater service of CU as are in effect as the effective date of the CU Transfer.

7. **Annual Budget.** The Board adopts the annual budget of CU as in effect as the effective date of the CU Transfer.

8. **Selection of Auditors.** The Board selects Wedgewood Accounting as the independent auditors of the Authority for its fiscal year 2023; and shall provide any necessary accounting and other services related to the CU Transfer pursuant to the terms of its existing agreement with CU.

9. **Adoption of Fiscal Year.** The Board adopts a June 30 fiscal year for the Authority.

10. **Transfer and Assumption of Retirement Plan and Related Matters.** The Board approves the Authority's acceptance of the current retirement plan and the current plan for other postemployment benefits for the employees of CU and authorizes the President & CEO to take all steps necessary to provide for the continuation, as of the effective date of the CU Transfer, of the retirement benefits and other postemployment benefits of employees of the Authority as such benefits existed under the retirement system of CU without diminution.

11. **Adoption of Debt Management Policy**. The Board adopts the Debt Management Policy attached hereto as Exhibit A.

12. **Adoption of Federal Tax Compliance Policies and Procedures.** The Board adopts the Federal Tax Compliance Policies and Procedures attached hereto as Exhibit B.

13. **Adoption of Purchasing Policy.** The Board adopts the Purchasing Policy attached hereto as Exhibit C.

14. **Adoption of Ethics Policy.** The Board adopts the Ethics Policy attached hereto as Exhibit D.

15. **Adoption of Public Records Policy**. The Board adopts the Public Records Policy attached hereto as Exhibit E.

16. **Adoption of Public Comment Policy**. The Board adopts the Public Comment Policy attached hereto as Exhibit F.

17. **Adoption of Cybersecurity Policy**. The Board adopts the Cybersecurity Policy attached hereto as Exhibit G.

18. **No Initial Bylaws.** The Act and generally applicable state law address the manner in which the Board shall hold its meetings and conduct its business. The Board adopts Robert's Rules of Order to govern any procedural matters that are not addressed in the Act. Based upon the foregoing, the Board determines that it is not necessary to adopt initial bylaws at this time, but nothing in this resolution will limit the ability of the Board to adopt bylaws in the future.

19. **Regular Meetings.** The Board's regular meetings shall occur each month on the fourth Friday at 12:30 p.m. eastern standard time and will be held inside the Tom Wheeler Training Center, unless otherwise noted in public disclosure.

20. **Board Fees & Expense Reimbursement.** Members of the Board shall receive reimbursement for expenses while engaged in the business of the Board, plus an allowance for attendance at meetings in the amounts permitted under Tenn. Code Ann. § 7-36-110(f) or as otherwise permitted under the Authority Act.

21. **No Seal.** The Board determines that it is not necessary to adopt a seal for the Authority at this time.

22. **Ratification and Acceptance of Certificate of Incorporation.** The Board ratifies and accepts the Certificate of Incorporation of the Authority as such Certificate was filed with the Tennessee Secretary of State on April 14, 2023.

23. **Approval of Assumed Names.** The Board approves of the adoption of and operation under the assumed names "Cleveland Utilities" and "CU." The Board authorizes the President & CEO to execute and file such applications or other necessary documents with the Tennessee Secretary of State to establish the assumed names.

24. **Assignment of Assets and Assumption of Liabilities**. The Chairman and the President & CEO are each individually authorized to take all necessary or appropriate steps to cause the Authority to accept the transfer all of the rights, title and interest in and to all of the assets of CU and to take all necessary or appropriate steps to cause the Authority to assume all liabilities of CU and to simultaneously pay to the City an amount sufficient to enable the City to discharge the City's obligations associated with CU. The Chairman and the President & CEO are each individually authorized and directed to take all actions and execute all documents necessary or advisable to consummate the transactions authorized herein including, without limitation, the execution of an Assignment and Assumption Agreement in substantially the form attached hereto as Exhibit H with such changes as the executing officer shall approve, as evidenced by the officer's execution of the Assignment and Assumption Agreement.

25. **Financial Advisor.** The Board approves the selection of Raymond James & Associates, Inc. to serve as the Authority's financial advisor pursuant to the terms of a Municipal Advisory Agreement in substantially the form attached hereto as Exhibit I, with such changes as may be approved by the Chairman or the President & CEO.

26. **Adoption of TCRS Retirement Plan.** The Board adopts the Resolution accepting of the TCRS Hybrid Retirement Plan as attached in Appendix J.

27. **Further Authorization.** The Chairman, the Vice-Chairman, the Recording Secretary, the President & CEO and the Vice President and Chief Financial Officer are each individually authorized to take such further actions and to execute such agreements, documents, deeds, or other instruments from time to time as may be necessary or appropriate to carry out the intent of this resolution.

Passed and approved **August 25, 2023**.

_____
Chairman

ATTEST:

_____
Recording Secretary

EXHIBIT A
DEBT MANAGEMENT POLICY

Introduction

Debt management policies provide written guidance about the amount and type of debt issued by local governments, the issuance process, and the management of the debt portfolio. A debt management policy tailored to the needs of the Board of Directors (the "Governing Body") of the Cleveland Utilities Authority (the "Authority") can improve the quality of decisions, identify and disclose parameters relating to the structure and issuance of debt, identify policy goals, and provide a foundation for long-term financial planning, all of which are in the public interest of the Authority. Adherence to a debt management policy may also signal to rating agencies and the capital markets that a governmental entity is well-managed and should meet its obligations in a timely manner.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. An effective debt management policy provides guidelines for a government to manage its debt program in line with those resources.

This Debt Management Policy is intended to comply with the debt management policy requirements promulgated by the Tennessee State Funding Board in December 2010.

Pursuant to the Municipal Energy Authority Act, Sections 7-36-101 et seq., Tennessee Code Annotated, as amended (the "Act"), the Authority owns and operates water, wastewater, electric and broadband systems (each individually, a "System," and collectively, the "Systems") and has the authority to issue debt for each of the Systems. This policy shall apply to the issuance of debt for each System.

Objectives

The Governing Body is establishing a debt policy as a tool to ensure that financings undertaken by the Governing Body satisfy certain clear objective standards designed to protect the Authority's financial resources and to meet its long-term capital needs. The objectives of this policy are:

1. To document responsibility for the oversight and management of debt related transactions;
2. To establish criteria and promote prudent financial management for the issuance of debt obligations and the evaluation of debt issuance options;
3. To identify legal and administrative limitations on the issuance of debt and ensure the legal use of the Governing Body's debt issuance authority;
4. To define the types and appropriate use of debt approved for use within the constraints established by Tennessee law;
5. To provide guidance for evaluating refunding candidates or alternative debt structures;
6. To provide support for the maintenance of credit ratings;
7. To enhance risk management practices; and
8. To increase transparency, reduce conflicts, and promote cooperation in the debt management process.

Debt Management Strategies
To achieve the objectives above, the Governing Body adopts the following debt management strategies and procedures.

A. Funding Strategies

1) Debt is to be issued pursuant to the authority of and in full compliance with provisions, restrictions and limitations of the Constitution and laws of the State of Tennessee (the "State"), including the Act and other applicable bond authorizations enacted by the General Assembly of the State, and pursuant to resolutions adopted by the Governing Body.

2) Long-term debt may only be used to finance or refinance the capital costs of improving the Systems and such other costs related thereto as may be permitted by the Act (including without limitation issuance costs, capitalized interest and the funding of debt service reserves), all of which must be authorized by the Governing Body. Long-term debt may not be issued to finance the Authority's operating costs.

3) Short-term debt may be utilized (i) for the temporary funding of operations, including for electric purchases as permitted by the Act, or (ii) as an interim financing for capital projects. Lines of credit may be considered as an alternative to other short-term borrowing options.

4) Debt shall be secured by and payable from the revenues of the System or Systems for which it was incurred.

B. Federal Tax Status

1) **Tax-Exempt Debt** — Based on the assumptions that tax-exempt interest rates are lower than taxable rates and that the interest savings outweigh the administrative costs, restrictions on use of financed projects, and investment constraints, the Authority will use its best efforts to maximize the amount of debt sold under this policy as tax-exempt.

2) **Taxable Debt** — The Authority will sell taxable debt when necessary to finance projects with a private use or uncontrolled purpose. The Governing Body encourages the financing team to blend the financing of taxable projects with the financing of tax-exempt projects whenever possible. The Authority may issue taxable debt if the Authority determines that the incurrence of such debt is necessary and beneficial but where the bond counsel has determined that such debt cannot be issued on a tax-exempt basis.

Types of Debt
Pursuant to the Act, the Authority is authorized from time to time to issue or incur the following types of debt, all of which is subject to the terms of this policy.

A. Bonds
The Authority may issue bonds under the Act to finance capital projects or refinance outstanding debt.

B. Bond Anticipation Notes (BANs)
BANs are short-term obligations that will be repaid by proceeds of a subsequent bond issue.

C. Revenue Anticipation Notes

Revenue Anticipation Notes are notes issued to finance electrical power purchases as permitted by the Act. Such notes must be approved by the State comptroller prior to their issuance.

D. Lease-Purchase Agreements

Lease-Purchase Agreements are leases of equipment or other System property, where the leased property becomes the property of the Authority at the end of the lease term and the lease payments include a financing component.

E. Loans from State or Federal Agencies

The Authority may incur debt in the form of loans from State or federal agencies. Loans are evidenced by a loan agreement between the Authority and the lending agency.

F. Loans from Public Building Authorities

The Authority may enter into loan agreements with one or more public building authorities, pursuant to Sections 12-10-101 et seq., Tennessee Code Annotated, in lieu of issuing bonds or notes under the Act. The policies set forth herein for bonds issued under the Act shall be equally applicable to loan agreements entered into with a public building authority. The Authority will not enter into loan agreements with public building authorities in lieu of issuing its own debt unless the Governing Body determines that a loan agreement more effectively meets the Authority's objectives.

Debt Management Practices

A. Structure

The Governing Body shall establish by resolution all terms and conditions relating to the issuance of debt.

1) Term

Any debt (including refunding debt) shall have a weighted average maturity not greater than the weighted average expected lives of the assets financed by such debt. In addition, the final maturity of any debt should not be longer than the expected life of the longest-lived asset financed thereby.

2) Capitalized Interest

From time to time certain financings may benefit from the use of capitalized interest. Interest may be financed (capitalized) through a period permitted by federal law, the Act and the authorizing resolution of the Governing Body if it is determined that doing so is in the Authority's best interest.

3) Debt Service Structure

The Authority will seek to structure the aggregate debt of the Systems with approximately level or declining debt service payments over the life of the aggregate debt of each the Systems. In structuring principal repayment for any debt issue, the Authority will seek to balance the goals of (a) amortizing principal as quickly as possible to minimize interest costs, and (b) maintaining consistent and manageable rates for its customers. In seeking to accomplish these goals, the Authority shall take into account monies and securities held in escrow funds

established by the Authority and future deposit requirements with respect to any such escrow funds.

4) **Call Provisions**
The Authority will strive to issue all of its debt with a call feature no later than approximately ten years from the date of delivery. In any event, call features should be structured to provide the maximum flexibility relative to cost. The Authority will avoid the sale of long-term non-callable bonds absent careful evaluation by the Governing Body with respect to the value of the call option.

5) **Debt Service Reserve Funds**
If the Governing Body determines that it is necessary or advisable to fund a debt service reserve fund in connection with debt, it may agree to fund such a reserve. The size of any debt service reserve fund established in connection with the tax-exempt debt will be in compliance with applicable federal tax rules.

6) **Fixed and Variable Interest Rates**
Fixed rate debt bears interest at a rate or rates that remain constant throughout the life of the debt. Variable rate debt bears interest at a variable rate through the term thereof. Synthetic fixed rate debt is debt that bears interest at a variable rate but for which the Authority has entered into a related swap agreement with the goal of fixing the rate of interest paid by the Authority with respect to such debt.

To maintain a predictable debt service burden, the Authority will strive to issue future debt with fixed rates. The Authority may, however, issue variable rate debt if the Governing Body carefully evaluates the risks related thereto, including without limitation, prior to entering into any variable rate debt that is dependent upon the performance of a financial institution (such as an insurer, letter of credit provider or liquidity provider), the Governing Body shall consider the risks related to the future financial condition of such financial institutions, and such other risks related to the continued proper functioning of the variable rate debt.

