

**Town of Greensboro
PO Box 119
Greensboro, VT 05841-0119**

NON ARBITRAGE AND USE OF PROCEEDS CERTIFICATE

CURRENT EXPENSE BORROWING

We, the Treasurer and the Selectboard of the Town of Greensboro, Vermont (the "Issuer"), hereby certify and represent as follows with respect to the \$750,000.00 Note #188819660 of the Issuer (the "Note"), which Note is dated August 14, 2024, payable as therein set forth:

1. The Issuer is issuing and delivering the Note simultaneously with the delivery of this Certificate.
2. We are the Officers of the Issuer charged by law with the responsibility for issuing the Note. The certifications and expectations set forth herein are being given pursuant to Section 1.148-2(b)(2)(i) of the Treasury Regulations.
3. The Note is being issued to finance bridge financing for road repairs of July 2024 flooding in anticipation of FEMA as stated in the vote of the Issuer at the meeting thereof held July 11, 2024.
4. The entire amount borrowed by the issuance of the Note, together with all of such, if any, amounts previously raised or borrowed for the same purpose, does not exceed the estimated total cost of such project less all other funds available for the purpose, and all of the proceeds of the Note have been or are expected to be needed and expended for project cost in a manner and over a period so that the Note will not be classified as an "arbitrage bond" within the meaning of Section 148 of the Code.
5. Work on the acquisition, construction or accomplishment of the project being financed by the Note has proceeded and is expected to proceed hereafter with due diligence to completion. The proceeds derived from the sale of the Note or any obligation replaced or refunded by the note will be or have been expended in conformance with the provisions of Section 148 of the Code 26 so as to maintain the interest paid on the Note excludable from the gross income of the recipient thereof.
6. This Note is not being issued to refund a note previously issued for the same purpose described in paragraph (3).
7. Any real and personal property, acquisition of which has been financed by the Note, has not been and is not expected during the life of the Note to be sold or otherwise disposed of for consideration.
8. It is expected that any earnings or net profit derived from investment or deposit of the proceeds of the Note, including transferred proceeds, any accrued interest received upon sale of the Note, and any premium received on the delivery thereof, will be expended for project cost within the period stated in paragraph (4) above to the extent such funds are substantial operating revenues.
9. The Issuer has not created and does not expect to create or establish any debt service funds, bond payment reserve, sinking fund, or other similar fund pledged to the payment of the Note or from which it is expected that payment of the Note would be made.

10. Substantial binding obligations to commence the project being financed by the Note have been made, consisting of at least a binding obligation for engineering services obligating the issuer to expend more than five percent (5%) of the total cost of said project being financed by the Note.
11. To the best of our knowledge, information and belief, the above expectations are reasonable.
12. The Issuer has not been notified of any action by the Commissioner of Internal Revenue to disqualify it as an issuer whose arbitrage certificates may be relied upon.
13. No part of the proceeds derived from the issuance and sale of the Note, nor the expenditures financed by the proceeds of the Note, shall be:
 - A. Used, loaned or otherwise made available to any person or other entity, other than the Issuer or a governmental body, so as to cause the Note to be classified as a "private activity bond", as that term is defined under the Internal Revenue Code of 1986;
 - B. Used directly or indirectly in a trade or business by any person other than the Issuer or another governmental entity;
 - C. Loaned to any person directly or indirectly other than the Issuer;
 - D. The subject of any contract, lease or agreement of any sort having a term of one year or more and calling for the payment by the Issuer of consideration other than a flat fee;
 - E. Expended to finance the construction, alteration or renovation of any improvement the use, occupancy, availability or beneficial enjoyment of which shall be restricted among public users thereof or for which preferential, different or unique fees, rates, assessments or charges shall be levied;
 - F. Invested in such a manner or for such a period or at a yield to result in the rebate of interest earnings thereon to the United States under any public law now or hereafter in effect.
14. The Issuer shall create and maintain records and books of account with respect to the Note and the expenditures financed by the proceeds thereof, which accounts shall detail and provide at a minimum the following.
 - (a) Amount, net interest cost and term of Note;
 - (b) Cost associated with the issuance of the Note;
 - (c) Identity of all investments made with the proceeds of the Note, including interest and rate and term;
 - (d) Identify and date of all expenditures, regardless of source of funds;
 - (e) Such other financial information as may be required by law from time to time during the period of time the Notes shall remain outstanding.

