

STIFEL

BOND PURCHASE AGREEMENT

\$9,465,000
WALTON COUNTY WATER AND SEWERAGE AUTHORITY
REVENUE BONDS
(OCONEE-HARD LABOR CREEK RESERVOIR PROJECT),
SERIES 2016

September 13, 2016

Walton County Water and Sewerage Authority
P.O. Box 880
2171 Hwy. 81 SW
Loganville, Georgia 30052
Attention: Chairman

Oconee County, Georgia
P.O. Box 145
23 North Main Street
Watkinsville, GA 30677
Attention: Chairman, Board of Commissioners

To the Addressees:

The undersigned, Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), being duly authorized, hereby offers to enter into this Bond Purchase Agreement (this “Bond Purchase Agreement”) among the Walton County Water and Sewerage Authority (the “Authority”) and Oconee County, Georgia (the “County”) for the purchase by the Underwriter of the Series 2016 Bonds referred to in Section 1 hereof. This offer is made subject to acceptance by the Authority and the County of this Bond Purchase Agreement, which acceptance shall be evidenced by the execution of this Bond Purchase Agreement by a duly authorized officer of the Authority and the County prior to 12:00 Midnight, local Atlanta Time, on September 13, 2016. Upon such acceptance and execution, this Bond Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Authority, the County and the Underwriter. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Official Statement (hereinafter defined).

1. Upon the terms and conditions and based on the representations, warranties and covenants hereinafter set forth, the Underwriter hereby agrees to purchase from the Authority, all, but not less than all \$9,465,000 in aggregate principal amount of the Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 (the “Series 2016 Bonds”), at a purchase price of \$10,745,589.95 (which is

equal to par, plus net original issue premium of \$1,351,577.45, less Underwriter's discount of \$70,987.50).

2. The Authority owns and operates the Hard Labor Creek Reservoir (the "Reservoir Project"). The Authority, the County and Walton County, Georgia entered into an Intergovernmental Reservoir and Water Supply and Treatment Agreement, dated as of September 1, 2007 (the "Water Supply Agreement") with respect to the ownership and operation of the Reservoir Project.

3. The Series 2016 Bonds shall be as described in, and shall be authorized by, and secured pursuant to, a Trust Indenture, dated as of April 1, 2008, as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2008, as supplemented by a Second Supplemental Trust Indenture, dated as of July 1, 2015, and as supplemented by a Third Supplemental Trust Indenture, dated as of October 1, 2016 (as so supplemented, the "Indenture"), each between the Authority and Regions Bank, as trustee (the "Trustee"). The Series 2016 Bonds are limited obligations of the Authority secured by and payable solely from a first lien and pledge of the "Trust Estate" (as defined in the Indenture), including amounts payable to the Authority pursuant to an Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of October 1, 2007, as amended by a First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008, as amended by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015, and as amended by a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (as so amended, the "Contract"), each between the Authority and the County. Under the terms of the Contract, the County has agreed to pay the Authority amounts sufficient to pay the debt service on the Series 2016 Bonds (the "Contract Payments"). The County intends to make the Contract Payments with moneys derived from its water and sewerage system (the "County System") (the "County System Revenues"). However, the County System Revenues have not been pledged as security for the Contract Payments or the Series 2016 Bonds. In the event that the County System Revenues are insufficient to make the Contract Payments, the County has agreed to levy an ad valorem tax, unlimited as to rate or amount, on all property in the County subject to taxation for such purposes in order to make the Contract Payments.

The Series 2016 Bonds shall bear interest at the rates and shall mature in the amounts set forth in Schedule I attached hereto. All other terms of the Series 2016 Bonds are described in the Official Statement (defined below).

4. The proceeds from the sale of the Series 2016 Bonds will be used for the purpose of (a) refunding all of the Authority's outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the "Refunded Bonds"), (b) financing or refinancing a portion of the cost of acquiring, constructing, installing and equipping storage and transmission facilities related to the Hard Labor Creek, and (c) paying the costs of issuing the Series 2016 Bonds.

A portion of the proceeds of the Series 2016 Bonds will be irrevocably deposited in escrow with Regions Bank, Atlanta, Georgia, as escrow agent (in such capacity, the "Escrow Agent"), pursuant to an Escrow Deposit Agreement, dated as of the date of its execution and delivery (the "Escrow Agreement") among the Authority, the Escrow Agent, and Regions Banks,

Atlanta, Georgia, as trustee for the Refunded Bonds (the “Refunded Bonds Trustee”), and will be applied by the Escrow Agent (except for required cash balances, if any) to the purchase of certain direct obligations of the United States of America (the “Escrow Obligations”). The Escrow Obligations will bear interest at such rates and will be scheduled to mature at such times and in such amounts so that sufficient moneys will be available to pay the principal of and interest on the Refunded Bonds when due through and including their scheduled date of optional redemption, February 1, 2018.

5. The Underwriter intends to offer the Series 2016 Bonds at prices not in excess of the offering price or prices (or yields) set forth in Schedule I hereof. The Underwriter, however, reserves the right to change such offering price or prices (or yields) as the Underwriter shall deem necessary in connection with the marketing of the Series 2016 Bonds. The Underwriter reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Series 2016 Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

6. The Authority and the County have caused to be prepared a Preliminary Official Statement, dated September 7, 2016 (such Preliminary Official Statement, including the cover page and all appendices, exhibits, reports and statements included therein or attached thereto and any amendments and supplements thereto that may be authorized by the Authority and/or the County for use with respect to the Series 2016 Bonds being herein called “Preliminary Official Statement”), which the Authority and the County have authorized to be circulated, and the Authority and the County consent to the use of the Preliminary Official Statement by the Underwriter prior to the date hereof in connection with the offering of the Series 2016 Bonds. The Authority and the County hereby deem the Preliminary Official Statement, as of its date, final for purposes of Rule 15c2-12 (“Rule”), except for the offering prices, interest rates, selling commissions, aggregate principal amount, principal amount per maturity, delivery dates, optional and mandatory redemption provisions, sources and uses of funds and other terms of the Series 2016 Bonds and any underlying obligations depending on such matters.

Within seven business days of the date hereof and, in any event, in sufficient time to accompany confirmations requesting payment from customers, the Authority and the County agree to supply to the Underwriter a final Official Statement executed by the Authority and the County (“Official Statement”), substantially in the form of the Preliminary Official Statement, with only such changes therein or modifications thereof (including, without limitation, any changes in or modifications of any of the appendices, exhibits, reports or statements included therein or attached thereto) as shall have been accepted and approved by the Underwriter in its sole discretion, the form of which Official Statement shall have been approved and adopted by the Authority and the County by resolutions duly passed, and the Official Statement shall be executed by the Chairman of the Authority and by the Chairman or Vice Chairman of the Board of Commissioners of the County (such Official Statement, including the cover page and all appendices, exhibits, reports and statements included therein or attached thereto and any amendments and supplements thereto that may be authorized by the Authority and/or the County for use with respect to the Series 2016 Bonds being herein called the “Official Statement”) and in a sufficient quantity to comply with Rule 15c2-12(b)(1) and the rules of the Municipal Securities Rulemaking Board (“MSRB”) and to ensure a copy of the Official Statement is placed on

<http://emma.msrb.org/>¹ in such a way as to assist the Underwriter in complying with MSRB Rule G-32. The Authority and the County hereby consent to and ratify the use by the Underwriter of the Preliminary Official Statement, Official Statement, the Indenture, the Contract and other pertinent documents in connection with the offering of the Series 2016 Bonds. The Underwriter hereby agrees not to distribute or make use of any offering statement or other offering document relating to the Series 2016 Bonds unless such offering document contains a cover page that sets forth the name of the Underwriter and has been approved by the Authority and the County. The County and Authority agree to supplement the Official Statement whenever requested by the Underwriter when in the reasonable judgment of the Underwriter such supplementation is required due to a change in the affairs of the Authority of the County. The reasonable cost of such supplementation shall be borne by the County.

7. In order to assist the Underwriter in complying with the Rule, the County has covenanted for the benefit of the owners of the Series 2016 Bonds to provide notices of the occurrence of certain events within ten business days of their occurrence and to provide certain financial information and operating data relating to the County pursuant to a Disclosure Certificate, dated the date hereof (“Disclosure Certificate”), a form of which is attached as Appendix C to the Official Statement.

8. In order to induce the Underwriter to enter into this Bond Purchase Agreement, the Authority hereby represents and warrants to and covenants with the Underwriter and the County as follows:

(a) The Authority is a public body corporate and politic duly created and existing pursuant to an act of the General Assembly of the State of Georgia (Ga. L. 1972, p. 3623 *et seq.*), as amended (the “Act”).