The Authority will annually include in its budget an interest rate assumption for any outstanding variable rate debt that takes market fluctuations affecting the rate of interest into consideration. The Chief Financial Officer shall monitor the ongoing costs and risks of outstanding variable rate and make regular reports to the Governing Body with respect thereto.

B. Refinancing Outstanding Debt

The Governing Body will consider the following issues when analyzing possible refunding opportunities:

1) **Reasons for Refunding**
Debt will be considered for refunding when:
- The refunding results in net present value savings to the Authority;
- The Governing Body concludes that the refunding is advisable in order to remove unduly burdensome limitations or restrictions in previous debt documents;

- The refunding of the debt is necessary due to a change in private/public use of a project that would cause a need to change the tax status of the debt; or
- The Governing Body expressly determines by resolution that the refunding of the bonds accomplishes debt service restructuring that is in the Authority's best interest.

2) Term of Refunding Issues
The Governing Body will refund bonds within the term of the originally issued debt, unless otherwise expressly approved by resolution of the Governing Body.

C. Methods of Sale

Pursuant to the Act, debt may be issued at competitive or negotiated sale.

1) **Competitive** — In a competitive sale, the Authority's bonds shall be awarded to the bidder providing the lowest true interest cost as long as the bid adheres to the requirements set forth in the official notice of sale.
2) **Negotiated** — In a negotiated sale, the underwriter/lender/lessor will be chosen prior to the sale and the interest rate and the fees of the underwriter/lender/lessor are negotiated prior to the sale.

In the case of loans from State or Federal agencies, the Authority will negotiate directly with the agency making the loan. In all other cases, the Governing Body will determine the manner of sale, and will set forth the manner of sale in the resolution authorizing the debt.

D. Credit Quality

If the Authority maintains a credit rating with respect to a System, the Authority's debt management activities will be conducted to maintain the highest credit ratings possible for such System, consistent with Authority's financing and rate maintenance objectives. The Chief Financial Officer will be responsible for maintaining relationships and communicating with the rating agencies that assign ratings to the Authority's debt. Full disclosure of operations and open lines of communication shall be maintained with the rating agencies. The Chief Financial Officer shall work with its financial advisor and/or underwriter (as applicable) to prepare and make presentations to the rating agencies to assist credit analysts in making an informed decision.

E. Credit Enhancements

The Authority will consider the use of credit enhancements on a case-by-case basis, evaluating the economic benefit versus the cost. Only when clearly demonstrable savings can be shown shall an enhancement be utilized. The Authority may consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancements: bond insurance, reserve fund surety bonds, letters of credit and liquidity facilities.

F. Use of Interest Rate Agreements or Forward Purchase Agreements

The Authority will not enter into interest rate agreements or forward purchase agreements following the effective date of this policy unless a derivative policy

complying with the state's current swap guidelines is approved and all steps required by the state's current swap guidelines have been taken.

G. Risk Assessment

The Authority will evaluate each transaction to assess the types and amounts of risk associated with that transaction, considering all available means to mitigate those risks. The Authority will evaluate all proposed transactions for consistency with the objectives and constraints defined in this Policy. The following risks should be assessed before issuing debt:

1) **Change in Public/Private Use** — The change in the public/private use of a project that is funded by tax-exempt funds could potentially cause a bond issue to become taxable.
2) **Default Risk** — The risk that debt service payments cannot be made by the due date.
3) **Liquidity Risk** — The risk of having to pay a higher rate to the liquidity provider in the event of a failed remarketing.
4) **Interest Rate Risk** — The risk that interest rates will rise, on a sustained basis, above levels that would have been set if the issued had been fixed.
5) **Rollover Risk** — The risk of the inability to obtain a suitable liquidity facility at an acceptable price to replace a facility upon termination or expiration of a contract period.
6) **Credit Risk** — The risk that an issuer of debt securities or a borrower may default on its obligations by failing to repay principal and interest in a timely manner.

H. Balloon Debt

The Authority shall not issue "balloon indebtedness," as defined by Tennessee Code Annotated Section 9-21-133, without obtaining the approval the Comptroller of the State of Tennessee or his or her designee. The Authority's preference is for the issuance of indebtedness that does not constitute balloon indebtedness.

I. Continuing Disclosure

To the extent that any of the Authority's debt issues are subject to U.S. Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"), the Governing Body will provide certain financial information and operating data by specified dates, and will provide notice of certain enumerated events with respect to the bonds, all as described in Rule 15c2-12.

J. Transparency

The Authority shall comply with the Tennessee Open Meetings Act, providing adequate public notice of meetings and specifying on the meeting agenda provided to the Governing Body when matters related to debt issuance will be considered. Additionally, in the interest of transparency, all costs (including interest, issuance, continuing, and one-time) shall be disclosed to the citizens in a timely manner. To comply with the requirements of the preceding sentence, an estimate of the costs

described above will be presented to the Governing Body along with any resolution authorizing debt.

K. Professional Services

The Authority requires all professionals engaged to assist in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by the Authority. This includes "soft" costs or compensations in lieu of direct payments.

1) **Counsel** — The Authority will enter into an engagement letter agreement with each lawyer or law firm representing the Authority in a debt transaction. No engagement letter is required for any lawyer who serves as counsel to the Authority regarding Authority matters generally.
2) **Bond Counsel** — Bond counsel for each debt transaction is contracted by the Governing Body and serves to assist the Authority in such debt issue.
3) **Financial Advisor** — If the Authority chooses to engage a financial advisor, the Authority shall enter into a written agreement with each person or firm serving as financial advisor in debt management and transactions. Whether in a competitive or negotiated sale, the financial advisor shall not be permitted to bid on, privately place or underwrite an issue for which they are or have been providing advisory services for the issuance.
4) **Swap Advisor** – If the Authority chooses to engage a swap advisor, the Authority shall enter into a written agreement with each person or firm serving as swap advisor to the Authority, and such relationship will in all respects comply with any federal and state regulations relating to swap advisors.
5) **Underwriter** – If there is an underwriter for a debt issue, the underwriter must clearly identify itself to the Authority in writing (e.g., in a response to a request for proposals or in promotional materials provided to the Authority) as an underwriter and not as a financial advisor from the earliest stages of its relationship with the Authority with respect to that issue. The underwriter must clarify its primary role as a purchaser of securities in an arm's-length commercial transaction and must disclose that it has financial and other interests that differ from those of the Authority. The underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the Chief Financial Officer in advance of the pricing of the debt.

L. Potential Conflicts of Interest

Professionals involved in a debt transaction hired or compensated by the Authority shall be required to disclose existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the Authority to appreciate the significance of the relationships.

Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

Debt Administration

A. Planning for Sale

1) In considering the adoption of any debt resolution, the Governing Body shall consider the purpose of the financing, the proposed structure of the financing, the proposed method of sale for the financing, members of the proposed financing team and an estimate of all the costs associated with the financing.

2) In the case of a proposed refunding, proposed use of credit enhancement, or proposed use of variable rate debt, the Chief Financial Officer will present to the Governing Board the rationale for using the proposed debt structure, an estimate of the expected savings associated with the transaction (if applicable) and a discussion of the potential risks associated with the proposed structure.

3) If required by Rule 15c2-12, the Chief Financial Officer, the bond counsel, financial advisor (if applicable), along with other members of the financing team will prepare a Preliminary Official Statement describing the transaction and the security for the debt that is fully compliant with all legal requirements.

B. Post Sale

1) The Chief Financial Officer will maintain for review by members of the Governing Body and the public a debt service schedule and the State Debt Report - CT-0253 Form related to the debt issue.
2) If required by Rule 15c2-12, the Chief Financial Officer, the bond counsel, financial advisor (if applicable), along with other members of the financing team will prepare an Official Statement describing the transaction and the security for the debt that is fully compliant with all legal requirements.

C. Investment of Proceeds

Any proceeds or other funds available for investment by the Authority must be invested pursuant to applicable State law.

Review of the Policy

The debt policy guidelines outlined herein are only intended to provide general direction regarding the future use and execution of debt. The Governing Body maintains the right to modify these guidelines (except to the extent these guidelines are mandated by applicable state law or regulation) and may make exceptions to any of them at any time to the extent that the execution of such debt achieves the Governing Body's goals. Any exceptions to these policies shall be expressly acknowledged in the resolution authorizing the pertinent debt issue. In the event of a conflict between the terms of a debt resolution and this policy, the terms of the debt resolution shall control.

This policy will be periodically reviewed by the Governing Body, at which time, the Chief

Financial Officer will present any recommendations for any amendments, deletions, additions, improvement, or clarification.

EXHIBIT B
FEDERAL TAX COMPLIANCE POLICIES AND PROCEDURES

Purpose
In order to issue tax-exempt debt obligations ("Tax-Exempt Obligations"), the interest on which is excluded from gross income of the holders of such debt obligations, the Cleveland Utilities Authority (the "Authority") must comply with federal tax rules regarding expenditure of proceeds, use of financed property, investment of proceeds in compliance with arbitrage rules, retention of records and filings with the Internal Revenue Service pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). This Tax Compliance Policy sets forth the Authority's policies for compliance with Sections 141-150 of the Code and related rules and regulations.

I. Expenditure of Proceeds

Expenditure of proceeds as set forth below will be reviewed and managed by the Authority's chief financial officer (the "Responsible Officer") as needed to ensure compliance with the requirements with each tax certificate executed in connection with Tax-Exempt Obligations. In connection with such review and management, the Responsible Officer will undertake the following with respect to the expenditure of proceeds of Tax-Exempt Obligations:

- Establish forms and procedures for documenting expenditures of the proceeds, including for new-money issues a description of the property financed with each expenditure and for refunding issues a description of the refunded obligations and the property financed with the refunded obligations.
- Only permit proceeds to be expended for capital expenditures, working capital if accompanied by an opinion of nationally recognized bond counsel, refunding of Tax-Exempt Obligations and other debt obligations used for the foregoing purposes, the funding of debt service reserve funds to the extent permitted by the Code and costs of issuance of Tax-Exempt Obligations.
- Not permit amounts to be expended to pay capitalized interest on Tax-Exempt Obligations except during the actual construction period of financed property unless accompanied by an opinion of nationally recognized bond counsel.
- Restrict reimbursement of costs that were paid prior to the issuance of the new-money Tax-Exempt Obligations to costs paid subsequent to, or not more than 60 days prior to, the date a "declaration of intent" to reimburse the costs was adopted by the Authority or as is otherwise approved by bond counsel.
- As to new-money issues, prepare a "final allocation" of proceeds to uses, which will be made and retained with the records of the Tax-Exempt Obligations, not later than 18 months after the placed-in-service date of the financed property (and in any event not later than 5 years and 60 days after the issuance of the issue).

- Monitor the expenditure of proceeds of new-money Tax-Exempt Obligations against the tax certificate expectation to (i) spend or commit 5% of net sale proceeds within 6 months, (ii) spend 85% of net sale proceeds within 3 years, and (iii) proceed with due diligence to complete the project and fully spend the net sale proceeds.
- Monitor the expenditure of proceeds of the Tax-Exempt Obligations against the schedule for any arbitrage rebate exception or exceptions identified in the tax certificate related to such issue of Tax-Exempt Obligations.

II. Use of Property Financed with Tax-Exempt Obligations and Remediation upon Change in Use

Use of property financed with Tax-Exempt Obligations, when completed and placed in service, will be reviewed by the Responsible Officer on at least an annual basis.
The Authority will not do any of the following with respect to the financed property without prior discussion with bond counsel regarding potential effect of such action on the tax exemption of the Tax-Exempt Obligations that financed or refinanced such property:

- Enter into a management, service or incentive payment contract with any non-governmental person or entity (including the federal government) (a "Non-Governmental Person").
- Enter into a lease with any Non-Governmental Person.
- Sell or otherwise transfer such property to any Non-Governmental Person.
- Grant special legal entitlements with respect to such property to any Non-Governmental Person.
- Enter into an "output contract", as defined in Section 1.141-7 of the Treasury Regulations promulgated under the Code, which has the effect of transferring the benefits of owning the financed facility and the burden of paying debt service on the pertinent Tax-Exempt Obligation to a Non-Governmental Person.

If any action occurs, notwithstanding the foregoing, that causes Tax-Exempt Obligations to become private activity bonds as a result of private use of financed projects and/or private payments for parties utilizing financed projects, the Issuer will promptly consult with bond counsel as to the steps to be taken in order to remediate such change in use in accordance with the regulations under the Code, including the remediation of nonqualified bonds.