15. The Issuer shall furnish to the United States, or any agency, department or instrumentality thereof, in a timely fashion, such information as may be required by law with respect to all evidences of debt now or hereafter issued by the Issuer.
16. Neither the proceeds of the Note, nor the earnings derived from the investment thereof, shall be expended for the purpose of paying any costs associated with the issuance of the Note(s).
17. In the event the Note is refunded or otherwise paid, defeased or secured by the proceeds of any form of debt issued by the Issuer, the manner of such payment, refunding or security will not result in the characterization of the Note as a "private activity bond" or an "arbitrage bond" under Sections 103(c), 141 or 148 of the Code.
18. The proceeds of the Note shall not be invested for a period or at a yield so as to render the interest payable on the Note includable in the gross income of the holder(s) thereof.
19. The proceeds of the Note will not be used in a manner that will cause the Note to be an "arbitrage bond" or "private activity bond" within the meaning of Sections 103(c), and 141 and 148(a) of the Code.
20. The Issuer hereby designates the Note as a "qualified tax exempt obligation" under Section 265(b) of the Code.

Dated: August 14, 2024

Town of Greensboro

By:

Treasurer

Selectboard
or a Majority Thereof

EXHIBIT B

TAX EXEMPT OBLIGATION POST-ISSUANCE COMPLIANCE PROCEDURES

The following procedures have been adopted by the Issuer, effective as of the date of issue of the Note. These procedures shall be implemented immediately and shall relate to the Note and all currently outstanding and future debt obligations and financing leases. These procedures are intended to assist the Issuer in complying with those provisions of the Internal Revenue Code of 1986, as amended and the regulations promulgated by the U.S. Treasury thereunder (the "Code") relating to (a) the qualified use of proceeds; (b) arbitrage yield restrictions and rebate; (c) remediation of the effects of "deliberate action" of the Issuer which results in the disposition, abandonment or other change in use of property financed by the Issuer's debt obligations and (d) the resolution of matters raised in connection with an audit or examination of the Issuer's tax-exempt or tax-advantaged obligations. These procedures are intended to furnish guidance in matters of Code compliance, and are subject to revision, modifications and enlargement from time to time.

- (1) The Issuer official or employee possessing the statutory or contractual powers, functions and responsibilities of a Chief Financial Officer (to the extent the same are not exercised by the Issuer's Treasurer) shall be responsible for monitoring tax exempt obligations post-issuance compliance (the "Compliance Official").
- (2) The Compliance Official shall review and implement these procedures in the manner necessary to ensure ongoing compliance with the provisions of the Tax Certificate. In connection therewith such official will become knowledgeable or consult an advisor experienced in post issuance compliance and will review and monitor notices, advice and directives as may be received by the Issuer from its bond counsel, accountants, financial advisors, and governmental sources. At least once annually the Compliance Official will verify that it is in compliance with the terms of the Tax Certificate, including this Exhibit B.
- (3) On or before the first day of June in each year, the Compliance Official shall confirm that all Issuer property financed by the proceeds of the Issuer's obligations continues to be used in the same manner as existed when such property was first placed into service. Such confirmation shall be based upon a visual inspection and representations of the public officials under whose care, custody and control the property is placed.
- (4) For so long as the proceeds of any debt obligation of the Issuer remain unexpended, the Compliance Official shall confirm on the first day of June and the first day of December in each year that such proceeds are deposited or invested for a "temporary period" as established under Section 148 of the Code. Such confirmation shall be deemed to have occurred for so long as any proceeds of the Issuer's tax exempt or tax advantaged obligation are in the custody of a trustee, paying agent, or disbursing agent pending expenditures upon requisition thereof. Following the third anniversary of the issuance of an obligation by the Issuer, all unexpended proceeds shall be invested so as to generate a yield no greater than the yield on the corresponding obligation.
- (5) The Compliance Official shall confirm, at least annually while there are unexpended proceeds, that the proceeds of each obligation of the Issuer shall be expended in such amounts, at such frequency, and in such intervals to ensure that the Issuer avails itself of one or more arbitrage rebate exception allowed under Section 148 of the code. Alternatively, if rebate is due, the Compliance Official will engage a consultant to prepare a report to determine any rebate due.