(b) The Authority is authorized under the laws of the State of Georgia, including the Act and the Revenue Bond Law (O.C.G.A. Section 36-82-60 *et seq.*, as amended), and has all licenses and permits to (i) issue, execute, deliver and perform its obligations under the Series 2016 Bonds for the purposes described in Section 4 hereof, (ii) execute, deliver and perform its obligations under this Bond Purchase Agreement, the Indenture, the Contract, the Escrow Deposit Agreement and the Water Supply Agreement (collectively, the “Authority Documents”), (iii) pledge the Trust Estate to the Trustee (iv) execute and deliver the Official Statement, and (v) carry out and consummate the transactions contemplated on its part by the Authority Documents and the Official Statement.

(c) The information contained in the Preliminary Official Statement and the Official Statement relating to the Authority (not including information relating to the County) is, and at all times subsequent hereto to and including the date of the Closing will be, true and correct in all material respects and does not contain and, at all such times, will not contain any untrue statement of a material fact and does not omit and, at all such times, will not omit, to state a material fact required to be stated therein or

¹None of the Uniform Resources Locators contained in this Purchase Agreement is intended to be an active hyperlink.

necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) On or before the date of the Closing, the Authority will have duly authorized all actions required to be taken by it for the (i) issuance, execution, delivery and performance of its obligations under the Series 2016 Bonds, (ii) execution, delivery and performance of its obligations under the Authority Documents, (iii) pledging of the Trust Estate to the Trustee, (iv) execution and delivery of the Official Statement, and (v) carrying out and consummation of the transactions contemplated on its part by the Authority Documents and the Official Statement.

(e) The Authority Documents, when executed and delivered by the Authority, will be in the form approved by the Authority on the date of this Bond Purchase Agreement, subject to such changes therein or modifications thereof as the Underwriter, the County and the Authority shall mutually agree upon. The Authority Documents, when executed and delivered, will constitute valid and legally binding obligations of the Authority, enforceable in accordance with their respective terms (subject, in each case to usual principals of equity and to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditor's rights generally from time to time in effect).

(f) The Series 2016 Bonds, when issued, executed, delivered and paid for as herein provided, will constitute valid and legally binding limited obligations of the Authority, enforceable in accordance with their terms (subject, in each case to usual principals of equity and to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditor's rights generally from time to time in effect). The Series 2016 Bonds shall be special limited obligations of the Authority, secured by and payable solely from a first lien and pledge of the Trust Estate. The Series 2016 Bonds will not constitute a general obligation of the State of Georgia, the County, or any political subdivision of the State of Georgia within the meaning of any constitutional or statutory limitation upon indebtedness. Neither the State of Georgia, the County, nor any political subdivision of the State of Georgia shall be subject to any pecuniary liability thereon. No owner of the Series 2016 Bonds shall ever have the right to compel the exercise of the taxing power of the State of Georgia, the County or any political subdivision of the State of Georgia to pay the same or the interest thereon. However, the taxing power of the County has been pledged to the payment of the Contract Payments. Except as provided in the Indenture, the Authority has not created any liens on the Trust Estate.

(g) The Authority will apply the proceeds from the sale of the Series 2016 Bonds as specified in Section 4 hereof.

(h) Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Authority, threatened against or affecting the Authority (or, to the knowledge of the Authority, any meritorious basis

therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the Authority from functioning or contesting or questioning the existence of the Authority or the titles of the present officers of the Authority to their offices; or (ii) wherein an unfavorable decision, ruling or finding would adversely affect the (A) powers of the Authority or the validity or enforceability of the Series 2016 Bonds, the Authority Documents or any agreement or instrument to which the Authority is a party and which is used or contemplated for use in the consummation of the transactions contemplated on the part of the Authority by the Authority Documents and the Official Statement or security for the Series 2016 Bonds, (B) financial condition of the Authority, (C) transactions contemplated by the Authority Documents and the Official Statement, or (D) the exclusion of the interest on the Series 2016 Bonds from gross income for federal income tax purposes.

(i) The issuance, execution, delivery and performance by the Authority of the Series 2016 Bonds, the execution, delivery and performance by the Authority of the Authority Documents, the pledging of the Trust Estate to the Trustee, the execution and delivery by the Authority of the Official Statement and the carrying out and consummation by the Authority of the transactions contemplated by the Authority Documents and the Official Statement will not conflict with or constitute on the part of the Authority a violation of, breach of or default under (i) the Act, its by-laws or any other governing instruments, (ii) any indenture, mortgage, lease, resolution, note agreement or other agreement or instrument to which the Authority is a party or by which the Authority or its property is bound or (iii) any constitutional provision, statute, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Authority or its property.

(j) All consents, approvals, authorizations, permits and orders of governmental or regulatory authorities, if any, that are required to be obtained by the Authority as of this date in connection with the issuance, execution, delivery and performance by the Authority of its obligations under the Series 2016 Bonds, the pledging of the Trust Estate to the Trustee, the execution, delivery and performance by the Authority of its obligations under the Authority Documents, the execution and delivery of the Official Statement and the carrying out and consummation of the transactions contemplated on its part by the Authority Documents and the Official Statement have been duly obtained and remain in full force and effect, except that no representation is made as to compliance with any applicable state securities or “Blue Sky” laws.

(k) The Authority agrees to cooperate with the Underwriter in any endeavor to qualify the Series 2016 Bonds for offering and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States of America as the Underwriter may request; provided that in no event shall the Authority be obligated to take any action that would subject it to general service of process in any state where it is not now so subject.

(l) If, between the date of this Bond Purchase Agreement and the date 90 days following the Closing, an event occurs affecting the Authority which could cause the Official Statement to contain an untrue statement of a material fact or to omit to state

a material fact which should be included therein for the purposes for which the Official Statement is to be used or which is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the Authority shall notify the Underwriter, and, if in the opinion of the Authority or the Underwriter, such event requires an amendment or supplement to the Official Statement, the Authority will, at its expense, amend or supplement the Official Statement in the form and in a manner approved by the Authority and the Underwriter.

(m) Neither the Authority nor anyone acting on its behalf, directly or indirectly, has offered the Series 2016 Bonds or any similar securities of the Authority relating in any way to the Project for sale to, or solicited any offer to buy the same from, anyone.

(n) The Preliminary Official Statement has been duly authorized by the Authority, the Official Statement has been duly authorized, executed and delivered by the Authority, and the Authority has consented to the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Series 2016 Bonds.

(o) Neither the Securities and Exchange Commission nor any state securities commission has issued or threatened to issue, any order preventing or suspending the use of the Preliminary Official Statement or the Official Statement.

(p) Any certificate signed by an authorized officer of the Authority delivered to the Underwriter shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(q) All information provided by or on behalf of the Authority to the rating agency rating the Series 2016 Bonds, as supplemented, changed or modified by the Preliminary Official Statement and the Official Statement, was, to the best of the knowledge of the Authority, and all such information at all times subsequent hereto and including the date of Closing will be, true and correct in all material respects and did not contain and, at all such times, will not contain, any untrue statement of a material fact and did not omit, and at all such times, will not omit, to state a material fact which would be necessary to be stated to make the statements and representations in such information, in light of the circumstances under which they were made, not misleading.

(r) The Authority has not defaulted in the payment of principal or interest on any of its bonds, notes or other securities.

(s) The Authority has not received any notice, directly or indirectly, from the Department of the Treasury, the Internal Revenue Service (“IRS”) or any other entity or person contesting or questioning in any way the exclusion from federal income taxation of the interest due on any of its bonds, nor to the knowledge of the Authority has any holder of any of its bonds received any such notice.

(t) The Authority acknowledges and agrees that these representations and warranties are made to induce the Underwriter to purchase the Series 2016 Bonds, and that such representations and warranties and any other representations and warranties made by the Authority to the Underwriter are made for the benefit of the ultimate purchasers of the Series 2016 Bonds and may be relied upon by such purchasers.

(u) Upon the application of the funds according to the Escrow Deposit Agreement and the irrevocable deposit of funds with the Refunded Bonds Trustee, the Refunded Bonds will be defeased and will no longer be outstanding under the resolution pursuant to which they were issued. The Authority's Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015 and the Series 2016 Bonds are the only parity obligations outstanding after giving effect to refunding.

9. In order to induce the Underwriter and the Authority to enter into this Bond Purchase Agreement, the County represents and warrants to the Underwriter and the Authority, as follows:

(a) The County is a political subdivision duly created and organized under the Constitution and laws of the State of Georgia.

(b) The County is authorized under the laws of the State of Georgia to (i) own and operate the County System, (ii) execute, deliver and perform its obligations under this Bond Purchase Agreement, the Disclosure Certificate, the Contract and the Water Supply Agreement (collectively, the "County Documents"), (iii) execute and deliver the Official Statement and (iv) carry out and consummate the transactions contemplated on its part by the County Documents and the Official Statement.