III. Investment of Proceeds

Investment of proceeds of Tax-Exempt Obligations in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Responsible Officer.
All proceeds of each Tax-Exempt Obligation will be deposited and maintained in a separate account or accounts. The investment of the proceeds of Tax-Exempt Obligations shall comply with the following:

- Investments will be purchased only in market transactions at fair market value.
- Calculations of rebate liability will be performed periodically as set forth in the tax certificate by outside consultants unless the Authority is eligible for an exception to rebate liability with respect to the Tax-Exempt Obligations.

- Rebate payments, if required, will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the Tax-Exempt Obligations. Compliance with rebate requirements will be reported to the bond trustee, if any, and the issuer.
- The Authority will identify the date for first rebate payment at the time of issuance if rebate payments are expected.

IV. Records

Management and retention of records related to Tax-Exempt Obligations will be supervised by the Responsible Officer.

- Records will be retained for the life of the Tax-Exempt Obligations plus any refunding bonds plus three years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to specific bond issues and compliance functions.
- Retainable records pertaining to issuance of Tax-Exempt Obligations include the transcript of documents executed in connection with the issuance of the Tax-Exempt Obligations and any amendments, and copies of rebate calculations and records of payments including Form 8038-T.
- Retainable records pertaining to expenditures of proceeds of Tax-Exempt Obligations include requisitions (if any), trustee statements (if any) and final allocation of proceeds.
- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use and any reviewed documents relating to unrelated business activity.
- Retainable records pertaining to investments include GIC and hedge documents under the Treasury regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

V. Miscellaneous Post-Issuance Changes

The Responsible Officer will consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions (e.g., letter of credit or bond insurance) or hedging transactions (e.g., interest rate swaps)
The Responsible Officer will consult with bond counsel prior to the making of any significant modifications to the bond documents that might cause a “reissuance” of the Tax-Exempt Obligations as described in Section 1.1001-3 of the Treasury regulations such as (i) changes in the yield of a Tax-Exempt Obligation, (ii) changes in the timing of payments on a Tax-Exempt Obligation or (iii) changes in the obligor of or security for a Tax-Exempt Obligation.

VI. Overall Responsibility

Overall administration and coordination of this policy is the responsibility of the Responsible Officer. The Responsible Officer shall be responsible for identifying any violations of federal tax requirements relating to any Tax-Exempt Obligations and shall

consult with bond counsel as to best method for the timely correction of any identified violations either through available remedial actions or through the IRS's Voluntary Closing Agreement Program. The Responsible Officer shall be responsible for obtaining and providing for the training and education necessary to administer these policies and procedures.

EXHIBIT C
PURCHASING POLICY

The organization concept from which purchasing operates is one of decentralized control under the direction of the President/CEO. Under this system, each Division Vice President is responsible for the purchasing activities for their respective divisions. These responsibilities include:

1. Directing the bidding and procurement process
2. Maintaining inventories adequate to support Cleveland Utilities Authority (CU) operations
3. Maintaining adequate records to support the audit of purchasing activities to ensure compliance with applicable state and local laws
4. Ensuring that purchases conform to budgets and that funds are available to pay for purchases.

Competitive Purchases

All purchases in excess of $5,000 and less than $50,000 shall have a minimum of three (3) competitive written quotes. Obtaining less than three quotes should be justified. At the discretion of the Division Vice President, competitive written quotes may be required for purchases less than $5,000. All purchases in excess of $50,000 must be publicly advertised with sealed bids. It is the intent of this purchasing policy to procure all materials, contracts, and supplies on a competitive basis whenever possible. Records for competitive prices are to be maintained with each purchase order request.

Exceptions to Competitive Purchases

Purchases may be made without written quotes or sealed bids if one or more of the following is applicable:

1. There is a sole source of supply or proprietary items as determined and documented by the Division VP and President/CEO. Documentation must be attached to the purchase order.
2. Emergency Expenditures
3. Member Organization Contract Purchases
4. State of Tennessee Contract Purchases
5. Federal Contract Purchases

Purchasing Authority

Division Vice Presidents can authorize department managers/supervisors to approve purchase orders for an amount not to exceed $2,500; this approval authority is at the discretion of the Division Vice President. The President/CEO, in the event of absence of the Division Vice President, will approve purchase orders for the division.

The President/CEO's Executive Assistant will procure purchases for the office of the President/CEO. The President/CEO will approve these purchases based on the processes and approval limits described herein. The Executive Assistant of the President/CEO has authority to approve purchases up to $2,500.
Each Division Vice President has authority to issue purchase orders for their division up to an amount of $10,000. The President/CEO will approve purchase orders exceeding $10,000, but not to exceed $100,000. The Authority Board will approve any purchase order or contract in excess of $100,000. The Board has designated authority to the President/CEO to approve any change orders to a previous Board-approved purchase order not to exceed 10% of the original purchase order or $100,000. All change orders approved by the President/CEO should be included on a written report to the Board at the next scheduled Board meeting.

In the absence of the President/CEO, final approval for purchase orders in excess of $10,000 can be made by the President/CEO's authorized designee.

Purchase Orders are not to be split or divided into two or more parts with the intent of evading the requirements of this section.

Application of Purchasing Policy
All requisition requests must follow this application policy, unless otherwise noted. Requisitions may be placed by any designated member of a division. These individuals are determined by the Vice President of each division. All items requested must be submitted via a requisition form to the appropriate level of the division based on the dollar value of the requisition. No requisition or purchase order may be requested and approved by the same individual, even if that individual has the appropriate monetary authority. In the case where items are requested by individuals with approval authority, those individuals must have the requisition and purchase order approved by the next level of authority regardless of monetary amount. This rule applies to all approval authority individuals, including Vice Presidents that may request purchases. Purchase requests made by Vice Presidents must be approved by the President/CEO regardless of monetary amount.

Purchasing Cards (P-Cards)
Cleveland Utilities Authority has implemented Purchasing Cards (p-cards) for the purchase of items with small dollar and high-volume transactions while facilitating quick payment to vendors. Please refer to the Purchasing Cards (P-Cards) Policy for detailed procedures and guidelines regarding p-cards.

Gifts and Gratuities
CU opposes the practice of commercial gift giving which has no place in sound and unprejudiced purchasing procedures. CU will not allow giving of a gift or entertainment by a vendor which could in any way influence or appear to influence normal buyer – seller relationships or discredit CU. Gifts do not include items that would not ordinarily by interpreted as affecting an employee's impartiality. Gifts such as an occasional business meal, flowers, boxes of candy or cookies, advertising supplies (such as pencils, pens, or

calendars), or other token gifts of small value can be accepted. Please refer to CU's Code of Conduct & Ethics Policies for additional information concerning gifts and gratuities.

EXHIBIT D
ETHICS POLICY

SECTION 1. Applicability. This policy is applicable to all members of the Board of Directors (each a "Director"), officers and employees of the Cleveland Utilities Authority (the "Authority").

SECTION 2. Definition of "personal interest."

1) For purposes of Sections 3 and 4, "personal interest" means:
    a) Any financial, ownership, or employment interest in the subject of a vote by the Board of Directors not otherwise regulated by state statutes on conflicts of interests; or
    b) Any financial, ownership, or employment interest in a matter to be regulated or supervised; or
    c) Any such financial, ownership, or employment interest of the Director's, officer's or employee's spouse, parent(s), stepparent(s), grandparent(s), sibling(s), child(ren), stepchild(ren), or spouse(s) of child(ren) or stepchild(ren)

2) The words "employment interest" include a situation in which a Director, officer or employee or a designated family member is negotiating possible employment with a person or organization that is the subject of the vote or that is to be regulated or supervised.

3) In any situation in which a personal interest is also a conflict of interest under state law, the provisions of the state law take precedence over the provisions of this policy.

SECTION 3. Disclosure of personal interest by official with vote. A Director with the responsibility to vote on a measure shall disclose during the meeting at which the vote takes place, before the vote and so it appears in the minutes, any personal interest that affects or that would lead a reasonable person to infer that it affects the Director's vote on the measure. In addition, the Director may recuse himself or herself from voting on the measure.

SECTION 4. Disclosure of personal interest in nonvoting matters. An officer or employee of the Authority who must exercise discretion relative to any matter, other than casting a vote, and who has a personal interest in the matter that affects or that would lead a reasonable person to infer that it affects the exercise of the discretion shall disclose, before the exercise of the discretion when possible, the interest will be noted in a public meeting with the staff secretary of the Authority recording said interest in the minutes of the meeting. In addition, the officer or employee may, to the extent allowed by law, charter, resolution or policy, recuse himself or herself from the exercise of discretion in the matter.

SECTION 5. Acceptance of gifts, gratuities, business courtesies, etc.
A Director, officer or employee of the Authority may not accept, directly or indirectly, any money, gift, gratuity, or other consideration or favor of any kind from anyone other than the Authority:

1) That constitutes or could reasonably be perceived as constituting unfair business inducements that would violate law, regulation, or polices of Cleveland Utilities Authority, or would cause embarrassment or reflect negatively on Cleveland Utilities Authority reputation.; or
2) That might reasonably be interpreted as an attempt to influence his or her action, or reward him or her for past action, or create the appearance of favoritism that may adversely affect the Company's reputation for impartiality and fair dealing.

Generally, Directors, officers or employees may not accept compensation, honoraria, or money in any amount from entities with whom Cleveland Utilities Authority does or may do business.

For additional details on acceptance and offerings of gifts, gratuities, business courtesies, etc., please refer to CU's Code of Conduct Policy.

SECTION 6. Use of information.

1) A Director, officer or employee of the Authority may not disclose any information obtained in his or her official capacity or position of employment that is made confidential under state or federal law except as authorized by law.
2) A Director, officer or employee of the Authority may not use or disclose information obtained in his or her official capacity or position of employment with the intent to result in financial gain for himself or herself or any other person or entity.

SECTION 7. **Use of the Authority's Resources (time, facilities, material, equipment, etc.)**

1) A Director, officer or employee of the Authority may not use or authorize the use of the Authority's time, facilities, equipment, or supplies for private gain or advantage to himself or herself.
2) A Director, officer or employee of the Authority may not use or authorize the use of the Authority's time, facilities, equipment, or supplies for private gain or advantage to any private person or entity, except as authorized by legitimate contract or lease that is determined by the Board of Directors to be in the best interests of the Authority.

SECTION 8. Use of position or authority.

1) A Director, officer or employee of the Authority may not make or attempt to make private purchases, for cash or otherwise, in the name of the Authority.
2) A Director, officer or employee of the Authority may not use or attempt to use his or her position to secure any privilege or exemption for himself or herself or others that is not authorized by the charter, general law, bylaws, resolution or policy of the Authority.

SECTION 9. Outside employment. A Director, officer or employee of the Authority may not accept or continue any outside employment if the work unreasonably inhibits the performance of any affirmative duty of his or her position with the Authority or conflicts with any provision of the charter, bylaws or any resolution or policy of the Authority. For additional details, please refer to CU's Outside Employment Policy.

SECTION 10. **Ethics complaints.**

1) The Authority's legal counsel is designated as the ethics officer of the Authority. Upon the written request of a Director, officer or employee potentially affected by a provision of this chapter, the legal counsel may render an oral or written advisory ethics opinion based upon this chapter and other applicable law.

2) (a) Except as is otherwise provided in this subsection below with respect to a complaint against a Director, the legal counsel shall investigate any credible complaint charging any violation of this policy, or may undertake an investigation on his or her own initiative when he or she acquires information indicating a possible violation and make recommendations for action to end or seek retribution for any activity that, in the attorney's judgment, constitutes a violation of this policy.

   (b) The legal counsel may request that the Board of Directors hire another attorney, individual, or entity to act as ethics officer when he or she has or will have a conflict of interest in a particular matter.

   (c) When a complaint of a violation of any provision of this policy is lodged against a Director, the Board of Directors shall either determine that the complaint has merit, determine that the complaint does not have merit, or determine that the complaint has sufficient merit to warrant further investigation. If the Board of Directors determines that a complaint warrants further investigation, it shall authorize an investigation by the legal counsel or another individual or entity chosen by the Board of Directors. The Board of Directors may also designate a committee of Directors to investigate and evaluate any complaint and to make a report to the Board of Directors relating to such complaint prior to the Board taking any action as is described above.

3) The interpretation that a reasonable person in the circumstances would apply shall be used in interpreting and enforcing this policy.

4) When a violation of this policy also constitutes a violation of a personnel policy, rule, or regulation of the Authority, the violation shall be dealt with as a violation of the personnel provisions rather than as a violation of this policy.