- (6) With respect to the acquisition and construction of capital improvements financed with the proceeds of the Issuer's debt obligations, the Issuer hereby declares that such proceeds shall be allocated to acquisition and construction expenditures prior to the expenditure and application of funds from any other public or private source. A final expenditure report accounting for the use of all proceeds and earnings of Issuer's debt obligations shall be completed no later than 18 months after the improvements financed by the Issuer's debt obligation is placed in service.
- (7) In the event there is a change of use, abandonment or disposition of property financed by the proceeds of a debt obligation of the Issuer, the Compliance Official shall immediately consult with the Issuer's bond counsel and accountants regarding remedial action. The issuer thereafter shall endeavor to call and redeem all or a portion of outstanding debt obligations, the proceeds of which were expended to finance such property. The proceeds derived from the sale or other disposition of the financed property shall not be commingled with other funds of the Issuer, but shall be used to effect the redemption of obligations, if necessary, the proceeds of which financed such property. Pending redemption as called for in this section, such proceeds shall be invested at a yield no greater than the yield on the obligations to be redeemed.
- (8) The Compliance Official shall create and preserve records for the term of the Issuer's debt obligations and any refunding thereof plus three years documenting the procedures incident to the authorization and issuance and identifying the proceeds of each issue of the Issuer's obligations, the deposit and investment thereof, the income derived from such deposit and investment, the expenditure of such proceeds and investment income (containing at a minimum, the date, amount and recipient of each expenditure), payment requisitions, and all rate, fee, charge and assessment schedules relating to property financed by the Issuer's obligations. Such records shall include copies of loan agreements, escrow agreements, tax certificates, project bid documents, construction and acquisition contracts, project invoices, project-related bank statements, and documents related to anticipatory bond financing.
- (9) The Compliance Official shall retain all contracts or arrangements with non-governmental persons relating to the use, control and management of the improvements financed by the Issuer's debt obligation.
- (10) In the event there remain on hand any excess proceeds from an Issuer debt obligation, following acquisition or completion of the improvements for which such obligation was issued, the Compliance Official shall consult with the Issuer's bond counsel regarding the use of such proceeds.

Information Return for Tax-Exempt Governmental Bonds

(Rev. September 2018)

Under Internal Revenue Code section 149(e)

See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Go to www.irs.gov/F8038G for instructions and the latest information.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name Town of Greensboro		2 Issuer's employer identification number (EIN) 03-6000491	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) P.O. BOX 119	Room/suite	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code Greensboro VT 05841-0119		7 Date of issue 7/31/2024	
8 Name of issue Current Expense Note 2024		9 CUSIP number N/A	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Britt Stanciu, TOWN CLERK TREASURER		10b Telephone number of officer or other employee shown on 10a 802-533-2911	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education			
12	Health and hospital			
13	Transportation		750,000	00
14	Public safety			
15	Environment (including sewage bonds)			
16	Housing			
17	Utilities			
18	Other. Describe			
19a	If bonds are TANs or RANs, check only box 19a			<input type="checkbox"/>
19b	If bonds are BANs, check only box 19b			<input type="checkbox"/>
20	If bonds are in the form of a lease or installment sale, check box			<input type="checkbox"/>

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	8/13/25	\$ 750,000.00	\$ 750,000.00	.5 years	5.20 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			
23	Issue price of entire issue (enter amount from line 21, column (b))		750,000	00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24		
25	Proceeds used for credit enhancement	25		
26	Proceeds allocated to reasonably required reserve or replacement fund	26		
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	27		
28	Proceeds used to refund prior taxable bonds. Complete Part V	28		
29	Total (add lines 24 through 28)	29		
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	750,000	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded _____ years

32 Enter the remaining weighted average maturity of the taxable bonds to be refunded _____ years

33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) _____

34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY) _____

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions	36a		
b Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) _____			
c Enter the name of the GIC provider ▶ _____			
37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37		
38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ <input type="checkbox"/> and enter the following information:			
b Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____			
c Enter the EIN of the issuer of the master pool bond ▶ _____			
d Enter the name of the issuer of the master pool bond ▶ _____			
39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ <input checked="" type="checkbox"/>			
40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ <input type="checkbox"/>			
41a If the issuer has identified a hedge, check here ▶ <input type="checkbox"/> and enter the following information:			
b Name of hedge provider ▶ _____			
c Type of hedge ▶ _____			
d Term of hedge ▶ _____			
42 If the issuer has superintegrated the hedge, check box ▶ <input type="checkbox"/>			
43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ <input checked="" type="checkbox"/>			
44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ <input checked="" type="checkbox"/>			
45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ <input type="checkbox"/> and enter the amount of reimbursement ▶ _____			
b Enter the date the official intent was adopted ▶ (MM/DD/YYYY) _____			

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	Signature of issuer's authorized representative _____	Date _____	Brett Stanciu, TOWN CLERK Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	Firm's name ▶ _____	Firm's EIN ▶ _____		
	Firm's address ▶ _____	Phone no. _____		

Town of Greensboro	Community National Bank 4811 US Route 5 Newport, VT 05855	Line of Credit No. 188819660
PO Box 119		Date: August 14, 2024
Greensboro, VT 05841-0119		Max. Credit Amt. \$750,000.00
Borrower's Name & Address "I" includes each borrower above, jointly and severally.	Lender's Name and Address "You" means the lender, its successors and assigns	Loan Ref. No. 188819660

You have extended to me a line of credit in the Amount of: Seventy Five Thousand Dollars and 00/100 (\$750,000.00)

You will make loans to me from time to time until August 13, 2025

Although the line of credit expires on that date, I will remain obligated to perform all my duties under this agreement so long as I owe you any money advanced, according to the terms of this agreement, as evidenced by any note or notes I have signed promising to repay these amounts.