(c) The information contained in the Preliminary Official Statement relating to the County was, and such information contained in the Official Statement is, and at all times subsequent hereto and including the date of the Closing will be, true and correct in all material respects and does not contain and, at all such times, will not contain any untrue statement of a material fact and does not omit and, at all such times, will not omit, to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) On or before the date of the Closing, the County will have duly authorized all actions required to be taken by it for the (i) operation of the County System, (ii) execution, delivery and performance of its obligations under the County Documents, (iii) execution and delivery of the Official Statement and (iv) carrying out and consummation of the transactions contemplated on its part by the County Documents and the Official Statement.

(e) The County Documents, when executed and delivered by the County, will be in the form approved by the County, subject to such changes therein or modifications thereof as the Underwriter, the Authority and the County shall mutually agree upon. The County Documents, when executed and delivered, will constitute valid and legally

binding obligations of the County, enforceable in accordance with their respective terms (subject, in each case to usual principals of equity and to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditor's rights generally from time to time in effect).

(f) The proceeds of the Series 2016 Bonds will be applied as specified in Section 4 hereof.

(g) Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the County, threatened against or affecting the County (or, to the knowledge of the County, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the County from functioning or contesting or questioning the existence of the County or the titles of the present officers of the County to their offices; or (ii) wherein an unfavorable decision, ruling or finding would adversely affect the (A) powers of the County or the validity or enforceability of the County Documents, (B) financial condition of the County, (C) transactions contemplated by the County Documents and the Official Statement, or (D) the exclusion of interest on the Series 2016 Bonds from gross income for federal income tax purposes.

(h) The operation of the County System, the execution, delivery and performance by the County of the County Documents, the execution and delivery of the Official Statement and the carrying out and consummation by the County of the transactions contemplated by the County Documents and the Official Statement will not conflict with or constitute on the part of the County a violation of, breach of or default under (i) any governing instruments, (ii) any indenture, mortgage, lease, resolution, resolution, note agreement or other agreement or instrument to which the County is a party or by which the County or its property is bound or (iii) any constitutional provision, statute, order, rule or regulation of any court or governmental agency or body having jurisdiction over the County or its property.

(i) All consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, that are required to be obtained by the County as of this date in connection with the operation of the County System, the execution and delivery by the County of its obligations under the County Documents and the carrying out and consummation by the County of the transactions contemplated on its part by the County Documents and the Official Statement have been duly obtained and remain in full force and effect, except that no representation is made as to compliance with any applicable state securities or "Blue Sky" laws.

(j) The County agrees to cooperate with the Underwriter and its counsel in any endeavor to qualify the Series 2016 Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States of America as the Underwriter may request; provided that in no event shall the County be obligated to take any action that would subject it to general service of process in any state where it is not now so subject.

(k) Neither the County nor anyone acting on its behalf has, directly or indirectly, offered the Series 2016 Bonds or any similar securities relating to the refunding of the Refunded Bonds for sale to, or solicited any offer to buy the same from, anyone.

(l) The Preliminary Official Statement has been duly authorized by the County, the Official Statement has been duly authorized, executed and delivered by the County, and the County has consented to the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Series 2016 Bonds.

(m) Neither the Securities and Exchange Commission nor any state securities commission has issued or threatened to issue, any order preventing or suspending the use of the Preliminary Official Statement or the Official Statement.

(n) Any certificate signed by an authorized officer of the County delivered to the Authority or the Underwriter shall be deemed a representation and warranty by the County to the Authority or the Underwriter as to the statements made therein.

(o) All information provided by or on behalf of the County to the rating agency rating the Series 2016 Bonds, as supplemented, changed or modified by the Preliminary Official Statement and the Official Statement, was, to the best of the knowledge of the County, and all such information at all times subsequent hereto and including the date of Closing will be, true and correct in all material respects and did not contain and, at all such times, will not contain, any untrue statement of a material fact and did not omit, and at all such times, will not omit, to state a material fact which would be necessary to be stated to make the statements and representations in such information, in light of the circumstances under which they were made, not misleading.

(p) The County has not defaulted in the payment of principal or interest on any of its bonds, notes or other securities.

(q) The County has not received any notice, directly or indirectly, from the Department of the Treasury, the IRS or any other entity or person contesting or questioning in any way the exemption from federal income taxation of the interest due on any of its bonds, nor to the knowledge of the County has any holder of any of its bonds received any such notice.

(r) The financial information of the County contained in the Preliminary Official Statement and in the Official Statement presents fairly the financial position of the County as of the dates indicated therein and the results of operations and changes in financial position for the periods specified therein, and such financial statements have been prepared in conformity with generally accepted accounting principles consistently applied throughout the periods presented.

(s) Except as provided in the Official Statement, the County has not failed to comply with any continuing disclosure obligations under the Rule.

(t) If, between the date of this Bond Purchase Agreement and the date 90 days following the Closing, an event occurs affecting the County which could cause the Official Statement to contain an untrue statement of a material fact or to omit to state a material fact which should be included therein for the purposes for which the Official Statement is to be used or which is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the County shall notify the Underwriter, and, if in the opinion of the County or the Underwriter, such event requires an amendment or supplement to the Official Statement, the County will, at its expense, amend or supplement the Official Statement in the form and in a manner approved by the County and the Underwriter.

(u) The County acknowledges and agrees that these representations and warranties are made to induce the Underwriter to purchase the Series 2016 Bonds, and that such representations and warranties and any other representations and warranties made by the County to the Underwriter are made for the benefit of the ultimate purchasers of the Series 2016 Bonds and may be relied upon by such purchasers.

(v) Any certificate signed by an authorized officer of the County delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter as to the statements made therein.

10. At or before 10:00 A.M., Eastern Standard Time, on October 18, 2016 (“Closing”), or at such other time or at such other date as shall have been mutually agreed upon by the Authority, the County and the Underwriter in writing, the Authority will deliver, or cause to be delivered, to or upon the order of the Underwriter the Series 2016 Bonds, in definitive form, duly executed and authenticated, together with the other documents herein required. Payment for the Series 2016 Bonds shall be made in immediately available funds by check or by bank wire transfer payable to the order of the Authority. If, at the Closing, the Authority fails to deliver the Series 2016 Bonds to the Underwriter as provided herein, or if, at the Closing any of the conditions specified in Section 11 hereof shall not have been fulfilled to the satisfaction of the Underwriter, the Underwriter may elect to be relieved of any further obligations under this Bond Purchase Agreement without thereby waiving any other rights the Underwriter may have under this Bond Purchase Agreement.

The Closing shall be held at the offices of Gray Pannell & Woodward LLP, One Buckhead Plaza, 3060 Peachtree Road, Suite 730, Atlanta, Georgia 30305, except that physical delivery of the Series 2016 Bonds shall be made through The Depository Trust Company (“DTC”), for the account of the Underwriter unless the Authority, the County and the Underwriter agree otherwise in writing. Unless otherwise requested by the Underwriter at or prior to the Closing, the Series 2016 Bonds will be delivered at the Closing in fully registered form, registered to Cede & Co., as nominee for DTC, and in the form of one certificate for each maturity of the Series 2016 Bonds.

11. The obligations of the Underwriter hereunder shall be subject (i) to the performance by the Authority and the County of their respective obligations to be performed hereunder at and prior to the Closing or such earlier time as may be specified herein, (ii) to the accuracy of the representations and warranties of the Authority and the County contained herein

and in the Indenture and the Contract as of the date hereof and as of the time of the closing, as if made at and as of the time of the Closing and (iii) to the following conditions, including the delivery by the Authority and the County of such documents as are contemplated hereby in form and substance satisfactory to the Underwriter:

(a) At the time of the Closing (i) the Authority Documents and the County Documents and the Official Statement shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, (ii) the Authority and the County shall have duly adopted and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, including, but not limited to resolution of the County authorizing the execution, delivery and performance of the County Documents (the "County Resolution") and (iii) the Series 2016 Bonds shall have been duly confirmed and validated by judgment of the Superior Court of Walton County, and no appeal shall be pending with respect to such decree of validation.

(b) At or prior to the Closing, the Underwriter shall have received the following documents:

(i) An opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriter, in substantially the form attached to the Official Statement as Appendix D.

(ii) A supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriter, in substantially the form attached hereto as Exhibit A.

(iii) An opinion of Atkinson Ferguson LLC, Counsel to the Authority, dated the date of the Closing and addressed to the Underwriter, in substantially the form attached hereto as Exhibit B.