SECTION 11. **Violations.** A Director, officer or employee who violates any provision of this policy may be subject to disciplinary action up to and including termination or punishment as provided by applicable law or the Authority's charter or bylaws and in addition may be subject to censure by the Board of Directors.

SECTION 12. Review and Certification. When a person becomes a Director, officer, or employee of the Authority, and annually thereafter, he or she must provide a written and signed certification to the Authority that he or she has been provided a copy of the foregoing Policy and that he or she has read and understands the provisions of the Policy and has not violated any provision thereof, and asserting with respect to that person either the existence of or the absence of any conflict of interest as defined in the Policy. Any person who is unable to so certify shall be required to furnish a written explanation.

For CU's comprehensive Code of Conduct, please refer to CU's Code of Conduct Policy.

EXHIBIT E
PUBLIC RECORDS POLICY

A. Document Requests
All public records requests shall be directed to CU's Administrative Services Department. The Administrative Services VP, or his/her designated representative, shall be responsible for overseeing all such requests. Anyone making a request for CU records must complete and submit the State of Tennessee inspection/Duplication of Records Request form. Requests for records must be sufficiently detailed to enable CU personnel to identify the specific records to be located or copied. The form must be filled out in its entirety, signed, and dated. A government issued photo identification card with an address may be required prior to inspection or receipt of copies.

B. Request Response Time
CU shall respond to all document requests as promptly as possible and without unreasonable delay. If the requested records cannot be compiled within seven (7) business days, an explanation will be given as to why more time is needed.

C. Labor Costs
The cost for labor associated with a document request will be based on the employee's regular hourly wage rate multiplied by the estimated time necessary to produce the requested information. There will be no charge for the first hour of time required to respond to a document request. The employee fulfilling the request shall be the most qualified and knowledgeable person with the lowest hourly wage to produce the requested records.

D. Material Costs
Copy charges shall be included at the rate of no less than 15 cents per page for each standard 8 ½ x 11 or 8 ½ x 14 black and white copy produced; at a rate of no less than 50 cents per page for each standard 8 ½ x 11 or 8 ½ X 14 color copy produced. If the records are being produced on a medium other than 8 ½ x 11 or 8 ½ x 14 paper, the actual cost of the paper will be charged. If delivery of the copied material is requested, mailing or delivering costs shall be included in the estimated cost, which may be provided to the requestor before the documents are produced.

E. Fee Collection
If the estimated cost of producing the documents is twenty-five ($25.00) dollars or more,

CU shall require a deposit of 50% of the estimate prior to providing copies of the requested records. If the deposit exceeds the actual cost, then the balance of the deposit will be refunded to the requestor promptly. Acceptable forms of payment include cash, check, or credit/debit cards.

EXHIBIT F
PUBLIC COMMENT POLICY

General
A policy to establish rules for providing public comment on agenda items at meetings of the Board of Directors and Committees of the Board of Directors pursuant to Public Chapter 300 of the 2023 Acts of the State of Tennessee ("Chapter 300").

1. **Opportunity for Public Comment**: Any public meeting of the Board of Directors or a Committee of the Board of Directors with actionable items on the agenda of the meeting shall have a period for public comment at the beginning of the meeting on those actionable items; provided, however, this requirement shall not apply to disciplinary hearings that are exempt from the requirements of Chapter 300.
2. **Public Notice Requirements**: The public notice of every public meeting of the Board of Directors or a Committee of the Board with actionable items on the agenda shall include an email address and/or phone number that individuals wishing to speak at the meeting can use to communicate their desire to speak at the meeting. This requirement shall only apply to public notices that are published on or after the effective date of Chapter 300.
3. **Requests to Provide Public Comments**: Individuals wishing to speak at a public meeting must sign up at least twenty-four hours prior to the meeting start time either by sending an email to the public comment email address or by calling the phone number set forth in the public notice of meeting. To ensure that opposing viewpoints are fairly represented during the public comment period, individuals registering to speak at a meeting need to state the action item about which they wish to speak and whether they will be speaking in support of or in opposition to the item. Comments may also be provided in writing at least twenty-four hours prior to the meeting start time.
4. **Public Comment Period**: The agenda of each public meeting will designate a period at the beginning of the meeting for public comment on actionable items on the agenda for the meeting; provided, however, the presiding officer may close the public comment period prior to the end of the thirty-minute period if all the individuals who signed up to speak at the meeting have been afforded an opportunity to speak. The presiding officer shall have the discretion to extend the public comment period for no more than an additional fifteen minutes if additional time is reasonably necessary to ensure that opposing viewpoints are fairly represented during the public comment period. The presiding officer need not extend the public period beyond fifteen minutes merely because the fifteen-minute period expired before all of the individuals who registered to speak were able to speak.

5. **Order of Speakers; Time Limitations**: Individuals who have registered to speak at a meeting shall be called on in the order in which they have registered, unless more than five speakers have requested to provide public comment. In the case where more than five speakers have requested to provide public comment, the presiding officer shall have the discretion to allocate available time for public comment between agenda items and between speakers speaking in favor of items on the agenda and speakers speaking in opposition to items on the agenda, insofar as practical. Individuals will be allowed three minutes to speak with respect to an action item on the agenda.
6. **Public Comment Limited to Action Items on the Agenda**. All comments are restricted to comments on action items on the agenda for the meeting. The presiding officer shall have the authority to stop an individual's comment, if after an initial warning, an individual continues to speak on a topic that is unrelated to an action item on the agenda.
7. **General Rules of Decorum**. All comments shall be directed through the presiding officer, and the presiding officer must recognize the commenter before comments may be offered. The commenter may not use vulgar or obscene language, and public comments may not be used to personally attack or denigrate others. The presiding officer may stop comment after the allotted time has expired or if the commenter violates these rules.

EXHIBIT G
CYBERSECURITY POLICY

Purpose: Cleveland Utilities Authority recognizes the importance of maintaining the security and confidentiality of our information assets. The purpose of this cyber policy is to outline our commitment to safeguarding information assets and to establish guidelines to protect Cleveland Utilities Authority' critical infrastructure, systems, networks, and customer data from cyber threats.

Scope: This policy applies to all employees, contractors, and vendors who access Cleveland Utilities Authority network and systems.

Risk Management: Cleveland Utilities Authority will conduct regular risk assessments to identify potential threats and vulnerabilities. These assessments will be used to determine appropriate controls. Risks will be assessed, prioritized, monitored, and mitigated.

Employee Training and Awareness: All employees will receive quarterly cybersecurity training and awareness programs to ensure they understand the risks and how to protect against them. The training will cover topics such as password management, phishing attacks, social engineering, and incident reporting. Some training will be conducted in person and some through an online training platform. All employees will also receive a simulated phishing email once a month.

Incident Response: Cleveland Utilities Authority will establish incident response procedures to address and contain cyber incidents. This document describes Cleveland Utilities Authority overall plan for preparing and responding to both physical and electronic information security incidents. It defines the roles and responsibilities of participants, characterization of incidents, relationships to other policies and procedures, and reporting requirements. The goal of this Security Incident Response Plan is to prepare for, detect, and respond to security incidents.

Access Control: Cleveland Utilities Authority will implement strict access controls to ensure only authorized personnel have access to critical systems and data.

- Password Management: Strong password policies will be implemented, including requirements for complex passwords, password expiration, and multi-factor authentication.
- User Access Control: User access to information assets will be granted on a need-to-know basis, and access will be revoked when no longer required.
- Third-Party Access Control: Third-party vendors will be required to comply with our access control policies and procedures.
- Auditing: Regular audits of system access will be performed by the IT Division.
- Physical access to servers: Physical access to the room where servers that house sensitive data are audited, monitored, and administered by an access control system.

Network Security: Cleveland Utilities Authority will implement firewalls, intrusion detection/prevention systems, and other security measures to protect the network.

- Firewall and Intrusion Detection: Firewalls and intrusion detection systems will be implemented to protect our network from unauthorized access and attacks.
- Network Segmentation: Our network will be segmented to limit the impact of a security breach and provide additional security measures.
- Remote access: All remote access will require MFA. Remote access logs will be audited on a regular basis.
- Auditing: Regular audits of system access will be performed by the IT Division.
- Email Protection: Email security controls are in place to reduce email-based threats.

Device Security: Cleveland Utilities Authority devices will be secured by the IT Department to protect against unauthorized access. Proper security measures will be put in place to safeguard company data.

- Software Installation: Only employees with administrative access will be allowed to install software on CU devices.
- Inventory: An inventory will be kept by the IT Department of all hardware and software.
- Patching: Devices and software will be updated as quickly as possible. Vulnerabilities will be addressed in a prioritized manner determined by the IT Department.

Data Protection: A classification system will be implemented to identify the sensitivity of data and to apply appropriate controls for its protection. Sensitive and personal identifiable data in transit and at rest will be encrypted to prevent unauthorized access. Regular backups of critical data will be performed, and recovery procedures will be tested regularly.

Vendor Management: Cleveland Utilities Authority recognizes the importance of managing vendor relationships to maintain a secure cyber environment. Cleveland Utilities Authority will conduct due diligence on vendors and their security practices and will require vendors to comply with Cleveland Utilities Authority cybersecurity policy.

- Security Controls: Vendors must have appropriate security controls in place to protect the confidentiality, integrity, and availability of our information. These controls should be based on industry best practices and standards.
- Risk Assessments: Vendors must undergo a risk assessment before accessing our systems or information. This assessment should evaluate potential risks associated with vendor's access and provide recommendations for mitigating those risks.
- Contractual Obligations: Vendors must agree to contractual obligations that include, but not limited to compliance with our security policies and standards, reporting of security incidents, and notification of any changes to their security controls.
- Incident Response: Vendors must have an incident response plan in place to quickly and effectively respond to security incidents. This plan should outline procedures for identifying and containing security incidents, as well as reporting and notification requirements.
- Third-Party Audits: Vendors must allow Cleveland Utilities Authority to conduct third-party audits to verify compliance with security policies and standards. This could include providing access to security logs and other relevant documents.

Sharing sensitive information: Using and/or disclosing CU, customer, or other's confidential information is strictly prohibited without authorization. (See Employee Handbook page 31 #24).

Compliance: Cleveland Utilities Authority will comply with all applicable laws, regulations, and industry standards related to cybersecurity.

Enforcement: Violations of this policy may result in disciplinary action, up to and including termination of employment or contract. All employees, contractors, vendors, and other authorized users have an obligation to report any suspected or known violations of this policy to the IT management or designated security personnel.

EXHIBIT H
FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement"), is made and delivered on this 31st day of October, 2023 by and between the City of Cleveland, Tennessee ("City"), Cleveland Utilities ("CU") and the Cleveland Utilities Authority (the "Authority"), a Tennessee governmental utility authority created pursuant to the provisions of the Municipal Energy Authority Act, Tennessee Code Annotated Section 7-36-101, et seq. (the "Authority Act").

WHEREAS, pursuant to the provisions of the Authority Act and the Resolution of the City dated August 14, 2023, the City and CU desire to transfer to the Authority all of their respective rights, title and interests in all of the electric, broadband, water, and wastewater operations and related assets currently owned by the City or CU and operated by CU for the benefit of the City, including all real and personal property, tangible or intangible, and all appurtenances, contracts, leases, franchises, authorizations, rights and other intangibles (collectively, the "Assets"), and any right or interest of the City or CU in any such Assets, whether or not subject to mortgages, liens, charges or other encumbrances; and

WHEREAS, in consideration of the transfer of the Assets and pursuant to the provisions of the Authority Act, the Authority will provide the City sufficient funds to redeem, defease or otherwise satisfy all outstanding bonds and other obligations that City has issued for the benefit of CU (the "CU Indebtedness"), as more fully described herein; and

WHEREAS, in further consideration of the transfer of Assets and pursuant to the provisions of the Authority Act, the Authority will assume all other liabilities and obligations of CU that were in effect as of the transfer of the Assets to the Authority; and

WHEREAS, the City and the Authority desire to set forth the terms and conditions of the transfer of the Assets from the City to the Authority.

NOW, THEREFORE, for the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each of the parties, the City, CU and the Authority agree as follows:

1. Assignment of Assets. Subject to the terms and conditions of this Agreement, as of the date and time that the Authority provides sufficient funds to redeem, defease or otherwise satisfy the CU Indebtedness, and provides for the payment of all administrative costs associated therewith (the "Effective Time"), the City and CU hereby transfer, assign and convey to the Authority, its successors and assigns forever, all of the City's and all of CU's right, title and interest, legal or equitable, in and to the Assets, at which point, CU shall cease to exist.