This line of credit is an agreement between you and me. It is not intended that any third party receive any benefit from this agreement; whether by direct payment, reliance for future payment or in any other manner. This agreement is not a letter of credit.

1. AMOUNT: This line of credit is:

- OBLIGATORY: You may not refuse to make a loan to me under this line of credit unless one of the following occurs:
- I have borrowed the maximum amount available to me;
 - This line of credit has expired;
 - I have defaulted on the note (or notes) which show my indebtedness under this line of credit;
 - I have violated any term of this line of credit or any note or other agreement entered into in connection with this line of credit;
 - _____

- DISCRETIONARY: You may refuse to make a loan to me under this line of credit once the aggregate outstanding advances equal or exceed
_____ \$ _____

Subject to the obligatory or discretionary limitations above, this line of credit is:

- OPEN-END (Business or Agricultural only): I may borrow up to the maximum amount of principal more than one time.
- CLOSED-END: I may borrow up to the maximum only one time.

2. PROMISSORY NOTE: I will repay any advances made according to this line of credit agreement as set out in the promissory note, I signed on August 14, 2024, or any note(s) I sign at a later time which represent advances under this agreement. The note(s) set(s) out the terms relating to maturity, interest rate, repayment and advances. If indicated on the promissory note, the advances will be made as follows:

3. RELATED DOCUMENTS: I have signed the following documents in connection with this line of credit and note(s) entered into in accordance with this line of credit:

- Resolution
- Non-Arbitrage Certificate
- IRS Form #8038-G or 8038-GC

4. REMEDIES: If I am in default on the note(s) you may:
- a. take any action as provided in the related documents;
 - b. without notice to me, terminate this line of credit.
- By selecting any of these remedies you do not give up your right to later use any other remedy. By deciding not to use any remedy should I default, you do not waive your right to later consider the event a default, if it happens again.
5. COSTS AND FEES: If you hire an attorney to enforce this agreement, I will pay your reasonable attorney's fees, where permitted by law. I will also pay your court costs and costs of collection, where permitted by law.
6. COVENANTS: For as long as this line of credit is in effect or I owe you money for advances made in accordance with the line of credit, I will do the following:
- a. maintain books and records of my operations relating to the need for this line of credit;
 - b. permit you or any of your representatives to inspect and/or copy these records;
 - c. provide to you any documentation requested by you which support the reason for making any advance under this line of credit;
 - d. permit you to make any advance payable to the seller (or seller and me) of any items being purchased with that advance;
 - e. _____
7. NOTICES: All notices or other correspondence with me should be sent to my address stated above. The notice or correspondence shall be effective when deposited in the mail, first class, or delivered to me in person.
8. MISCELLANEOUS: This line of credit may not be changed except by a written agreement signed by you and me. The law of the state in which you are located will govern this agreement. Any term of this agreement which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation.

SIGNATURES: I agree to the terms of this line of credit. I have received a copy on today's date.

Town of Greensboro
 By: Selectboard
 Or a Majority thereof

FOR THE LENDER: Community National Bank

By: _____
 Title: Treasury and Municipal Relationship Manager

Note No. 188819660

\$750,000.00

Town of Greensboro
PO Box 119
Greensboro, VT 05841-0119

CURRENT EXPENSE NOTE

Date: August 14, 2024

On the 13th day of August, 2025 for value received, the Town of Greensboro promises to pay to the COMMUNITY NATIONAL BANK, or order, the principal sum of

Seventy Five Thousand Dollars and 00/100
(\$750,000.00)

Or such part thereof as may be advanced hereunder in accordance with a Line of Credit Agreement of even date, the terms of which are incorporated herein by reference thereto, with interest at the rate of 5.20% per annum, calculated on an Actual/365 day basis, meaning that the ratio of the annual interest rate over a year of 365 days is multiplied by the actual number of days the principal balance is outstanding from the date of each advance hereunder, with principal and interest payable in lawful money of the United States at the Main Office of COMMUNITY NATIONAL BANK, in the Town of Derby, Vermont. Interest payments will be due monthly. Interest at the above-specified rate shall accrue on each advance hereunder as of the date of such advance.

This note is issued in anticipation of the receipt of taxes and other revenues and is authorized by resolution of the Town of Greensboro duly adopted on August 14, 2024, the terms of which are incorporated herein by reference thereto. It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this note have been done, have happened and have been performed in regular and due form as required by law, and that the full faith and credit of the said Town of Greensboro are hereby irrevocably pledged for the payment of this note, as well as the interest at the above specified rate.

Town of Greensboro
By

Treasurer

Selectboard
or a majority thereof