(iv) An opinion of Daniel C. Haygood, Esq., Counsel to the County, dated the date of the Closing and addressed to the Underwriter, in substantially the form attached hereto as Exhibit C.

(v) An opinion of Gray Pannell & Woodward LLP, as disclosure counsel, dated the date of Closing and addressed to the Underwriter, in substantially the form attached hereto as Exhibit D.

(vi) A certificate of the Authority, dated the date of Closing, signed by the Chairman or Vice Chairman of the Authority in form and substance satisfactory to the Underwriter, to the effect that (A) the representations and warranties of the Authority contained in the Authority Documents are true and correct in all material respects as of the date of Closing, (B) the Series 2016 Bonds have been duly authorized, authenticated, executed and delivered, (C) the Authority Documents and the Official Statement have been duly authorized executed and delivered, (D) all proceedings and authority of the Authority for the

execution, delivery and performance of its obligations under the Series 2016 Bonds and the Authority Documents are in full force and effect, and none of such proceedings have been modified, amended, revoked or rescinded, (E) the Authority Documents are in the form approved by the Authority, (F) the Authority has performed all of its obligations to be performed under the Authority Documents at or prior to the Closing, (G) the Authority knows of no event affecting the Authority that has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to disclose therein in order to make the statements and information therein with respect to the Authority not misleading in any material respect as of the Closing and (H) no event of default or event which with notice or lapse of time or both would become an event of default under the Authority Documents has occurred and is continuing.

(vii) A certificate of the County, dated the Closing Date, signed by the Chairman of the Board of Commissioners of the County in form and substance satisfactory to the Underwriter, to the effect that (A) since the date of the County's most recently completed audited financial statements, no material and adverse change has occurred in the financial position of the County or results of operations of the County except as disclosed in the Official Statement; (B) the County has not, since the date of the County's most recently completed audited financial statements, incurred any material liabilities except as disclosed in the Official Statement, (C) the representations and warranties of the County contained herein and in the County Documents are true and correct as of the date of the Closing, (D) the County Documents and the Official Statement have been duly authorized, executed and delivered, (E) all proceedings and authority of the County, including the County Resolution, for the execution, delivery and performance of its obligations under the County Documents are in full force and effect and none of such proceedings have been modified, amended or rescinded, (F) the County has performed all of its obligations to be performed hereunder and under the County Documents at or prior to the Closing, (G) the County knows of no event affecting the County that has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect as of the Closing and (H) no event of default or event which with notice or lapse of time or both would become an event of default under the County Documents has occurred and is continuing. Since the date of the Official Statement there has not been any material adverse change in the business, properties, financial position, or results of operations of the County, whether or not arising from transactions in the ordinary course of business, other than as previously disclosed in writing to the Underwriter and as disclosed in the Official Statement, and except in the ordinary course of business, the County has not suffered or incurred any material liability, other than as previously disclosed in writing to the Underwriter and as disclosed in the Official Statement.

- (viii) A verification report acceptable to the Underwriter.
- (ix) A copy of the Official Statement executed by the Authority and by the County by a duly authorized officer.
- (x) Executed counterparts of this Bond Purchase Agreement, the Indenture, the Contract, the Escrow Deposit Agreement and the Disclosure Certificate.
- (xi) A certified copy of the Bond Resolution.
- (xii) A certified copy of the County Resolution.
- (xiii) A certified copy of a transcript of all proceedings related to the validation of the Series 2016 Bonds.
- (xiv) A Specimen of the Series 2016 Bonds.
- (xv) A letter from Moody's Investors Services assigning a rating of "Aa2" to the Series 2016 Bonds.
- (xvi) A certificate executed by the Chairman or Vice Chairman of the Authority, dated the date of Closing, to the effect that on the basis of facts and estimates set forth therein, (A) it is not expected that the proceeds of the Series 2016 Bonds will be used in a manner that would cause the Series 2016 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and applicable regulations thereunder and (B) to the best of the knowledge and belief of said officer, such expectations are reasonable.
- (xvii) A defeasance opinion of Bond Counsel, dated the date of the Closing and in a form acceptable to the Underwriter.
- (xviii) Such additional legal opinions, certificates, proceedings, instruments and other documents as Underwriter may reasonably request to evidence compliance by the Authority and the County with the legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Authority and the County and the due performance or satisfaction by the Authority and the County, at or prior to the Closing, of all agreements then required to be performed and all conditions then required to be satisfied by the Authority and the County at the Closing.

12. The Underwriter shall have the right to cancel its obligation to purchase the Series 2016 Bonds hereunder by notifying the Authority and the County, in writing or by facsimile, of its election to do so between the date hereof and the Closing if, on or after the date hereof and prior to the Closing:

(a) legislation shall be enacted or be actively considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by a committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or the United States Tax Court shall be rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the IRS or other governmental agency shall be made or proposed to be made with respect to federal taxation upon revenues or other income of the general character to be derived by the Authority or by any similar body, or upon interest on obligations of the general character of the Series 2016 Bonds, or other action or events shall have transpired that have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated in connection herewith, that, in the opinion of the Underwriter, materially and adversely affects the market price of the Series 2016 Bonds or the market price generally of obligations of the general character of the Series 2016 Bonds; or

(b) any legislation, resolution or regulation shall be enacted or be actively considered for enactment by any governmental body, department or agency of the State of Georgia or the County, or a decision by any court of competent jurisdiction within the State of Georgia shall be rendered that, in the reasonable opinion of the Underwriter, materially and adversely affects the market price of the Series 2016 Bonds; or

(c) a stop order, ruling, regulation or official statement by or on behalf of the SEC shall be issued or made to the effect that the issuance, offering or sale of the Series 2016 Bonds, or of obligations of the general character of the Series 2016 Bonds as contemplated hereby, is subject to registration or qualification under the Securities Act of 1933, as amended, or the Trust Indenture Act of 1939, as amended, or is in violation of any provision of either of such acts or the Securities Exchange Act of 1934, as amended; or

(d) there shall have occurred any new outbreak of hostilities or any material escalation in any present hostilities or other new and unforeseen national or international calamity, crisis or terrorist act, the effect of such outbreak, escalation, calamity, crisis or act on the financial markets of the United States being such, in the judgment of the Underwriter, as to materially and adversely affect the market price or marketability of the Series 2016 Bonds; or

(e) there shall be placed in effect a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction; or

(f) a general banking moratorium shall have been declared by either federal, New York or Georgia authorities having jurisdiction and be in force; or

(g) there shall have been established any new restrictions on transactions in securities materially affecting the free market for securities or the extension of credit by, or the charge to the net capital requirements of, the Underwriter by any national securities exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order which, in the reasonable judgment of the Underwriter, materially and adversely affects the market price or marketability of the Series 2016 Bonds; or

(h) there shall have occurred a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any city located in the United States having a population of over 500,000, the effect of which, in the opinion of the Underwriter, would materially and adversely affect the ability of the Underwriter to market the Series 2016 Bonds; or

(i) there shall have occurred any material adverse change in the affairs of the Authority or the County; or

(j) the rating on the Series 2016 Bonds or any ratings of the County shall have been withdrawn, downgraded or placed on credit watch with negative outlook; or

(k) any event shall have occurred or shall exist that, in the opinion of the Underwriter, either (i) makes untrue or incorrect in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement, or (ii) is not reflected in the Preliminary Official Statement or the Official Statement and should be reflected therein in order to make the statements and information contained therein not misleading in any material respect; or

(l) a material disruption in securities settlement, payment or clearance services affecting the Series 2016 Bonds shall have occurred or any additional material restriction not in force on the date of this Bond Purchase Agreement on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by a governmental authority or national association of securities dealers; or

(m) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2016 Bonds or in any way contesting or questioning any authority for or the validity of the Series 2016 Bonds or the money or revenues pledged to the payment thereof or any of the proceedings of the Authority or the County taken with respect to the issuance and sale thereof or the existence or powers of the Authority or the County or the territorial limits of the County; or

(n) the "Blue Sky" or securities commission of any state in the United States shall have withheld registration, exemption, or clearance of the offering of the Series 2016 Bonds, and, in the reasonable judgment of the Underwriter, the effect of the withholding will materially and adversely affect the market price or marketability of the

Series 2016 Bonds, or the ability of the Underwriter to enforce this Bond Purchase Agreement for the sale of the Series 2016 Bonds; or

(o) the purchase of and payment for the Series 2016 Bonds by the Underwriter, or their resale or reoffering by the Underwriter of the Series 2016 Bonds, on the terms and conditions contemplated by this Bond Purchase Agreement and the Official Statement, shall be prohibited by any applicable law or governmental regulation or by order of any court, governmental authority, board, agency, or commission, or would subject the Underwriter to liability under the 1933 Act, the 1934 Act, common law or otherwise; or

(p) there shall have occurred any event other than those listed above the effect of which is, in the reasonable judgment of the Underwriter, so material and adverse to make it impracticable or inadvisable to proceed with the offering of the Series 2016 Bonds on the terms and in the manner contemplated by the Official Statement.