2. Cleveland Utilities Indebtedness. The Authority shall assume and/or provide for the payment of all indebtedness heretofore incurred by the City for the benefit of the utility systems heretofore operated by CU, as more specifically described below:

(a) As of the Effective Time, the Authority shall pay to the City an amount sufficient to fully discharge the City's General Obligation Refunding Bonds, Series 2016B, its General Obligation Bonds, Series 2018B, its General Obligation Refunding Bonds, Series 2019, its General Obligation Bonds, Series 2020, and its General Obligation Bonds, Series 2022 (the "Public Market Bonds"). The costs to discharge the Public Market Bonds shall include all administrative costs (such as escrow agent, escrow investment and

verification costs) related thereto. The City shall take all steps and execute all documents and agreements reasonably requested by the Authority to provide for the discharge of the Public Market Bonds at the earliest possible date, including without limitation, providing refunding and redemption notices, entering into a defeasance escrow agreement and procuring escrow investments.

(b) The Authority shall have arranged for each of CU's outstanding State Revolving Fund Loans to be fully assigned by the City and CU and assumed by the Authority.

3. Assumption of Liabilities; Indemnification. Upon the assignment of the Assets, the Authority assumes all obligations and liabilities associated with CU's use of the Assets prior to the Effective Time (except for any obligation to pay all or any portion of the CU Indebtedness, which shall be discharged or assumed in accordance with the provisions of Section 2, above) and all obligations and liabilities associated with the Assets from and after the Effective Time (the "Assumed Liabilities"). Without limitation of the Authority's assumption of all obligations and liabilities as set forth in the previous sentence, the Authority acknowledges that the Assumed Liabilities include (i) all obligations payable to Volunteer Energy Cooperative with respect to the CU electric division's acquisition of additional operating territory in connection with annexations by the City; (ii) all leases payable through the electric division of CU; and (iii) all amounts due from time to time from CU's electric division to the City in connection with the development of the Spring Branch Industrial Park. To the fullest extent permitted by law, the Authority shall indemnify and save harmless the City and CU from all claims, actions, causes of action, proceedings, losses, damages, costs, liabilities and expenses (including reasonable attorneys' fees), incurred, suffered or sustained arising from the Assumed Liabilities. Nothing in this Agreement shall operate to or be interpreted to waive or in any way limit the limitations of liability, immunities and other provisions of the Tennessee Governmental Tort Liability Act, as amended from time to time, or to waive or in any way limit such other limitations of liability, immunities and other provisions of any local, state or federal law or regulation limiting the liability of the City, CU and/or the Authority.

4. No Warranties. EXCEPT AS EXPRESSLY PROVIDED IN ONE OR MORE TRANSFER OR CONVEYANCE DOCUMENTS, THE CITY AND CU ARE TRANSFERRING AND ASSIGNING AND THE AUTHORITY IS ACCEPTING AND ASSUMING THE ASSETS "AS IS, WHERE IS" AND "WITH ALL FAULTS", AND THE CITY EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

5. Further Assurances. The City will do, execute, acknowledge and deliver all such further acts, deeds, instruments, transfers, powers of attorney or assurances as may be reasonably requested by the Authority from time to time for the purpose of confirming the transfer and assignment of the Assets, and the Authority will do, execute, acknowledge and deliver all such further acts, deeds, instruments, transfers, powers of attorney or assurances as may be reasonably requested by the City from time to time for the purpose of confirming the transfer and assumption by the Authority of the Assets and the Assumed Liabilities.

6. Entire Agreement and Modification. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all other oral or written agreements pertaining thereto, and no amendment

thereof or modifications hereof, or additions hereto shall be valid or effective unless the same shall be in writing and signed by each of the parties hereto.

7. Binding Agreement; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties named herein and to their respective successors and permitted assigns. Neither this Agreement nor any of the rights, interests of obligations hereunder may be assigned by either party without the prior written consent of the other party.

8. No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement.

9. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by telecopier or other facsimile transmission all with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

10. Headings. The headings contained in this Agreement have been inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

11. Waiver. Any failure of any party hereto to comply with any of the obligations or agreements set forth in this Agreement or to fulfill any condition set forth may be waived only by written instrument signed by all of the parties. No failure by any party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver of such right, nor shall any single or partial exercise of any right hereunder by any party preclude any other or future exercise of that right or any other right hereunder by that party.

12. Governing Law. This Agreement shall be construed under the laws of the State of Tennessee, without giving effect to any of its laws that would render such choice of law ineffective.

[*Signature Page Following*]

IN WITNESS WHEREOF, the City, CU and the Authority have caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CLEVELAND, TENNESSEE

By: _____
Mayor

CLEVELAND UTILITIES

By: _____
Chairman

CLEVELAND UTILITIES AUTHORITY

By: _____
Chairman

EXHIBIT I
MUNICIPAL ADVISORY AGREEMENT
BY AND BETWEEN
CLEVELAND UTILITIES AUTHORITY (TENNESSEE)
AND
RAYMOND JAMES & ASSOCIATES, INC.

THIS AGREEMENT is by and between the Cleveland Utilities Authority (Tennessee) (the "Issuer") and Raymond James & Associates, Inc. (the "Municipal Advisor").

WHEREAS, the Issuer wishes to hire the Municipal Advisor to serve as its municipal advisor and financial advisor in accordance with the provisions of this Municipal Advisor Agreement (the "Master Agreement") and the Municipal Advisor, through its Public Finance/Debt Investment Banking Department, is engaged in the business of providing, and is authorized under applicable Federal and State statutes and applicable regulatory rules to provide advisory services to the Issuer as provided herein, and

NOW THEREFORE, it is agreed by all parties signing this Master Agreement and subsequent project amendments that:

I. SCOPE OF SERVICES

1. The Municipal Advisor will consult with and advise the Issuer with respect to the novation and/or the sale and issuance of its bonds, notes, loan agreements, capital leases and other debt instruments (collectively, "Debt Obligations"). This advice and assistance will generally include, but not necessarily be limited to, the following:

    a. At the request of officials of the Issuer, attend and participate in meetings and conference calls with officials and other finance professionals relating to the Debt Obligations;

    b. Evaluate opportunities to refund any outstanding Debt Obligations of the Issuer;

    c. Evaluate the Issuer's credit profile and debt capacity;

    d. Assist in managing relationships and interactions with rating agencies, bond investors and other financial professionals associated with the Issuer's new or existing Debt Obligations;

    e. Assisting the Issuer in hiring financial professionals associated with new Debt Obligations or the existing debt portfolio, including, but not limited to bidding agents, registration, paying and escrow agents, dissemination agents, etc. not named herein;

f. Consistent with prevailing statutory requirements for any refunding bonds issued in Tennessee, prepare the initial draft of the "Refunding Plan" and, if required, a Request for Approval of Balloon Indebtedness" for finalization and submission by the Issuer to the Director of State and Local Finance in the Tennessee Comptroller of the Treasury's Office;

g. Structure the refunding escrow which together with other possible Issuer funds, if any, and interest thereon is sufficient to defease and extinguish all refunded debt. The escrow will be independently verified by a verification agent employed for such purposes and paid for from proceeds of the Debt Obligations sold by the Issuer or other funds of the Issuer;

h. Advise the Issuer on the choices of instruments including the use of U.S. Treasury – State and Local Government Series obligations ("SLGS") or open market securities as the investment vehicle of choice for the escrow. If Tennessee eligible open market securities ("Open Market Securities") are desired due to favorable economic benefits or required due to the unavailability of SLGS, it is expressly understood that the bidding process and acquisition of any such open market securities is not part of this Master Agreement. With respect to SLGS or Open Market Securities, the Municipal Advisor will coordinate their acquisition and delivery with the registration agent and/or an independent bidding agent;

i. Assemble necessary information concerning the Debt Obligations and information relating to the Issuer for submission to Moody's Investors Service, Inc. ("Moody's") seeking a credit review and rating when appropriate for the Debt Obligations and the Issuer. The Municipal Advisor also will arrange and participate in all correspondence and conference calls with Moody's personnel assigned to the rating assignment;

j. Working with Issuer officials and bond counsel, facilitate when appropriate the development, publication, and distribution of the Issuer's "Preliminary and Final Official Statements";

k. Coordinate the activities of all financial professionals as directed by officials of the Issuer;

l. Prepare and execute a national marketing program when appropriate through the distribution of various notices and documents, including the "Preliminary Official Statement", utilizing the electronic distribution facilities of i-dealProspectus or similar electronic platforms;

m. Along with officials of the Issuer, conduct when appropriate a competitive public sale via the web-based facilities of IPREO **or similar electronic platforms**;

n. Assist officials of the Issuer in the evaluation and award (rejection) of bids or proposals received for any Debt Obligations whether sold at competitive public sale or through a negotiated sale;

o. Prepare final amortization and related schedules when appropriate documenting the transaction in the form of a “Final Financing Report”;

p. Provide other usual and customary services associated with the sale and issuance of Debt Obligations whether competitively sole or sold through a negotiated process including, but not limited to, assistance in selecting other financial professionals to facilitate the sale and issuance of the Debt Obligations;

q. On behalf of the Issuer and when appropriate, coordinate, document and pay from funds provided by the Issuer all expenses related to the sale and issuance of the Debt Obligations.

2. When the Issuer deems it necessary to novate or issue Debt Obligations, the Municipal Advisor will consult with and advise the Issuer with respect to the various structures, provisions, and covenants appropriate or advisable to consider as part of the any such activity or financing, generally including, but not necessarily limited to, the following:

a. Debt Obligation amounts and sizing;

b. Principal, interest, and final maturity dates;

c. Average life tests;

d. Arbitrage targeted yields;

e. Maturity amortization schedules;

f. Interest rates;

g. Redemption provisions;

h. Debt service;
i. Capitalized interest, if any;

j. Flow of funds;

k. Security pledges;

l. Credit enhancement facilities; and

m. Terms and conditions relating to the competitive public sale.

3. The Municipal Advisor will, upon request, work with the Issuer and bond counsel in the development of the financial and security provisions to be contained in the instruments authorizing and securing any Debt Obligations undertaken by the Issuer.

4. The Municipal Advisor will, as requested, assist Issuer staff in the development of Issuer information to be used by the Issuer for presentation to investors, underwriters, and others, including the scheduling of information meetings between these investors, underwriters or others and the Issuer, if necessary.

5. The scope of services set forth in (1) through (4) above (the "Scope of Services") is subject to the following limitations:

    a. The Scope of Services is limited solely to the services described above or as modified through a formal amendment to this Agreement.

    b. Unless otherwise provided in the Scope of Services described above, the Municipal Advisor is not responsible for certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to any information about Municipal Advisor provided by Municipal Advisor for inclusion in such documents. Nothing herein shall negate the Municipal Advisor's obligations included in Section I (1) of the Scope of Services of this Master Agreement.

    c. The Scope of Services does not include tax, legal, accounting or engineering advice with respect to any Debt Obligations municipal financial products or in connection with any opinion or certificate rendered by counsel or any other person at closing and does not include review or advice on any feasibility study.

6. The Scope of Services may be changed only by written amendment or supplement to the Scope of Services described herein. The parties agree to amend or supplement the Scope of Services described herein promptly to reflect any material changes or additions to the Scope of Services.

7. MSRB Rule G-42 requires that the Municipal Advisor make a reasonable inquiry as to the facts that are relevant to the Issuer's determination whether to precede with a course of action or that form the basis for any advice provided by the Municipal Advisor to the Issuer. The rule also requires that the Municipal Advisor undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. The Municipal Advisor is also required under the rule to use reasonable diligence to know the essential facts about Issuer and the authority of each person acting on the Issuer's behalf. Issuer agrees to cooperate, and to cause its agents to cooperate, with the Municipal Advisor in performing these regulatory duties, including providing to the Municipal Advisor accurate and complete information and reasonable access to relevant

documents, other information and personnel needed to fulfill such duties. In addition, the Issuer agrees that, to the extent the Issuer seeks to have the Municipal Advisor provide advice with regard to any recommendation made by a third party, the Issuer will provide to the Municipal Advisor written direction to do so as well as any information it has received from such third party relating to its recommendation.

II. UNDERTAKINGS BY THE ISSUER

1. The Issuer will make available to the Municipal Advisor financial data and information concerning the Issuer's financial operations. Issuer officials and staff will be responsible for collecting, assembling, and organizing the documentation essential to its financing activities and disclosure responsibilities, including, but not limited to the "Preliminary and Final Official Statements" relating to the Debt Obligations;

2. The Issuer will work with bond counsel who will issue an approving legal opinion when appropriate to accompany the issuance of the Debt Obligations, and also with appropriate Issuer's local legal counsel with respect thereto. Additionally, the Issuer will either retain or collaborate with counsel to advise it as to the adequacy of disclosure and to facilitate the preparation of the offering documents or other official documents relating to the Debt Obligations;

3. The Municipal Advisor will assist the Issuer's staff in the development of information to be used by the Issuer for presentation to investors, underwriters, and others, including the scheduling of information meetings between these investors, underwriters or others and the Issuer, if necessary;

III. PAYMENT TO THE MUNICIPAL ADVISOR

1. For performance of the services enumerated in Article I, above, the Issuer will compensate the Municipal Advisor a basic fee which will be part of the total estimated costs of issuance. The Municipal Advisor's fee and other estimated expenses will be determined on a project- by-project basis through an approved project amendment. The basic fee and perhaps other fees or expenses will be payable upon the successful sale and issuance of Debt Obligations, but some expenses (e.g., rating agency fees) may be incurred and require payment even if the Debt Obligations are not sold and issued. The Municipal Advisor's fee will be based on the following schedule for revenue secured Debt Obligations:

First $10 Million	$3.50/$1,000 of Authorized Par Amount
Thereafter	$2.50/$1,000 of Authorized Par Amount

Example: For $10 million, $35,000 or $3.50 /$1,000

All Municipal Advisory fees are capped at not more than $135,000 for each composite transaction. Such fees apply only to actual debt issued. Any novation of

existing Debt Obligations (e.g., State Revolving Loans) is included with the Municipal Advisor's standard services and the computations outlined in the foregoing fee schedule do not apply.

2. The Municipal Advisor shall be responsible for payment of its own expenses and personnel costs including local travel to the Issuer's principal location, but the Municipal Advisor shall be reimbursed for costs of reproduction, graphic, postal, and overnight delivery and any other miscellaneous costs incurred in serving the Issuer. All travel expenses to locations other than that of the Issuer shall be reimbursed at actual costs or in conformance with the Issuer's official travel policy, whichever is less.

3. The Issuer agrees to promptly pay the Municipal Advisor the fees described in Article III, Paragraph 1, above, and the costs and expenses described in Article IV, below, as mutually agreed on and evidenced by the estimates provided in any subsequent project amendment, upon receiving invoices from the Municipal Advisor and other service providers.

IV. PAYMENT OF COSTS OF ISSUANCE

The Issuer shall be responsible for payment of all the costs of issuing the Debt Obligations and completing the financing as further evidenced by the estimates included in any subsequent project amendment, including, but not limited to, the following:

1. When appropriate, facilitation, printing, publication, web posting and any other means of distribution or dissemination of the "Preliminary Official Statement" and "Final Official Statement" and related legal notices;

2. Any normal fees of the Moody's for the ratings on the Debt Obligations;

3. Fees and expenses of the registration, escrow and paying agent;

4. Fees and expenses of any Dissemination Agent;

5. Fees and expenses of the Verification Agent;

6. Fees and expenses, if any, of any bidding agent, if open market securities are selected or required as part of refunding/ acquisition transactions;

7. Bond Counsel fees and those of the Issuer's Attorney, if any;

8. Underwriting fees;

9. Any out-of-state travel expenses related to the Debt Obligations as described herein;

10. Bond insurance premiums or other credit enhancement, if any; and

11. Other usual and customary fees or expenses associated with the sale and issuance of debt.

V. GENERAL PROVISIONS

1. The Issuer understands and acknowledges that the Municipal Advisor or its affiliates may have trading and other business relationships with members of the Issuer's underwriting team or other participants in the proposed transaction including Bass Berry & Sims PLC, any verification agent, rating agencies, bidding agent and perhaps any registration, paying [escrow agent]. Additionally, the Municipal Advisor or its affiliates may have trading and other business relationships with potential purchasers of the Debt Obligations. These relationships include, but may not be limited to, trading lines, frequent purchases and sales of securities and other engagements through which the Municipal Advisor may have, among other things, an economic interest. Notwithstanding the foregoing, the Municipal Advisor will not receive any compensation with respect to the issuance of the Debt Obligations other than as disclosed in any project amendment. The Municipal Advisor participates in a wide range of activities from which conflicting interests or duties may arise. Information, which is held elsewhere within Raymond James, but of which none of the Municipal Advisor's personnel involved in the proposed transaction actually have knowledge, will not for any purpose be taken into account in determining the Municipal Advisor's responsibilities to the Issuer.

2. Both parties acknowledge and agree that the Municipal Advisor is acting solely as a Municipal Advisor (aka, as a financial advisor) to the Issuer with respect to the Debt Obligations identified above; Municipal Advisor's engagement by the Issuer is limited to providing municipal advisory services to the Issuer for any Debt Obligations. The Municipal Advisor has not been engaged to compare alternatives to any Debt Obligations. The Municipal Advisor is not a fiduciary of any other party to the transaction. The Municipal Advisor will not (1) provide any assurances that any investment made in connection with the Debt Obligations during its engagement is the best possible investment available for the Issuer's situation or that every possible alternative or provider has been considered and/or solicited, (ii) investigate the veracity of any certifications provided by any party, (iii) provide legal or accounting assurance that any matter or procedure complies with any applicable law, or (iv) be liable to any party if the Debt Obligations or an investment fails to close or for default of same. The Municipal Advisor's engagement terminates upon the expiration of the term of this Master Agreement and the Municipal Advisor shall have no further duties or obligations thereafter.

3. MSRB Rule G-42 requires that Municipal Advisor provide you with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in Municipal Advisor's Disclosure Statement delivered to the Issuer as Exhibit A to this Master Agreement.

4. The Municipal Advisor agrees to assist the Issuer as provided only on the basis that it is expressly understood and agreed that the Municipal Advisor assumes no responsibility to the Issuer or any person for the accuracy or completeness of any information contained in any “Preliminary Official Statement” or “Final Official Statement” issued in connection with the Debt Obligations.

5. This Master Agreement may be terminated by either party hereto by not less than a forty-five (45) business day prior written notice to the other. In the event of such termination, whether by either party hereto, the Municipal Advisor shall promptly submit for payment, and Issuer shall promptly pay, a final bill for the payment of all unpaid fees and unreimbursed costs and expenses then due and owing. Other than the foregoing, neither party shall incur any liability to the other arising out of the termination of this Master Agreement. However, this Article 5 shall survive any such termination.

6. In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Municipal Advisor or any of its associated persons, Municipal Advisor and its associated persons shall have no liability to the Issuer for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment, or for any financial or other damages resulting from Issuer’s election to act or not to act, as the case may be, contrary to any advice or recommendation provided by Municipal Advisor to Issuer. No recourse shall be had against Municipal Advisor for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with any Obligation or otherwise relating to the tax treatment of any Obligation, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Master Agreement shall constitute a waiver by Issuer of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it constitute a waiver or diminution of Municipal Advisor’s fiduciary duty to the Issuer under Section 15B(c) (1) of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

   Any provision in the Master Agreement that acts as a hold harmless provision or limitation of liability provision is enforceable only to the extent permitted by Tennessee law.

7. This Master Agreement embodies all the terms, agreements, conditions, and rights contemplated and negotiated by the Issuer and the Municipal Advisor, and supersedes any and all discussions and understandings, written or oral, between Issuer and Municipal Advisor regarding the subject matter hereof. Any

modifications and/or amendments must be made in writing and signed by both parties through project amendments.

8. This Master Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without reference to its conflicts of law principles.

9. This Master Agreement shall be binding upon and inure to the benefit of the Issuer and Municipal Advisor, their respective successors and permitted assigns; provided however, neither party may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

10. This Master Agreement is made solely for the benefit of the parties and their respective successors and permitted assigns. Nothing in this Master Agreement, express or implied, is intended to confer on any person, other than the parties and their respective successors and permitted assigns, any rights, remedies, obligations, or liabilities under or by reason of this Master Agreement.

11. If any section, paragraph, or provision of this Master Agreement shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Master Agreement.

12. From the date of its execution, this Master Agreement shall replace any and all existing agreements that may exist in their entirety and any such existing agreements shall cease to exist and are null and void.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE DULY CAUSED THIS MASTER AGREEMENT to be signed and sealed by their respective authorized officers this _____ day of August 2023.

CLEVELAND UTILITIES AUTHORITY

By: _____
Title:

By:_____ By:_____
Title: Title:

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Name: Richard T. Dulaney
Title: Managing Director

EXHIBIT A OF MUNICIPAL ADVISORY AGREEMENT
Disclosure for Municipal Advisor Agreement

Exhibit A is provided under new Municipal Securities Rulemaking Board (MSRB") Rule G-42 in connection with our current engagement as financial advisor and municipal advisor under the **Municipal Advisor Agreement** (the "Master Agreement") between **Raymond James & Associates, Inc.** ("Raymond James") and the **Cleveland Utilities Authority** (the "Issuer") to which this Exhibit A is a part thereof. Exhibit A will serve as written documentation required under MSRB Rule G-42 of certain specific terms, disclosures and other items of information relating to our municipal advisory relationship.

1. **Scope of Services**. (a) ***Services to be provided*.** The scope of services with respect to Raymond James's engagement with the Issuer is as provided in the Master Agreement (the "Scope of Services").

(b) ***Limitations on Scope of Services*.** The Scope of Services is subject to such limitations as may be provided in the Master Agreement.

(c) ***IRMA status*.** If the Issuer has designated Raymond James as its independent registered municipal advisor ("IRMA") for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the "IRMA exemption"), the Scope of Services is not deemed to be expanded to include all actual or potential issuances of municipal securities or municipal financial products merely because Raymond James, as IRMA, reviews a third-party recommendation relating to a particular actual or potential issuance of municipal securities or municipal financial product not otherwise considered within the Scope of Services. Raymond James is not responsible for verifying that it is independent (within the meaning of the IRMA exemption as interpreted by the SEC) from another party wishing to rely on the exemption from the definition of municipal advisor afforded under the IRMA exemption. Raymond James requests that the Issuer provide to it, for review, any written representation of the Issuer contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) that references Raymond James, its personnel, and its role as IRMA. In addition, Raymond James requests that the Issuer not represent, publicly or to any specific person, that Raymond James is Issuer's IRMA with respect to any aspect of municipal financial products or the issuance of municipal securities, or with respect to any specific municipal financial product or any specific issuance of municipal securities, not within the Scope of Services without first discussing such representation with Raymond James.

2. **Raymond James's Regulatory Duties When Servicing the Issuer.** MSRB Rule G-42 requires that Raymond James make a reasonable inquiry as to the facts that are relevant to the Issuer's determination whether to proceed with a course of action that forms the basis for, and advice provided by Raymond James to the Issuer. The rule also requires that Raymond James undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Raymond James is also required under the rule to use reasonable diligence to know the essential facts about the Issuer and the authority of each person acting on the Issuer's behalf.

Accordingly, Raymond James will seek the Issuer's assistance and cooperation, and the assistance and cooperation of Issuer's agents, with the conducting by Raymond James of these regulatory duties, including providing to Raymond James accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, to the extent the Issuer seeks to have Raymond James provide advice with regard to any recommendation made by a third party, Raymond James requests that the Issuer provide to Raymond James written direction to do so as well as any information it has received from such third party relating to its recommendation.

3. Term. The term of Raymond James's engagement as municipal advisor and the terms on which the engagement may be terminated are as provided in the Master Agreement.

4. Compensation. The form and basis of compensation for Raymond James's services as municipal advisor are as provided in the Master Agreement.

5. Required Disclosures. MSRB Rule G-42 requires that Raymond James provide you with the following disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history.

(a) ***Disclosures of Conflicts of Interest*.** MSRB Rule G-42 requires that municipal advisors provide to their Issuers disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence by the municipal advisor, municipal advisors are required to provide a written statement to that effect.