13. The Authority and the County agree to notify the Underwriter of any material adverse change in its business, properties or financial condition occurring before the Closing or within 90 days thereafter that would require a revision of the information in the Official Statement in order to make the representations set forth in Section 8(c) and Section 9(c) hereof true and correct during such period. If, in the reasonable judgment of the Underwriter, such material adverse change requires an amendment or supplement to the Official Statement, then the Authority and the County agree to cooperate with the Underwriter in preparing an amendment or supplement which will adequately disclose the necessary information (the expenses of such amendment or supplement to be paid for by the County).

14. If the Authority and the County shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement, or if the obligation of the Underwriter to purchase and accept delivery of the Series 2016 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Authority nor the County shall be under further obligation hereunder, except that the respective obligations to pay expenses, as provided in Section 18 hereof, shall continue in full force and effect. The Underwriter may, in its discretion, waive any one or more of the conditions imposed by this Bond Purchase Agreement for the protection of the Underwriter and proceed with the Closing.

15. (a)(i) To the fullest extent permitted by applicable law, the Authority agrees to indemnify and hold harmless the Underwriter and the other persons described in subsection (b) below against any and all losses, damages, expenses (including reasonable legal and other fees and expenses), liabilities or claims (or actions in respect thereof), joint or several, to which the Underwriter or the other persons described in subsection (b) below ("Indemnified Parties") may become subject or may be incurred by the Underwriter in connection with the investigating or defending any such losses, claims, damages or actions, whether or not resulting in liability, under any federal or state securities laws or other statutory law or at common law or otherwise, caused by or arising out of or based upon (1) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in the Preliminary Official Statement or the Official Statement relating to the

Authority and the Project (not including information relating to the County contained therein), or caused by any omission or alleged omission from the Preliminary Official Statement or the Official Statement of any material fact relating to the Authority (not including information relating to the County contained therein) required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading or (2) the failure to register the Series 2016 Bonds under the 1933 Act or any state securities laws or the failure to qualify the Indenture under the TIA. Notwithstanding the foregoing, however, the Authority shall not be required to indemnify or hold harmless the Indemnified Parties against any losses, damages, expenses, liabilities or claims arising from the gross negligence or willful misconduct of the party seeking such indemnity.

(ii) To the fullest extent permitted by applicable law, the County agrees to indemnify and hold harmless the Underwriter and the Indemnified Parties against any and all losses, damages, expenses (including reasonable legal and other fees and expenses), liabilities or claims (or actions in respect thereof), joint or several, to which the Underwriter or the Indemnified Parties may become subject or may be incurred by the Underwriter in connection with the investigating or defending any such losses, claims, damages or actions, whether or not resulting in liability, under any federal or state securities laws or other statutory law or at common law or otherwise, caused by or arising out of or based upon any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact relating to the County contained in the Preliminary Official Statement, the Official Statement (other than information relating to the County contained therein), or caused by any omission or alleged omission from the Preliminary Official Statement or the Official Statement relating to the County, of any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, however, the County shall not be required to indemnify or hold harmless the Indemnified Parties against any losses, damages, expenses, liabilities or claims arising from the gross negligence or willful misconduct of the party seeking such indemnity.

(b) The indemnity provided under this Section 14 shall extend upon the same terms and conditions to each officer, director, employee, agent or attorney of the Underwriter, and each person, if any, who controls the Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act. Such indemnity shall also extend, without limitation, to any and all expenses whatsoever reasonably incurred by any Indemnified Party in connection with investigating, preparing for or defending against, or providing evidence, producing documents or taking any other reasonable action in respect of, any such loss, damage, expense, liability or claim (or action in respect thereof), whether or not resulting in any liability, and shall include any loss to the extent of the aggregate amount paid in settlement of any litigation, commenced or threatened, or of any claim whatsoever as set forth herein if such settlement is effected with the written consent of the Authority or the County, as applicable.

(c) Promptly after receipt of notice of any claim or commencement of any action an Indemnified Party under paragraphs (a) and (b) of this Section 14 shall have become aware of a written threat of such action or shall have been served with the summons or other first legal process or shall have received written notice of the threat of a claim in respect of which an indemnity may be claimed, such Indemnified Party shall, if a claim for indemnity in respect

thereof is to be made against the Authority or the County (collectively or in some combination, the “Indemnitors” and each individually an “Indemnitor”) under this Section 14, notify the Indemnitors in writing of the commencement thereof. The Indemnitors shall be entitled to participate at their own expense in the defense, and if the Indemnitors so elect within a reasonable time after receipt of such notice, or all Indemnified Parties seeking indemnification in such notice so direct, the Indemnitors shall assume the defense of any suit brought to enforce any such claim, and in either such case, such defense shall be conducted by counsel chosen promptly by the Indemnitors and reasonably satisfactory to the Indemnified Party; provided however, that, if the defendants in any such action include such an Indemnified Party and any Indemnitor, or include more than one Indemnified Party and any such Indemnified Party shall have been advised by its counsel that there may be legal defenses available to such Indemnified Party that are different from or additional to those available to any Indemnitor or another defendant Indemnified Party, and that in the reasonable opinion of such counsel are sufficient to make it undesirable for the same counsel to represent such Indemnified Party and the Indemnitor(s), or another defendant Indemnified Party, such Indemnified Party shall have the right to employ separate counsel in such action (and the Indemnitors shall not be entitled to assume the defense thereof on behalf of such Indemnified Party), and in such event the reasonable fees and expenses of such counsel shall be borne by the Indemnitors. Nothing contained in this paragraph (c) shall preclude any Indemnified Party, at its own expense, from retaining additional counsel to represent such party in any action with respect to which indemnity may be sought from the Indemnitors hereunder.

(d) If the indemnification provided for in paragraphs (a) and (b) of this Section 14 is unavailable to or insufficient to hold harmless and indemnify any Indemnified Party in respect of any losses, damages, expenses, liabilities, or claims (or actions in respect thereof) referred to therein, then the Indemnitors, on the one hand, and the Underwriter, on the other hand, shall contribute to the amount paid or payable by the Indemnified Party as a result of such losses, claims, damages, expenses, actions or liabilities in such proportion as is appropriate to reflect the relative benefits received by each of the Indemnitors on the one hand and the Underwriter on the other hand from the offering of the Series 2016 Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Indemnitors on the one hand and the Underwriter on the other hand shall contribute to such amount paid or payable by the Indemnified Party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of each of the Indemnitors on the one hand and the Underwriter on the other in connection with the statements or omissions that resulted in such losses, claims, damages, expenses, actions or liabilities, as well as any other relevant equitable considerations.

The relative benefits received by each of the Indemnitors on the one hand and the Underwriter on the other hand shall be deemed to be in such proportion so that the Underwriter is responsible for that portion represented by the percentage that the fee payable to the Underwriter hereunder bears to the aggregate public offering price as described above, and the Indemnitors are responsible for the balance.

The Authority, the County and the Underwriter agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation or

by any other method of allocation that does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an Indemnified Party as a result of the losses, damages, expenses, liabilities, claims or actions referred to in this section shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim.

16. The indemnity and contribution provided by Section 14 hereof shall be in addition to any other liability that the Authority and the County may otherwise have hereunder, at common law or otherwise, and is provided solely for the benefit of the Underwriter and each other Indemnified Party, and their respective successors, assigns and legal representatives, and no other person shall acquire or have any right under or by virtue of such provisions of this Bond Purchase Agreement. The indemnity and contribution provided by Section 14 hereof shall survive the termination or performance of this Bond Purchase Agreement.

17. All of the representations, warranties and agreements of the Authority and the County contained herein shall remain in full force and effect, regardless of (a) any investigation made by or on behalf of any Underwriter, (b) delivery of the Series 2016 Bonds and payment of amounts required hereunder by or for the Authority or (c) any termination of this Bond Purchase Agreement.