Accordingly, Raymond James makes the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under this Master Agreement, together with explanations of how Raymond James addresses or intends to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, Raymond James mitigates such conflicts through its adherence to its fiduciary duty to the Issuer, which includes a duty of loyalty to the Issuer in performing all municipal advisory activities for the Issuer. This duty of loyalty obligates Raymond James to deal honestly and with the utmost good faith with the Issuer and to act in the Issuer's best interests without regard to Raymond James's financial or other interests. In addition, because Raymond James is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Raymond James is not dependent on maximizing short-term revenue generated from individualized recommendations to its Issuers but instead is dependent on long-term profitably built on a foundation of integrity and quality of service. Furthermore, Raymond James's municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Raymond James potentially departing from their regulatory duties due to personal

interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

Compensation-Based Conflicts. The fees due under this Master Agreement are in a fixed amount established by a project amendment. The amount is usually based upon an analysis by the Issuer and Raymond James of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by Raymond James. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, Raymond James may suffer a loss. Thus, Raymond James may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Other Municipal Advisor or Underwriting Relationships. Raymond James is also providing bidding agent or other investment advisory services to the Issuer under a separate engagement and Raymond James will be separately compensated by the Issuer for such services. Raymond James serves a wide variety of other Issuers that may from time to time have interests that could have a direct or indirect impact on the interests of the Issuer. For example, Raymond James serves as municipal advisor to other municipal advisory Issuers and, in such cases, owes a regulatory duty to such other Issuers just as it does to the Issuer under this Master Agreement. These other Issuers may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various Issuers, Raymond James could potentially face a conflict of interest arising from these competing Issuer interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of Raymond James to achieve a successful and profitable underwriting for its municipal entity underwriting Issuers could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Raymond James serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair Raymond James's ability to fulfill its regulatory duties to the Issuer.

Broker-Dealer and Investment Advisory Business. Raymond James is a broker-dealer and investment advisory firm that engages in a broad range of securities-related activities to service its Issuers, in addition to serving as a municipal advisor or underwriter. Such securities-related activities, which may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of the Issuer, may be undertaken on behalf of, or as counterparty to, the Issuer, personnel of the Issuer, and current or potential investors in the securities of the Issuer. These other Issuers may, from time to time and depending on the specific circumstances, have interests in conflict with those of the Issuer, such as when their buying or selling of the Issuer's securities may have an adverse effect on the market for the Issuer's securities, and the interests of such other Issuers could create the incentive for Raymond James to make recommendations to the Issuer that could result in more

advantageous pricing for the other Issuers. Furthermore, any potential conflict arising from Raymond James effecting or otherwise assisting such other Issuers in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through units of Raymond James that operate independently from Raymond James's municipal advisory business, thereby reducing the likelihood that the interests of such other Issuers would have an impact on the services provided by Raymond James to the Issuer under this Master Agreement.

Secondary Market Transactions in Issuer's Securities. Raymond James, in connection with its sales and trading activities, may take a principal position in securities, including securities of the Issuer, and therefore Raymond James could have interests in conflict with those of the Issuer with respect to the value of the Issuer's securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, Raymond James or its affiliates may submit orders for and acquire the Issuer's securities issued in an issue under the Master Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with the Issuer in that it could create the incentive for Raymond James to make recommendations to the Issuer that could result in more advantageous pricing of the Issuer's bond in the marketplace.

Any such conflict is mitigated by means of such activities being engaged in on customary terms through units of the Raymond James that operate independently from Raymond James's municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by Raymond James to the Issuer under this Master Agreement.

(b) ***Disclosures of Information Regarding Legal Events and Disciplinary History*****.** MSRB Rule G-42 requires that municipal advisors provide to their Issuers certain disclosures of legal or disciplinary events material to its Issuer's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, Raymond James sets out below required disclosures and related information in connection with such disclosures.

Raymond James discloses the following legal or disciplinary events that may be material to the Issuer's evaluation of Raymond James or the integrity of Raymond James's management or advisory personnel: We are aware of no such events at this time. Should such an event happen in the future, the details of such event would be available in Item 6D(2)(b) and the accompanying Regulatory Action DRP on Form MA-I available at: http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000724743&owner=exclude&count=40&hidefilings=0.

The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Raymond James in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. If any of the above DRPs provides that a DRP has been filed on Form

ADV, BD, or U4 for the applicable event, information provided by Raymond James on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at http://brokercheck.finra.org, and Raymond James's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at http://www.adviserinfo.sec.gov. For purposes of accessing such Broker Check reports or Form ADV, Raymond James's CRD number is 705.

How to Access Form MA and Form MA-I Filings. Raymond James's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=000 072 4743. The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Raymond James in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by Raymond James on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at http://brokercheck.finra.org, and Raymond James's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at http://www.adviserinfo.sec.gov. For purposes of accessing such BrokerCheck reports or Form ADV, Raymond James's CRD number is: 705.

Most Recent Change in Legal or Disciplinary Event Disclosure. Raymond James has not made any material legal or disciplinary event disclosures on Form MA, or any Form MA-I filed with the SEC.

(c) ***Future Supplemental Disclosures*.** As required by MSRB Rule G-42, this Section 5 may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Raymond James. Raymond James will provide the Issuer with any such supplement or amendment as it becomes available throughout the term of the Master Agreement.

(d) ***MSRB Rule G-10 Required Disclosures***. Raymond James & Associates, Inc. is registered with and subject to the rules and regulations of the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). Both the SEC and the MSRB publish websites containing information and resources designed to educate investors. In addition to educational materials about the municipal securities market and municipal securities market data, the MSRB website includes an investor brochure describing protections that may be provided by MSRB rules, including how to file a complaint with the appropriate regulatory authority. For more information, visit www.sec.gov and www.msrb.org.

EXHIBIT B OF MUNICIPAL ADVISORY AGREEMENT
CLEVELAND UTILITIES AUTHORITY
PROJECT AMENDMENT I

Section 1. Consistent with the Master Agreement dated August __, 2023, the Issuer's formally adopted Debt Management Policy as supplemented or revised and in the interest of full disclosure and transparency, the following disclosures supplement those included in the Master Agreement and are made and hereby acknowledged as fully disclosed and waived where applicable.

Section 2. It is hereby acknowledged that a copy of the services, service providers and estimated costs related to the sale, issuance and delivery of the Debt Obligations contemplated by this Project Amendment I will be provided to the Issuer at the earliest possible date once individual projects, timetables and similar determinations are made. Fees payable to the Municipal Advisor are determined by Article III of the Master Agreement.

The services, service providers and estimated costs related to the novation of certain obligations, and the sale and issuance of Electric System Revenue Bonds and Water and Sewer Revenue Bonds in a combined amount of approximately $70,000,000 which will provide funds to (i) acquire all assets and liabilities of the Cleveland Board of Public Utilities from the City of Cleveland, Tennessee; (ii) construct capital improvements to the Authority's electric system; and (iii) pay costs related to the sale and issuance of the Debt Obligations (collectively, the "Project") are estimated as follows:

Service	**Provider/Other**	**Estimated Total[1]**
Municipal Advisor:	Raymond James & Associates, Inc.	$135,000

Section 3. Underwriter's discount is compensation paid to the bond underwriter relating to the purchase of the of the Issuer's Debt Obligations. Such compensation is determined through the formal pricing process on the date of the sale. This compensation is embedded in the Debt Obligation pricing and is not a separately stated cost of issuance.

Section 4. A State Form CT-0253 depicting the actual costs of issuance and actual underwriter's compensation will be prepared and executed at the closing and delivery of the Debt Obligations, presented to the Board of the Issuer at its next scheduled meeting following the delivery of the Debt Obligations and filed with the Tennessee Comptroller of

[1] Estimated based on Article III of the Master Agreement and fee limitations outlined therein. Subject to adjustment and revision based on additional fees and expenses for other professional services which will be promptly disclosed as determined and fully documented prior to payment.

the Treasury's Director of State and Local Finance in a timely fashion as required by prevailing State law.

Section 5.To the extent other related Raymond James personnel assist with and provide investment services to the Issuer, it is acknowledged that separate compensation from time-to-time may be paid for any such services and that up to one-half of any such fees paid to Raymond James may be shared internally with representatives of the Municipal Advisor acting as a solicitor and that any such fees charged will be the same regardless of whether a solicitor is used or not.

Section 6. Raymond James may serve as Dissemination Agent for the Issuer and if so, will be paid a separate annual fee for performance of such services.

Section 7.From time to time, Bass, Berry & Sims PLC has represented Raymond James on matters unrelated to the Issuer and may continue to do so in the future.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE DULY CAUSED THIS PROJECT AMENDMENT I to be signed and sealed by their respective authorized officers this _25th_ day of August 2023.

CLEVELAND UTILITIES AUTHORITY

By: _____
Title:

By:_____
Title:

By:_____
Title:

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Name: Richard T. Dulaney
Title: Managing Director

EXHIBIT J

RESOLUTION FOR TCRS HYBRID RETIREMENT PLAN

Tennessee Consolidated Retirement System

A RESOLUTION to authorize a political subdivision's participation in the Tennessee Consolidated Retirement System in accordance with Tennessee Code Annotated, Title 8, Chapters 34 – 37.

WHEREAS, Tennessee Code Annotated, Title 8, Chapter 35, Part 2 allows a political subdivision to participate in the Tennessee Consolidated Retirement System ("TCRS") subject to the approval of the TCRS Board of Trustees; and

WHEREAS, the Cleveland Utilities Authority desires to participate in TCRS under the provisions of Tennessee Code Annotated, Title 8, Chapters 34 – 37.

I. Effective November 1, 2023 (the "Effective Date"), the Cleveland Utilities Authority (the "Employer") desires the employees of the Employer on the Effective Date to participate in TCRS in accordance with the following terms and conditions:

A. TYPE PLAN. *(CHECK BOX 1 OR BOX 2 OR BOX 3 OR BOX 4).* The Political Subdivision adopts the following type plan:

(1) [X] Regular Defined Benefit Plan.
(2) [ ] Alternate Defined Benefit Plan.
(3) [ ] Local Government Hybrid Plan *(If this Plan is chosen, the Political Subdivision MUST also maintain a defined contribution plan on behalf of its employees and pass the attached resolution that describes the type of defined contribution plan the Political Subdivision will adopt. The defined contribution plan could provide for employer contributions of 0% to up to 7% of its employees' salaries).*
(4) [ ] State Employee and Teacher Hybrid Plan *(If this Plan is chosen, the Political Subdivision MUST also maintain a defined contribution plan on behalf of its employees whereby the Political Subdivision makes a mandatory employer contribution on behalf of each of its employees participating in the Hybrid Plan equal to 5% of the respective employee's salary subject to the cost controls and unfunded liability controls of the Hybrid Plan. The Political Subdivision must also pass the attached resolution that describes the type of defined contribution plan the Political Subdivision will adopt).*

B. EMPLOYEE CONTRIBUTIONS. *(CHECK BOX 1 OR BOX 2 OR BOX 3 - IF THE STATE EMPLOYEE AND TEACHER HYBRID PLAN IS SELECTED ABOVE, THE EMPLOYEES MUST CONTRIBUTE 5% OF THEIR EARNABLE COMPENSATION UNDER THAT PLAN AND BOX 1 MUST BE CHECKED).* The Employees shall contribute:

(1) [ ] 5% of the employees' earnable compensation.
(2) [ ] 2.5% of the employees' earnable compensation.
(3) [X] 0% of the employees' earnable compensation.

C. COST-OF-LIVING INCREASES FOR RETIREES. *(CHECK BOX 1 OR BOX 2 – IF EITHER THE LOCAL GOVERNMENT, OR THE STATE EMPLOYEE AND TEACHER HYBRID PLAN IS SELECTED ABOVE, COST-OF-LIVING INCREASES FOR RETIREES MUST BE GIVEN, SUBJECT TO ANY APPLICABLE COST CONTROLS AND UNFUNDED LIABILITY CONTROLS AND BOX 2 MUST BE CHECKED).* The Political Subdivision shall:

(1) [ ] NOT provide cost-of-living increases for its retirees.

(2) [X] PROVIDE cost-of-living increases for its retirees.

D. ELIGIBILITY OF PART-TIME EMPLOYEES. *(CHECK BOX 1 OR BOX 2).* The Political Subdivision shall:

(1) [X] NOT allow its part-time employees to participate in TCRS.
(2) [ ] ALLOW its part-time employees to participate in TCRS.

E. PRIOR SERVICE. *(CHECK AND COMPLETE BOX 1 OR BOX 2 OR BOX 3 OR BOX 4 OR BOX 5 – CAUTION: IF THE STATE EMPLOYEE AND TEACHER HYBRID PLAN IS SELECTED ABOVE AND IF BOX 3 BELOW IS NOT CHOSEN, THE EMPLOYER CONTRIBUTION COULD EXCEED 4% THEREBY CAUSING THE COST CONTROLS AND UNFUNDED LIABILITY CONTROLS TO AUTOMATICALLY APPLY. ACCORDINGLY, PRIOR SERVICE IS NOT RECOMMENDED).* For each employee employed with the Political Subdivision on the effective date of the Political Subdivision's participation in TCRS, the Political Subdivision shall:

(1) [ ] Purchase ALL years of prior service credit on behalf of its employees.

(2) [ ] Purchase NO years of prior service credit on behalf of its employees, but shall accept the unfunded liability should its employees establish ALL years of prior service.

(3) [X] NOT allow its employees to establish any prior service credit with the Political Subdivision.

(4) [ ] Purchase _____ years of prior service credit on behalf of its employees and accept the unfunded liability should its employees establish an additional _____ years of prior service credit.

(5) [ ] Purchase _____ years of prior service credit on behalf of its employees and no additional prior service credit may be established; and

F. MAXIMUM UNFUNDED LIABILITY. *(COMPLETE THIS ITEM F ONLY IF THE STATE EMPLOYEE AND TEACHER HYBRID PLAN IS SELECTED ABOVE).* For purposes of the cost control provisions of Tennessee Code Annotated, Section 8-36-922(d), the Political Subdivision defines "maximum unfunded liability" to mean an unfunded liability of no greater than N/A ; and

WHEREAS, the liability for participation and costs of administration shall be the sole responsibility of the Political Subdivision and not the State of Tennessee; and

WHEREAS, the Political Subdivision has passed a budget amendment appropriating the funds necessary to meet such liability and the same is attached hereto; and

WHEREAS, the effective date of participation shall be on November 1, 2023, or on such later date as determined by the TCRS Board of Trustees, and the initial employer contribution rate shall be 17.18 %, which is based on the estimated lump sum accrued liability of $ -0- . If there is an estimated accrued liability, the amount shall be paid by *(CHECK BOX 1 OR BOX 2 OR BOX 3)*:

(1) [X] Paying the amount in a lump sum within 30 days of the passage of this Resolution; or

(2) [ ] Paying the amount through an increase in the Political Subdivision's initial employer contribution rate for the next July 1 – June 30. If this box is selected, the Political Subdivision's employer contribution rate would increase by _____%, for a total revised employer contribution rate of _____% for the next July 1 – June 30; or

(3) [ ] Amortizing the amount over a period of _____ years from the effective date of participation. **Note:** This is subject to the approval of TCRS and the number of years cannot exceed 20 years.

II. The Employer desires the employees of the Employer hired on or after the Effective Date to participate in TCRS in accordance with the following terms and conditions:

A. TYPE PLAN. *(CHECK BOX 1 OR BOX 2 OR BOX 3).* The Employer adopts the following type plan:

(1) [ ] Alternate Defined Benefit Plan.
(2) [ ] Local Government Hybrid Plan *(If this Plan is chosen, the Employer MUST also maintain a defined contribution plan on behalf of its employees who will be covered by the Plan and pass the attached resolution that describes the type of defined contribution plan the Employer will adopt. The defined contribution plan could provide for employer contributions of 0% to up to 7% of its employees' salaries).*
(3) [X] State Employee and Teacher Hybrid Plan *(If this Plan is chosen, the Employer MUST also maintain a defined contribution plan on behalf of its employees who will be covered by the Plan whereby the Employer makes a mandatory employer contribution on behalf of each of its employees participating in the Plan equal to 5% of the respective employee's salary subject to the cost controls and unfunded liability controls of the Hybrid Plan. The Employer must also pass the attached resolution that describes the type of defined contribution plan the Employer will adopt).*

B. EMPLOYEE CONTRIBUTIONS. *(CHECK BOX 1 OR BOX 2 OR BOX 3 - IF THE STATE EMPLOYEE AND TEACHER HYBRID PLAN IS SELECTED ABOVE, THE EMPLOYEES MUST CONTRIBUTE 5% OF THEIR EARNABLE COMPENSATION UNDER THAT PLAN AND BOX 1 MUST BE CHECKED).* The Employees shall contribute:

(1) [X] 5% of the employees' earnable compensation.
(2) [ ] 2.5% of the employees' earnable compensation.
(3) [ ] 0% of the employees' earnable compensation.

C. COST-OF-LIVING INCREASES FOR RETIREES. *(CHECK BOX 1 OR BOX 2 – IF EITHER THE LOCAL GOVERNMENT, OR THE STATE EMPLOYEE AND TEACHER HYBRID PLAN IS SELECTED ABOVE, COST-OF-LIVING INCREASES FOR RETIREES MUST BE GIVEN, SUBJECT TO ANY APPLICABLE COST CONTROLS AND UNFUNDED LIABILITY CONTROLS, AND BOX 2 MUST BE CHECKED).* The Employer shall:

(1) [ ] NOT provide cost-of-living increases for its retirees.
(2) [X] PROVIDE cost-of-living increases for its retirees.

D. ELIGIBILITY OF PART-TIME EMPLOYEES. *(CHECK BOX 1 OR BOX 2).* The Employer shall:

(1) [X] NOT allow its part-time employees to participate in TCRS.
(2) [ ] ALLOW its part-time employees to participate in TCRS.

E. MAXIMUM UNFUNDED LIABILITY. *(COMPLETE THIS ITEM E ONLY IF THE STATE EMPLOYEE AND TEACHER HYBRID PLAN IS SELECTED ABOVE).* For purposes of the cost control provisions of Tennessee Code Annotated, Section 8-36-922(d), the Employer defines "maximum unfunded liability" to mean an unfunded liability of no greater than 20 % of the Employer's total pension liability; provided, that the maximum unfunded liability *SHALL NOT* exceed 20% of the Employer's total pension liability; and

WHEREAS, the liability for participation and costs of administration shall be the sole responsibility of the Employer and not the State of Tennessee; and

WHEREAS, commencing on the Effective Date, the revised employer contribution rate shall be 4.00 %

NOW, THEREFORE, BE IT RESOLVED That the Board of Directors of the
(Name of Governing Body)

Cleveland Utilities Authority hereby authorizes all its employees to become eligible to participate
(Name of Employer)

in TCRS in accordance with the above terms and conditions subject to the approval of the TCRS Board of Trustees. It is acknowledged and understood that pursuant to Tennessee Code Annotated, Section 8-35-111 the Employer shall not make employer contributions to any other retirement or deferred compensation plans on behalf of any employee who participates in TCRS pursuant to this Resolution wherein the total combined employer contributions to such plans exceed 3% of the employee's salary, unless the Local Government Hybrid Plan or the State Employee and Teacher Hybrid Plan is adopted by the Employer for such employee. If either the Local Government Hybrid Plan or the State Employee and Teacher Hybrid Plan is adopted by the Employer, the Employer may make employer contributions to the defined contribution plan component of that Plan and to any one or more additional tax deferred compensation or retirement plans on behalf of such employee provided that the total combined employer contributions to such plans on behalf of the employee does not exceed 7% of the employee's salary.

STATE OF TENNESSEE
COUNTY OF BRADLEY

I, Amy Ensley, clerk of the Board of

Board of Directors of the Cleveland Utilities Authority,
(Name of Governing Body) (Name of Political Subdivision)

do hereby certify that this is a true and exact copy of the foregoing Resolution that was approved and adopted in accordance with applicable law at a meeting held on the 25th day of August, 2023, the original of which is on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand, and the seal of the Cleveland Utilities Authority
(Name of Political Subdivision)

_____
As Clerk of the Board, as aforesaid

Seal

Tennessee Consolidated Retirement System

A RESOLUTION to allow a political subdivision of the State of Tennessee to contribute to a tax deferred retirement plan in accordance with Tennessee Code Annotated, Title 8, Chapters 34 – 37.

WHEREAS, Tennessee Code Annotated, Section 8-35-111(b)(3) provides that all tax deferred retirement plans established by public employers participating in the Tennessee Consolidated Retirement System ("TCRS"), wherein employer contributions are made, must be approved by the TCRS director; and

WHEREAS, Tennessee Code Annotated, Section 8-35-111(b)(3) further provides that the total combined employer contributions to all such additional tax deferred retirement plans made on behalf of a single employee, other than those made pursuant to a salary reduction agreement, cannot exceed three percent (3%) of the employee's salary, unless the political subdivision has adopted the hybrid plan authorized in Tennessee Code Annotated, Section 8-35-256, or in Tennessee Code Annotated, Section 8-36-919; and

WHEREAS, in the event the political subdivision has adopted the hybrid plan authorized in Tennessee Code Annotated, Section 8-35-256, or in Tennessee Code Annotated, Section 8-36-919, the total combined employer contributions made by the political subdivision to the defined contribution plan component of the hybrid plan and to any one or more additional tax deferred compensation or retirement plans on behalf of single employee does not exceed seven percent (7%) of the employee's salary, or such lower amount as required by the Internal Revenue Code; and

WHEREAS, the Cleveland Utilities Authority (Name of Political Subdivision) desires to make employer contributions to the following plan(s) in addition to the contributions it makes to TCRS.

PLAN DATA:

Type of Plan: _____

Plan Administrator's Name: _____

Address: _____

Beginning Date of Plan: _____ Phone: _____

Employer Contributions as Percentage of Employee's Salary: _____

Type of Plan: _____

Plan Administrator's Name: _____

Address: _____

Beginning Date of Plan: _____ Phone: _____

Employer Contributions as Percentage of Employee's Salary: _____

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors (Name of Governing Body)

of the Cleveland Utilities Authority (Name of Political Subdivision) (the "Political Subdivision") hereby requests the approval of the TCRS director

for the Political Subdivision to make employer contributions to the above referenced plan(s) in the amount(s) specified and in accordance with the provisions of this resolution. Upon approval, the Political Subdivision agrees it shall not permit contributions to such plan(s) in excess of the applicable amount specified above and which, when combined with projected benefits from TCRS, would exceed the limitations of the Internal Revenue Code, as amended. The Political Subdivision further agrees to file, upon request of the Council on Pensions and Insurance or the TCRS director, an annual report of the actuarial and financial status of the plan(s) with the TCRS director, which shall cover the most recently ended plan year ending on or before June 30 of the year of the request. The report shall be filed with the TCRS director within ninety (90) calendar days from the date of the request and contain such additional information as may be prescribed by the TCRS director.

STATE OF TENNESSEE

COUNTY OF BRADLEY

I, Amy Ensley, clerk of the Board of Directors (Name of Governing Body)

of the Cleveland Utilities Authority (Name of Political Subdivision) do hereby certify that this is a true and exact copy of the resolution that was

approved and adopted in accordance with applicable law at a meeting held on the 25th day of August, 2023, the original of

which is on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand, and the seal of the

Cleveland Utilities Authority (Name of Political Subdivision).

As Clerk of the Board, as aforesaid

SEAL

CU COMPREHENSIVE POLICY MANUAL

Upon a motion by Councilman David May, Jr., and a second by Eddie Cartwright, the board voted unanimously to approve CU's Comprehensive Policy Manual. This manual is a compilation of all existing CU policies and procedures and includes the new policies in Resolution 2023-01, as well as a temporary telecommuting policy. Under the municipal model, the board has historically approved the policies of CU. Under the authority model, the President/CEO can approve them; however, Henderson stated he thinks it's important for the board to continue to approve the manual. It gives board members an opportunity to review any updates and provides transparency.

NEXT STEPS

Stinnett provided an overview of next steps for the authority. The authority will meet in September and vote on adoption of the debt resolutions where CU will go out and issue the debt for CU to offset the bonds the city holds today for the utility infrastructure. The adoption of these resolutions will allow the authority to go out and issue debt. A sell date for the second week in October is currently being targeted. At the October board meetings (both municipal and authority), the municipal meeting will conclude the final amount of

work needing to be done for the utility infrastructure as it is. The final agenda item on the municipal meeting will be to sell the assets of CU and accept the liabilities to the Utility Authority. At the closure of the October municipal meeting, Cleveland Utilities municipal body will cease to exist, and Cleveland Utilities Authority body will open its business, accept the assets/liabilities of the utility systems and close business. At that point, CU will fund the bonds on October 31. As of November 1, Cleveland Utilities Authority will assume and acquire all operating interests of CU. Additionally, CU will add a fourth division (fiber) to the organization, which will begin operation November 1.

ADJOURNMENT

There being no other business, Councilman David May, Jr., made a motion to adjourn the meeting. Eddie Cartwright seconded the motion, and the board unanimously voted to adjourn the meeting at 1:10 p.m.

Amy Ensley
Board Secretary

Board Chairman

September 22, 2023
Date