18. The “costs of issuance” are the Authority’s expenses and shall be paid from the proceeds of the Series 2016 Bonds. Costs of issuance shall mean all costs of issuing and offering the Series 2016 Bonds including, but not limited to the following: (i) the cost of the preparation, reproduction, printing, distribution, mailing, execution, delivery, filing and recording, as the case may be, of this Bond Purchase Agreement, the Indenture, the Contract, the Disclosure Certificate, the Escrow Deposit Agreement, the Preliminary Official Statement, the Official Statement and all other agreements and documents required in connection with the consummation of the transactions contemplated hereby; (ii) the cost of the preparation, engraving, printing, execution and delivery of the definitive Series 2016 Bonds; (iii) the fees and disbursements of Bond Counsel, Counsel for the Authority and the County, Counsel to the Underwriter and any other experts retained by the Authority or the County, including, but not limited to verification agent, bidding agent, auditors, developers, engineers and architects; (iv) the initial or acceptance fee of the paying agent and the custodians; (v) the cost of obtaining a CUSIP number assignment for the Series 2016 Bonds; (vi) the cost of qualifying the Series 2016 Bonds and determining their eligibility for investment under the laws of such jurisdictions as the Underwriter may designate, including filing fees and fees and disbursements of Counsel to the Underwriter in connection with such qualification and determination; (vii) the cost of validation of the Series 2016 Bonds; (viii) the cost of preparing and publishing all advertisements relating to the Series 2016 Bonds upon commencement of the offering of the Series 2016 Bonds; (ix) any fees charged by any rating agency for any proposed and/or received credit ratings on the Series 2016 Bonds; (x) any fees of the Securities Industry and Financial Markets Association in connection with the issuance of the Series 2016 Bonds; and (xi) the cost of meals and travel of the Underwriter, exclusive of entertainment expenses. Notwithstanding the foregoing, the Underwriter shall pay the fees (if any) of the MSRB.

19. This Bond Purchase Agreement shall inure to the benefit of and be binding upon the Authority, the County and the Underwriter and their respective successors and assigns. Nothing in this Bond Purchase Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and assigns, and the persons entitled to indemnity and contribution under Section 14 hereof, and their respective successors, assigns and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Bond Purchase Agreement or any provision herein contained, except that the representation, warranties, and agreements of the Authority and the County contained in this Bond Purchase Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control the Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act. This Bond Purchase Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors and assigns, and the persons entitled to indemnity and contribution under Section 14 hereof, and their respective successors, assigns and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser who purchases the Series 2016 Bonds from the Underwriter or other person or entity shall be deemed to be a successor merely by reason of such purchase.

20. Any notice or other communication to be given to the Authority or the County under this Bond Purchase Agreement may be given by delivering the same in writing at its address set forth above, and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to:

Stifel, Nicolaus & Company, Incorporated
Merchant Capital Division
One Buckhead Plaza, Suite 1700
3060 Peachtree Road, N.W.
Atlanta, Georgia 30305
Attention: Andrew E. Tritt

21. This Bond Purchase Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Georgia.

22. This Bond Purchase Agreement may be signed in any number of counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

23. The County and the Authority acknowledge and agree that: (i) the primary role of the Underwriter, as an underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the County and the Authority and the Underwriter and the Underwriter has financial and other interests that differ from those of the County and the Authority; (ii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the County or the Authority and has not assumed any advisory or fiduciary responsibility to the County or the Authority with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing

other services to the County or the Authority on other matters); (iii) the only obligations the Underwriter has to the County and the Authority with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement; and (iv) the County and the Authority have consulted their own financial and/or municipal, legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

24. This Bond Purchase Agreement shall become effective upon your acceptance hereof.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: Andrew E. Tritt
Name: ANDREW E. TRITT
Title: DIRECTOR

Accepted and agreed to as
of the date first above
written:

WALTON COUNTY WATER AND SEWERAGE
AUTHORITY

By:  _____
Chairman

Accepted and agreed to as
of the date first above
written:

OCONEE COUNTY, GEORGIA

By: *Melvin Davis*
Chairman

SCHEDULE I

TERMS OF SERIES 2016 BONDS

[SEE ATTACHED]

Optional Redemption

The Series 2016 Bonds maturing on or after February 1, 2027 may be redeemed prior to their respective maturities at the option of the Authority, either in whole or in part, in any order of maturities, on any date not earlier than February 1, 2026 at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2016 Bonds maturing on February 1, 2036, are subject to mandatory sinking fund redemption on February 1, 2028 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 Bond (or portion thereof) to be redeemed plus accrued interest to the date fixed for redemption, in the following principal amounts and on the dates set forth below (the February 1, 2036 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2028	\$25,000
2029	25,000
2030	25,000
2031	25,000
2032	30,000
2033	30,000
2034	30,000
2035	30,000
2036	1,250,000

The Series 2016 Bonds maturing on February 1, 2038, are subject to mandatory sinking fund redemption on February 1, 2037 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 Bond (or portion thereof) to be redeemed plus accrued interest to the date fixed for redemption, in the following principal amounts and on the dates set forth below (the February 1, 2038 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2037	\$1,295,000
2038	1,345,000

Bond Pricing
Walton County Water and Sewerage Authority
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity
Serial Bonds:						
	2/1/2017	100,000	2.000%	0.750%	100.355	
	2/1/2018	465,000	2.000%	0.830%	101.493	
	2/1/2019	475,000	3.000%	0.930%	104.670	
	2/1/2020	490,000	4.000%	1.020%	109.605	
	2/1/2021	515,000	4.000%	1.120%	112.018	
	2/1/2022	530,000	5.000%	1.250%	119.122	
	2/1/2023	560,000	5.000%	1.400%	121.588	
	2/1/2024	585,000	5.000%	1.550%	123.680	
	2/1/2025	615,000	5.000%	1.660%	125.754	
	2/1/2026	645,000	5.000%	1.770%	127.544	
	2/1/2027	375,000	5.000%	1.860%	126.662 C	2.104%
		5,355,000				
2036 Term Bond:						
	2/1/2036	1,470,000	4.000%	2.730%	110.351 C	3.272%
2038 Term Bond:						
	2/1/2038	2,640,000	4.000%	2.770%	110.007 C	3.339%
		9,465,000				

Dated Date	10/18/2016	
Delivery Date	10/18/2016	
First Coupon	2/1/2017	
Par Amount	9,465,000.00	
Premium	1,351,577.45	

Production	10,816,577.45	114.279741%
Underwriter's Discount	-70,987.50	-0.750000%

Purchase Price	10,745,589.95	113.529741%
Accrued Interest		

Net Proceeds	10,745,589.95	

EXHIBIT A TO BOND PURCHASE AGREEMENT
(LETTERHEAD OF BOND COUNSEL)

October 18, 2016

Walton County Water and Sewerage Authority Regions Bank
Loganville, Georgia Atlanta, Georgia

Oconee County, Georgia
Watkinsville, Georgia

Stifel, Nicolaus & Company, Incorporated
Atlanta, Georgia

Re: \$9,465,000 Walton County Water and Sewerage Authority Revenue Bonds,
 Series 2016

To the Addressees:

We have acted as Bond Counsel to the Walton County Water and Sewerage Authority (“Authority”) in connection with the issuance of the above-captioned revenue bonds (collectively, the “Series 2016 Bonds”). Terms used and not otherwise defined herein shall have the meaning set forth in the Official Statement (hereinafter defined).

In our capacity as Bond Counsel, we have examined the Preliminary Official Statement, dated September 6, 2016 (the “Preliminary Official Statement”) and the Official Statement, dated September 13, 2016 (the “Official Statement”), relating to the Series 2016 Bonds, and such other documents, instruments and certificates of public officials as we have considered necessary or appropriate to enable us to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate.

Based upon the examinations, certificates and provisions referred to above, we are of the opinion, as of the date hereof and under existing law, as follows:

- (1) No registration of the Series 2016 Bonds under the Securities Act of 1933, as amended and no qualification of the Indenture under the Trust Indenture Act of 1939, as amended, is required in connection with sale of the Series 2016 Bonds to the public.

- (2) We have reviewed the portions of the Preliminary Official Statement and the Official Statement appearing under the captions “INTRODUCTION – Security and Sources of Payment for the Series 2016 Bonds, - Description of the Series 2016 Bonds

(except for the information under the caption “Book-Entry Bonds”), - Tax Exemption and –Legal Authority for Issuance,” “DESCRIPTION OF THE SERIES 2016 BONDS” (except for the information under the captions “- Book-Entry System of Registration and – Principal and Interest Requirements”), “SECURITY AND SOURCE OF PAYMENT OF THE SERIES 2016 BONDS,” “LEGAL MATTERS – Opinion of Bond Counsel,” and in Appendices B, C and D and are of the opinion that the statements made under such captions and in such Appendix fairly summarize the matters purported to be summarized therein. In our capacity as Bond Counsel in connection with the issuance of the Series 2016 Bonds, we express no further opinion regarding the accuracy, completeness or sufficiency of the Official Statement for any purpose.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and/or assigns and may not be relied upon for any other purpose or by any other person for any purpose without our prior written consent. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

GRAY PANNELL & WOODWARD LLP

By: _____
A Partner

EXHIBIT B TO BOND PURCHASE AGREEMENT
(LETTERHEAD OF COUNSEL TO THE AUTHORITY)

October 18, 2016

Walton County Water and Sewerage Authority Athens, Georgia	Stifel, Nicolaus & Company, Incorporated Atlanta, Georgia
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Oconee County, Georgia Watkinsville, Georgia	Gray Pannell & Woodward LLP Atlanta, Georgia
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Regions Bank
Atlanta, Georgia

Re: \$9,465,000 Walton County Water and Sewerage Authority Revenue Bonds
(Oconee-Hard Labor Creek Reservoir Project), Series 2016

To the Addressees:

We have acted as counsel to the Walton County Water and Sewerage Authority (the “Authority”) in connection with the issuance by the Authority of the above-captioned revenue bonds (collectively, the “Series 2016 Bonds”). In this capacity, we have examined such matters of law, documents, instruments and proceedings of the Authority as we have considered necessary to render the opinions set forth below, including but not limited to the following:

(i) the Constitution and laws of the State of Georgia, including specifically Acts of the General Assembly of the State of Georgia creating the Authority (Ga. L. 1972, p. 3623, *et seq.*), as amended (the “Act”);

(ii) the bond resolution adopted by the Authority on September 13, 2016 (the “Bond Resolution”);

(iii) the Trust Indenture, dated as of April 1, 2008, as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2008, as supplemented by a Second Supplemental Trust Indenture, dated as of July 1, 2015, and as supplemented by a Third Supplemental Trust Indenture, dated as of October 1, 2016 (as supplemented, the “Indenture”), each between the Authority and Regions Bank, as trustee (the “Trustee”);

(iv) the Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of October 1, 2007, as supplemented by a First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008, as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015, and as supplemented by a Third Supplement to Intergovernmental Contract-Reservoir

Project, dated as of October 1, 2016 (as supplemented, the “Contract”), each between the Authority and Oconee County, Georgia (the “County”);

(v) the Bond Purchase Agreement, dated September 13, 2016 (the “Bond Purchase Agreement”), among the Authority, the County and Stifel, Nicolaus & Company, Incorporated, as underwriter;

(vi) the Escrow Deposit Agreement, dated as of October 18, 2016 (the “Escrow Deposit Agreement”), between the Authority and Regions Bank, as escrow agent;

(vii) the Intergovernmental Reservoir and Water Supply and Treatment Agreement, dated as of September 1, 2007 (the “Water Supply Agreement”), among the Authority, the County and Walton County, Georgia;

(viii) the Preliminary Official Statement of the Authority, dated September 7, 2016 (the “Preliminary Official Statement”) and the Official Statement of the Authority, dated September 13, 2016 (the “Official Statement”);

(ix) a certified copy of the transcript of the validation proceeding concluded in the Superior Court of Walton County, Georgia, relating to the Series 2016 Bonds; and

(x) a financing statement covering the Trust Estate filed in the UCC records in the County (the “Financing Statement”)

We have also examined and relied upon the original, certified, conformed or photographic copies of such other documents, records, agreements and certificates as we have considered necessary or appropriate to enable us to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate.

In connection with rendering this opinion, we have not been engaged to undertake, nor have we undertaken, any investigation as to (i) the exclusion of interest on the Series 2016 Bonds from gross income for federal income tax purposes and (ii) the exclusion of interest on the Series 2016 Bonds from gross income for state of Georgia income taxation purposes, and we express no opinion herein with respect thereto.

All terms used but not defined herein shall have the meanings assigned to them in the Official Statement.

Based on the foregoing, we are of the opinion that as of this date:

(1) The Authority is a duly created and validly existing public body corporate and politic of the State of Georgia with full power and authority and all licenses and

permits required to (i) adopt the Bond Resolution, (ii) issue, execute, deliver and perform its obligations under the Series 2016 Bonds; (iii) execute, deliver and perform its obligations under the Bond Purchase Agreement, the Indenture, the Contract, the Water Supply Agreement and the Escrow Deposit Agreement (collectively, the “Authority Documents”); (iv) execute and deliver the Official Statement; and (v) carry out and consummate all of the transactions contemplated on its part by the Authority Documents and the Official Statement.

(2) The Bond Resolution has been duly adopted, has not been modified or amended since its adoption and remains in full force and effect.

(3) The Series 2016 Bonds have been duly authorized, executed and delivered by the Authority, and the Series 2016 Bonds constitute legal, valid and binding limited obligations of the Authority enforceable in accordance with their terms.

(4) The Authority Documents have been duly authorized, executed and delivered by the Authority, and, assuming that they are the respective legal, valid, binding and enforceable obligations of the other parties thereto, constitute legal, valid and binding obligations of the Authority, legally enforceable against the Authority in accordance with their respective terms.

(5) The Indenture creates a lien on the Trust Estate. The Financing Statement has been properly filed, and there are no other financing statements of record covering the collateral referred to in the Financing Statement.

(6) The use and distribution of the Preliminary Official Statement and the Official Statement and the execution and distribution of the Official Statement have been duly authorized by the Authority. The Official Statement has been duly executed and delivered by the Authority.

(7) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the best of our knowledge, threatened against or affecting the Authority (or, to the best of our knowledge, any meritorious basis therefor) (a) attempting to limit, enjoin or otherwise restrict or prevent the Authority from functioning or contesting or questioning the existence of the Authority or the titles of the present officers of the Authority to their offices; or (b) wherein an unfavorable decision, ruling or finding would adversely affect the (i) powers of the Authority or the validity or enforceability of the Series 2016 Bonds or the Authority Documents, (ii) financial condition of the Authority or (iii) the transactions contemplated by the Authority Documents and the Official Statement.

(7) The adoption of the Bond Resolution, the issuance, execution, delivery and performance of its obligations under the Series 2016 Bonds, the execution, delivery and performance of its obligations under the Authority Documents, the execution and delivery of the Official Statement, the refunding of the Refunded Bonds and the carrying out and consummation of the transactions contemplated on its part by the Authority

Documents and the Official Statement will not conflict with or constitute on the part of the Authority a violation of, breach of or default under (i) the Act, its by-laws or any other governing instrument, (ii) any indenture, mortgage, lease, resolution, note, agreement or other agreement or instrument to which the Authority is a party or by which the Authority or its property is bound, or (iii) any constitutional provision, statute, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Authority or its property; provided, however, we express no opinion as to compliance with the securities or “Blue Sky” laws of any jurisdiction.

(8) All consents, approvals, authorizations, permits and orders of governmental or regulatory authorities, if any, that are required to be obtained by the Authority as of this date in connection with the adoption of the Bond Resolution and the performance of its obligations thereunder, the issuance, execution, delivery and performance by the Authority of its obligations under the Series 2016 Bonds, the execution, delivery and performance of its obligations under the Authority Documents, the execution and delivery of the Official Statement and the carrying out and consummation of the transactions contemplated on its part by the Authority Documents and the Official Statement have been duly obtained and remain in full force and effect, except that no representation is made as to compliance with any applicable state securities or “Blue Sky” laws.

(9) Based on our examination and our participation at conferences at which the Preliminary Official Statement and the Official Statement was discussed, we have no reason to believe that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for the information related to the County and the financial statements and other financial and statistical data included therein, as to which we express no opinion).

The enforceability of the Series 2016 Bonds and the Authority Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors’ rights generally or principles of equity applicable to the availability of specific performance or other equitable relief.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and assigns and may not be relied upon by any other person for any purpose without our prior written consent in each instance. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

ATKINSON FERGUSON, LLC

By: _____
A Partner

EXHIBIT C TO BOND PURCHASE AGREEMENT
(FORM OF OPINION OF COUNSEL TO OCONEE COUNTY)

October 18, 2016

Walton County Water and Sewerage Authority Stifel, Nicolaus & Company, Incorporated
Athens, Georgia Atlanta, Georgia

Oconee County Board of Commissioners Gray Pannell & Woodward, LLP
Watkinsville, Georgia Atlanta, Georgia

Regions Bank
Atlanta, Georgia

Re: \$9,465,000 Walton County Water and Sewerage Authority Revenue Bonds
(Oconee-Hard Labor Creek Reservoir Project), Series 2016

To the Addressees:

I have acted as counsel to Oconee County, Georgia (the “County”) in connection with the issuance by the Walton County Water and Sewerage Authority (the “Authority”) of the above-captioned revenue bonds (collectively, the “Series 2016 Bonds”). In this capacity, I have examined such documents, instruments and proceedings of the County as I have considered necessary to render the opinions set forth below, including, but not limited to, the following:

- (i) the resolution adopted by the County on September 13, 2016 (the “County Resolution”);
- (ii) the Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of October 1, 2007, as amended by a First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008, as amended by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015, and as amended by a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (as so amended, the “Contract”), each between the Authority and the County;
- (iii) the Bond Purchase Agreement, dated September 13, 2016 (the “Bond Purchase Agreement”), among the Authority, the County and Stifel, Nicolaus & Company, Incorporated, as underwriter;
- (iv) the Intergovernmental Reservoir and Water Supply and Treatment Agreement, dated as of September 1, 2007 (the “Water Supply Agreement”), among the Authority, the County and Walton County, Georgia;

(v) the Continuing Disclosure Certificate, dated September 13, 2016 (the “Disclosure Certificate”), executed by the County; and

(vi) the Preliminary Official Statement, dated September 7, 2016 (the “Preliminary Official Statement”) and the Official Statement, dated September 13, 2016 (the “Official Statement”), relating to the Series 2016 Bonds.

I have also examined and relied upon the original, certified, conformed or photographic copies of such other documents, records, agreements and certificates as I have considered necessary or appropriate to enable us to render the opinions expressed herein. In all such examinations, I have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, I have assumed the same to have been properly given and to be accurate.

All capitalized terms used but not defined herein shall have the meanings assigned to them in the Official Statement.

In connection with rendering this opinion, I have not been engaged to undertake, nor have I undertaken, any investigation as to (i) the exclusion of interest on the Series 2016 Bonds from gross income for federal income tax purposes and (ii) the exclusion of interest on the Series 2016 Bonds from gross income for state of Georgia income taxation purposes, and I express no opinion herein with respect thereto.

Based on the foregoing, I am of the opinion that as of this date:

(1) The County is a political subdivision of the State of Georgia, duly created and validly existing with full power and authority to (i) adopt the County Resolution; (ii) own and operate the County System; (iii) execute, deliver and perform its obligations under the Contract, the Water Supply Agreement, the Disclosure Certificate and the Bond Purchase Agreement (collectively, the “County Documents”); (iv) execute and deliver the Official Statement; and (v) carry out and consummate all of the transactions contemplated on its part by the Contract and by the Official Statement.

(2) The County Resolution has been duly adopted, has not been modified or amended since its adoption and remains in full force and effect.

(3) The County Documents have been duly authorized, executed and delivered by the County, and, assuming that they are the respective legal, valid, binding and enforceable obligations of the other parties thereto, constitute the legal, valid and binding obligations of the County, legally enforceable against the County in accordance with their respective terms.

(4) The use and distribution of the Preliminary Official Statement and the Official Statement and the execution and distribution of the Official Statement have been

duly authorized by the County. The Official Statement has been duly executed and delivered by the County.

(5) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the best of my knowledge, threatened against or affecting the County (or, to the best of my knowledge, any meritorious basis therefor) (a) attempting to limit, enjoin or otherwise restrict or prevent the County from functioning or contesting or questioning the existence of the County or the titles of the present officers of the County to their offices; or (b) wherein an unfavorable decision, ruling or finding would adversely affect the (i) powers of the County or the validity or enforceability of the County Documents, (ii) financial position of the County or (iii) transactions contemplated by the County Documents and by the Official Statement.

(6) The adoption of the County Resolution, the execution, delivery and performance of its obligations under the County Documents, the execution and delivery of the Official Statement and the carrying out and consummation of the transactions contemplated on its part by the County Documents and by the Official Statement will not conflict with or constitute on the part of the County a violation of, breach of or default under (i) any governing instrument, (ii) any indenture, mortgage, lease, resolution, note agreement or other agreement or instrument to which the County is a party or by which the County or its property is bound, or (iii) any constitutional provision, statute, order, rule or regulation of any court or governmental agency or body having jurisdiction over the County or its property; provided, however, I express no opinion as to compliance with the securities or “Blue Sky” laws of any jurisdiction.

(7) All consents, approvals, authorizations, permits and orders of governmental or regulatory authorities, if any, that are required to be obtained by the County as of this date in connection with the execution, delivery and performance by the County of its obligations under County Documents and the carrying out and consummation of the transactions contemplated on its part by the Contracts and the Official Statement have been duly obtained and remain in full force and effect, except that no representation is made as to compliance with any applicable state securities or “Blue Sky” laws.

(8) Based on my examination and my participation at conferences at which the Preliminary Official Statement and the Official Statement was discussed, I have no reason to believe that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for the information with respect to the Authority, the other County and the financial statements and other financial and statistical data included therein, as to which I express no opinion).

The enforceability of the Series 2016 Bonds and the County Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium or other similar laws

affecting the enforcement of creditors' rights generally or principles of equity applicable to the availability of specific performance or other equitable relief.

I am a member of the State Bar of Georgia. My opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and assigns and may not be relied upon by any other person for any purpose without my prior written consent in each instance. I expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

Daniel C. Haygood, Esq.

EXHIBIT D

[Opinion of Disclosure Counsel]

October 18, 2016

Stifel Nicolaus & Company, Inc.
Atlanta, Georgia

Re: \$9,465,000 Walton County Water and Sewerage Authority Revenue Bonds
(Oconee-Hard Labor Creek Reservoir Project), Series 2016

To the Addressee:

We have acted as disclosure counsel for the Walton County Water and Sewerage Authority (the "Authority") in connection with the issuance of the above-referenced bonds (the "Series 2016 Bonds"). Terms used and not otherwise defined herein shall have the meaning set forth in the Official Statement hereinafter referred to.

In such capacity, we have examined the Preliminary Official Statement, dated September 7, 2016 and the Official Statement, dated September 13, 2016 with respect to the Series 2016 Bonds (together, the "Official Statement"), the Indenture, the Contract, the Bond Purchase Agreement, the Escrow Deposit Agreement, the Disclosure Certificate and such other documents as we have deemed necessary as a basis for the opinions hereinafter expressed. In all such examinations, we have assumed the conformity to original documents of all documents submitted to us as certified or photostatic copies, the authenticity of all documents submitted to us as original documents and the authenticity of originals of all documents submitted to us as certified or photostatic copies.

In accordance with our understanding with the Authority, we have rendered legal advice and assistance to the Authority in the course of the Authority's investigation pertaining to, and the Authority's participation in the preparation of, the Official Statement. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal matters and the review of the documents referred to above. We have also participated in conferences with representatives with the Authority, and its counsel, and representatives of the Underwriter, during which the contents of the Official Statement and related matters were discussed and reviewed. The limitations inherent in the independent verification of factual matters and the character of determinations involved in the preparation of the Official Statement are such, however, that we do not assume responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement.

While we have not otherwise undertaken to verify, and do not pass upon or otherwise assume any responsibility for, the accuracy or completeness of the information contained in the

Official Statement, nothing has come to our attention during the course of our representation of you as described above which would lead us to believe that the Official Statement (except for financial statements and notes thereto, and financial and statistical data included in the Official Statement, as to which no view is expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Based on our review of the Disclosure Certificate, dated as of September 13, 2016 between the County and Digital Assurance Certification, L.L.C. (DAC), as dissemination agent: (the “Continuing Disclosure Agreement”) and Section 240.15c2-12 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (“Rule 15c2-12”), we are of the opinion that the Continuing Disclosure Agreement will permit you to comply with clause (b)(5) under Rule 15c2-12 in connection with the primary offering of the Series 2016 Bonds.

We have participated in conferences with your representatives and representatives of the Authority and the County during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed and reviewed. The limitations inherent in the independent verification of factual matters and the character of determinations involved in the preparation of the Preliminary Official Statement and the Official Statement are such, however, that we do not assume responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or in the Official Statement.

On the basis of the information that was developed in the course of the performance of the services referred to above, considered in light of our understanding of the applicable law and the experience we have gained through our practice thereunder, we advise you that nothing came to our attention that caused us to believe that the Preliminary Official Statement or Official Statement (other than the statistical and financial data included therein and the financial statements and related notes and schedules attached thereto as Appendix A, and the information appearing under the captions “THE SERIES 2016 BONDS - Book-Entry System of Registration” and Appendix A, as to which we express no view) as of the date thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading

This letter is delivered to and for the sole benefit of you as the Underwriter and is delivered solely for your consideration in conjunction with the initial purchase and resale of the Series 2016 Bonds by the Underwriter on or about this date. This letter may not be utilized by the Underwriter for any other purpose whatsoever and may not be quoted or distributed by the Underwriter without our express prior written consent in each instance. No persons other than the Underwriter may rely upon this letter without our express prior written consent. We assume no obligation to review or supplement this letter subsequent to its date, whether by reason of a change in facts or circumstances or a change in current law, by legislative or regulatory action, by judicial decision or for any other reason.

Very truly yours,

GRAY, PANNELL & WOODWARD LLP

By: _____
A Partner